An Appraisal of Open System Business Policy Model in the

Management of Mission Hospitals in the South East Nigeria

Rev. Fr .Dr. IGWE, Anthony and CHUKWU, Benjamin (PhD) Telephone numbers: 08037113894 and 08035444135 Department of Management, University Of Nigeria, Enugu Campus, Nigeria E mail of correspondence authors: aniagbaosoudu@yahoo.com and benjaminichukwu@yahoo.com

Abstract

The study on the appraisal of open system business policy model in the management of mission hospitals in the South East Nigeria was guided by three key objectives from which appropriate research hypotheses were formulated. Survey design was adopted. The research instrument was questionnaire. The population of the study was 6000 staff of the 27 selected mission hospitals drawn from 57 registered mission hospitals in the five states of South East Nigeria. A sample size of 375 was determined using Taro Yamane's formula. Cronbach Alpha was used in testing the validity and the reliability of the research instrument. The result was 0.98 indicating a high degree of relationship. The hypotheses were tested a 0.05 level of significance using the using parametric and non parametric statistical techniques. Findings reveal that the quality of service to patients in the mission hospitals to a large extent is contingent on having appropriate equipment, competent doctors and availability of drugs as contained in the open business policy model. With appropriate implementation of open system business policy model as was identified in this work – quality of service and high performance management will be assured. **Keywords:** Open System, Model, Policy, Service Quality, Competitiveness

1. Introduction

The current state of the Nigerian health system is quite worrisome; our health indicators and statistics are abyssal. The nation is yet to make any significant improvement in the area of maternal and child health, life expectancy of our men and women falls below 50 years; and doctor to population ratio is 3 per 10,000. The scourge of malaria, tuberculosis and acquired immune deficiency syndrome (AIDS) is not abating. Access to safe, clean water in our cities and villages is to say the least poor. Top on this, is the man-made carnage from road traffic accidents which kills many people at the prime of their lives (Osemwota, 2001).

It is no longer a secret that Nigeria is at a significant risk of not meeting the Millennium Development Goals (MDGs) number four (4) and five (5) which call for reduction in mortality rate by two-third, by the year 2015,of children under the age of five and by three-quarter in 2015,of the maternal mortality ratio, respectively. In fact, meeting the overall target of the MDGs in 2015 is still a mirage. Statistics has proved that every day in Nigeria; about 720 babies die (around 30 every hour). This is the highest number of new born death in Africa and the second highest in the world (Chukwu, 2011).

The erosion of confidence in the public health system, arising from mismanagement, poor development and implementation of business policies, had contributed to the growth of the private sector in general, and the rise in the informal private sector as a source of treatment in particular (Hanson, Goodman, Meek and Mills, 2008). Patients often resort to the unregulated private healthcare providers, where treatment may be inappropriate but at lower cost (Onwujekwe, 2005).

It is against this background that many Christian churches in the south-east Nigeria sought to address these challenges in the public health sector. The church is concerned about the physical health of man as she is about the soul. For man to be saved means that man is fully alive, in his totality, body and soul. Therefore, as the continuation of the saving and healing ministry of Jesus and as an active response to Jesus' own mission: that the blind see, the lame walk, those suffering from sickness are healed (Mt. 11:4 - 5). Mission hospitals seek to bring consolation and hope to the sick, to give a new meaning to the suffering, while invoking the mercy of Jesus; the comforter and healer per excellence.

Statement of Problem

There is a growing concern about the poor management of health institutions by both private and public health care providers in Nigeria. The quality of services provided in these hospitals is so poor that most Nigerians who have the means prefer to be treated abroad and many other poor Nigerians resign to their fate. The Mission hospitals established generally to cover the shortfall or inadequacies in public health care sector are not able to perform to optimum level expected of them.

Experience has proved that this gap in performance is basically a management problem. This is sequel to

the kind of business policy models that are operative in such health care institutions. Some of these mission hospitals adopt policies that do not improve all round interaction between the employees, management, government and other stakeholders. Gap in communication often breeds misconceptions, distrust, rumours and low staff morale that can in turn lead to labour unrest and low work output. Thus, the study focuses on an appraisal of open system business policy model in the management of mission hospitals in the South East Nigeria.

Objectives of the Study

The study has the main thrust of critically appraising open system business policy model in the management of mission hospitals with a view to achieving the following specific objectives:

- 1. To ascertain the extent to which the quality of service to patients in the mission hospitals is contingent on having appropriate open system business policy model.
- 2. To examine the extent to which open system business policy model can promote competitiveness in the management of mission hospitals.
- 3. To determine the greatest challenge of adopting open business business policy model in the management of mission hospitals

Research Hypotheses

1, Ho The quality of service to patients in the mission hospitals is not significantly contingent on having appropriate open business policy model.

 H_1 . The quality of service to patients in the mission hospitals is significantly contingent on having appropriate open business policy model.

2, Ho Open system business policy model does not significantly promote competitiveness in the management of mission hospitals.

 H_1 . Open system business policy model significantly promotes competitiveness in the management of mission hospitals.

3, Ho. Environmental turbulence and uncertainties do not significantly constitute challenge to the adoption of business policy models in mission hospitals.

 H_1 Environmental turbulence and uncertainties significantly constitute challenge to the adoption of business policy models in mission hospitals.

2 Review of the Related Literature

THEORETICAL FRAMEWORK

This study is guided by:*

Open System Model

Open System Model

In 1960s, it was realized that closed systems model was no longer tenable (Morgan, 2006). The fact that organizations exchange resources with their environment is incompatible with the assumption in the closed systems model of lack of interaction and interdependence between the system and its environment. This realization could possibly be explained by the increase in the complexity and dynamism of the environment (e.g. technological, social, economic, and political) and the impact of these changes on organizations required organizational theorists to rethink the validity of the previous model and its assumptions. This led to the inception of a new generation of theories, which were based on the open systems model, that were dominant during the 1960s and through the 1970s (Daft, 2007). Two early pioneers of open systems business theory were Daniel Katz and Robert Kahn, who in their book, "The Social Psychology of Organizations," argued that a closed-system approach fails to recognize organizations' dependence on the external environment (Robbins, 2003).

The interaction with the outside environment implies that open systems need to be able to adapt to the changes that occur in their environment. An organization that is not able to adapt to change will eventually fail to compete and will die in the long run, or in organizational times of bankruptcy (Bertalanffy, 1951).

Service Quality and Open Business Policy in Hospitals

According to Lewis and Booms (1983), service quality is a measure of the degree to which the service delivered matches customer expectations. Delivering quality service means conforming to customer expectations on a consistent basis. The primary objective of the service provider is identical to that of the tangible goods producer, i.e. to develop and provide offerings that satisfy customer needs, thereby ensuring their own economic survival. To achieve this objective, service providers will need to understand how customers evaluate the quality of their service offerings, how they choose one organization in preference to another and on what basis they give their long-term patronage.

Customers commonly desire personalized and close relationships with service providers (Parasuraman et al., 1991c); moreover, customers value the benefits of maintaining the relationship (Zeithaml et al., 1996). It has become increasingly important for service organizations' vision to conceptualize the service concept beyond the short-term financial goal to the long-term 'relational value'. The relational value paradigm (between: customer

and employee; customer and service organization; employee and service organization; service provider and service intermediaries) has now become more important than ever before. A remarkably clear changing philosophy behind service quality is lucidly apparent from almost all leading service organizations. The concept of loyalty and the interdependent partnership has gained notable recognition among both academics and leading service organizations.

It is suggested that today's proactive hospital organizations operate on two fundamental strategies:

(1) To exceed the expectations of patients by anticipating their needs and subsequently surprising and/or delighting them.

(2) To maintain a long-lasting relationship with patients by offering loyal service.

The quality of service – both technical and functional – is a key ingredient in the success of service organizations (Gronroos, 1984). Technical quality in health care is defined primarily on the basis of the technical accuracy of the diagnosis and procedures. Functional quality, in contrast, relates to the manner of delivery of health-care services (Bopp, 1990).

Numerous studies have shown that provision of high-quality services is directly related to increase in profits, market share, and cost savings (Devlin and Dong, 1994). With competitive pressures and the increasing necessity to deliver patient satisfaction, the elements of quality control, quality of service, and effectiveness of medical treatment have become vitally important (Friedenberg, 1997).

Despite the consensus that patient satisfaction in services is important for quality assurance in medical services and hospitals (Laslett, 1994), there is a dearth of empirical information on consumers' acceptance of health-care practices. In particular, no comprehensive study of this subject has been conducted in Nigeria. Given the rapid changes in the Nigeria health-care environment; increasing competitiveness in the health-care industry, and an increasing awareness by patients of customer satisfaction. There is serious need to incorporate open system business policy model in hospitals in order to encourage interaction between the hospital internal environment.

Competitiveness in Management Of Mission Hospitals

One of the greatest challenges facing hospital organizations today is the ever-growing competition, the continuous increase in patients expectation (Joseph and Walker, 1988; Leonard and Sasser, 1982; Takeuchi and Quelch, 1983) and patients' subsequent demands as service improves (Ettorre, 1994). Moreover, patients are becoming increasingly critical of the quality of service they experience (Albrecht and Zemke, 1985a). Patients demand and competition are forcing hospital organizations to cut loose from the traditional patients' satisfaction paradigm, to adopt proactive strategies which will assist them to take the lead in the market-place.

One strategy which has gained momentum, in services, is the concept of quality and quality management. According to Berry et al. (1988), service quality has become a great differentiator and the most powerful competitive weapon which many leading service organizations possess. Service business success has been associated with the ability to deliver superior service (Gale, 1990; Rudie and Wansley, 1984). Delivering superior service by maintaining high quality is a prerequisite for success (Parasuraman et al., 1988). Leading service organizations strive to maintain a superior quality of service in an effort to gain customer loyalty (Zeithaml & Bitner, 1996); thus, a service organization's long-term success in a market is essentially determined by its ability to expand and maintain a large and loyal customer base. Moreover, the yardstick by which an exceptional service organization may be measured is its returning customer ratio: the loyal customer base. Evaluating the impact of service quality through customer retention will help companies to gauge the financial impact of service quality (Zeithaml et al., 1996).

The customer's perception of quality of service is based on the degree of concordance between expectations and experience. Where comparability is apparent, the customer is deemed to be satisfied; however, in many cases, this will not be enough to create a competitive advantage. More and more, there is a need to offer superior service (Parasuraman, 1995) and to exceed customer expectations (Berry and Parasuraman, 1991; Klose, 1993; Wren, 1988) to delight the customer, as opposed to merely satisfying his/her needs (Brown et al., 1992; Timmers and Van der Wiele, 1990).

Environmental Analysis and Challenges Of Adopting Open System Business Policy Models In Mission Hospitals

Internal and External Environmental Analyses

In a broad sense the environment is infinite and includes everything outside the organization. Organizational environment is defined as all elements that exist outside the boundary of the organization and have the potential to affect all or part of the organization.

Most definitions of the hospital (business) environment reflect the fact that the business environment comprises all forces of factors that are external to the organization and that are likely to affect its organization.

Churchman (1968) defines environment as something that lies outside the organization or system. He says "the environment of the system is what lies outside of the system ... not only is the environment something that

is outside the system's control, but it is also something that determines in part how the system performs". Churchman from his definition maintains that the environment is a fixed constraint for the organization since the organization cannot control it nor do anything about it but at the same time the environment matters for the organization relative to the attainment of its objectives.

Farnhain (1994) sees the external organization environment as all elements existing outside the boundary of the organization that have the potential to affect the organization. Kazimi (2005) characterizes the environment as being complex, dynamic, multifaceted and having far reaching effects and these characteristics makes it imperative that any organization that wishes to survive for a long time must take the environment very serious.

According to the Hicks and Gullet (1987) environmental factors affect an organization in two ways they set limits and they provide opportunities and challenge. The limits and challenges could be seen as sources of threats to the organizations. The relationship between the organization and its environment is that of mutual dependency. The organization depends on the external environment for sources and the external environment depends in the organizations for products and services.

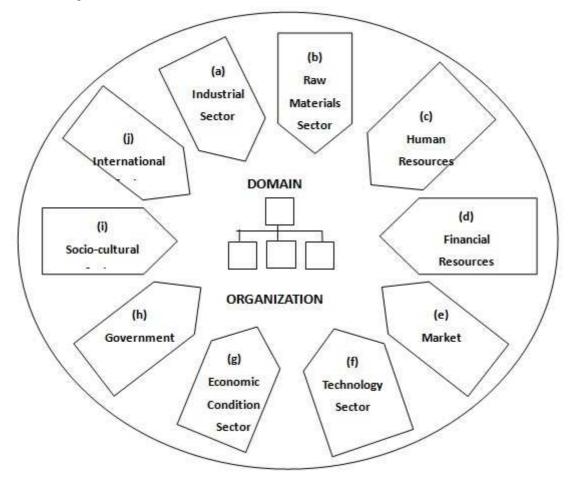


Figure 1: An Organization's Environment

Source: Lynch, J.J. (1997) Customer Loyalty and Success in an Environment, London: MacmillanPress For most organizations, the external environment of an organization can be further divided into the micro (task) environment and the macro (general environment).

Micro Environment: the micro environment is also known as the task environment and operating environment because the micro environmental forces have a direct bearing on the operation of the firm (Johnson, 2000). The micro environment consists of the actors in the organization's immediate environment that affects the performance of the organization.

Macro Environment (General Environment) The macro environment includes those sectors that may not have a direct impact on the daily operations of a firm but will indirectly influence it. The macro environment often includes the government, socio-cultural, economic conditions, technology, and financial resources sectors. These sectors affect all organizations eventually.

Lynch (1997) identifies external environmental factors that affect a business environment in what he refers to as PEST analysis. (PEST is an acronym for political, economic, socio – cultural and technological components of the environment). Other factors he highlighted using the analysis of Porter's five forces model include: sup-

pliers, substitutes, buyers, potential new entrants, industry competitors and customers.

Characterizing the Hospital (Business) Environment

Health care leaders and analysts typically described the health care environment as dynamic, complex and highly uncertain. Descriptions of the health care environment as increasingly uncertain and turbulent are almost a requisite prelude (Braun, 2010) Richardson and Schneller (2010) described the "complexity and Chaos of the health system" Stefl (2002) argues that in health care, "change has been swift and often unpredictable". It is typical to read such expressions in health care journals and to hear them from health care leaders. Health care management text book do not escape this trend, beginning with introduction, that highlights "discontinuous change, characterized by turbulence, volatility and uncertainty and argue that "health care environment has shifted from a level of reasonable predictability to one that is unpredictable and highly volatile (Richardson 1999).

Environmental turbulences attributed to the increasing rate of changes and to the drastic nature of many of these, specifically those related to technology, that make increasingly difficult to identify causes or predict results of competitive initiatives with reasonable certainty (Bower and Christensen, 1995; D'Aveni, 1994)

Ansoff (1988) introduces the concept of environmental turbulence to describe the different environments. He classified the different environments in which firms operate into five distinct turbulent levels. At one extreme, the stable, placid environment where nothing changes; at the other is the creative environment, characterized by major technological breakthrough and social political upheavals. Most health care institutions in Nigeria operate in the forth level of Ansoff turbulence level, this level according to Ansoff is characterized by discontinuous environment.

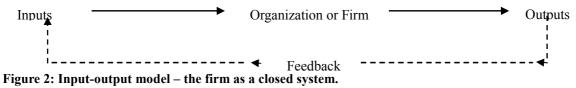
Environmental Uncertainty

How does the environment influence an organization? Most health care leaders and analysts perceive themselves as working in or studying a sector that is unpredictable and turbulent, as well as complex and confusing, "uncertainty" is one of several terms often used to describe this critical feature of the health care environment. This discussion is confined to the concept of uncertainty to be more specific about its definition and to advance the discussion toward empirical research.

The manner in which the health care environment is perceived and characterized is important for several reasons. In general, better organizational performance has been associated with a greater match between perceived and objective environments (Begun and Kaissi, 2004). Structural contingency theory argues that organizations able to respond appropriately to varying levels of environmental uncertainty will be more effective (Begun and Kaissi, 2004). Shortell et al (2000) argue that higher-performing health care delivery organizations are those that are, among other characteristics, able to perceive and manage uncertainty and ambiguity in their environments. More specifically, perceived environmental conditions are related to choice of organizational structures

A good hospital management is dependent on the ability to deal simultaneously with many elements, of the hospital environment. Many of the critical elements exist within the hospital, however external environmental factors have assumed greater influence in organizational decisions (Tate and Taylor, 2000). A hospital that has achieved a fit with it environment is far more likely to be successful.

Scholars and business executives have dealt with the business environment almost entirely from an internal view part. Their orientation can be described as closed systems theory and frequently is depicted by an input-output model as in figure 2.6.7 this model portrays the interactions and interrelationship that occur within the hospital. The model is based on the belief that these internal matters primarily determined the success of the firm. The employees, management group, equipment and financing together produced a product or service.



Source: Tate and Taylor (2000) Business policy: Administrative, strategic, and constituency Issues.

Looking at the relationship between the internal and external environment is referred to as an open system. This orientation is similar to what is shown in figure 2.3, but with an important difference. The open-systems view-point depicted in figure 2.4 recognizes the complex relationships between the inputs-processing (internal environment), output system and the external environments. Managements are called upon to function within this spectrum of environments.

A number of general environmental characteristics have critical impact in organizations, including;

- 1. The rate of change
- 2. The degree of uncertainty (or predictability of the direction of change) and

3. The degree of heterogeneity across environments with which a firm deals (Raymond,2002)

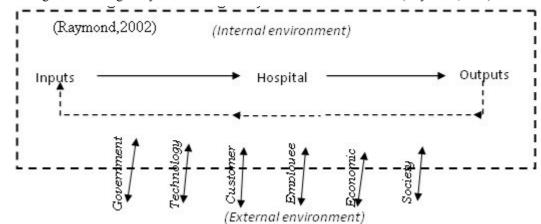


Figure 3: The Firm as an Open System

Source: Tate and Taylor (2000) Business policy: Administrative, strategic, and constituency Issues.

William (2002) suggests that finding boundaries of an organization is somewhat like determining the boundaries of the cloud". The external environment of an organization according to Taylor (2002) is made up other organizations or clusters of individuals whose common interest lead them to act like quasi-organizations. Determining where one organization stops and another begins is difficult. Moreover, the boundaries of an organization are fluid and depend upon the perspective of the investigator and the issues involved in the investigation.

3. Methodology

The research design used in this study was the survey method. The researcher made use of two key sources of data which included the primary and secondary data. The target population of the study was 6000, comprised of top, middle and lower management of the 27 selected mission hospitals in South East Nigeria. The involvement of all the cadres of management enhanced the easy flow of data/information or interaction in the hospitals concerned. Based on the population, a normal confidence level of 95% and error tolerance of 5% were used in the determination of the sample size using the Taro Yamane's formula. The sample size was 375. The sample size for each stratum was determined using Bowley's proportional allocation statistical technique. The instrument used for collection of data in this study was questionnaire. The questionnaire was designed to address the objectives of the study. Cronbach Alpha was used in testing the validity and the reliability of the test instrument. A Cronbach Alpha of 0.98 was obtained which revealed that the test instrument was very reliable and valid. The three hypotheses formulated were tested at 0.05 level of significance. The primary data were analyzed using simple percentage.

Methods of Data Analysis

The analysis of data was subjected to simple and statistical treatment organized and presented in tables and percentages. The hypotheses were tested using parametric and non parametric statistical techniques which included: Friedman Chi-square (X^2), ANOVA (one-way) and Z-test. All the test tools were applied using statistical package for social science (SPSS) windows software analysis.

Hypotheses Testing

Hypothesis One:

Ho: The quality of service to patients in the mission hospitals is not significantly contingent on having appropriate open business policy.

 H_1 : The quality of service to patients in the mission hospitals is significantly contingent on having appropriate open business policy.

NPar Tests Table 1 Friedman chi-square Test: Descriptive Statistics

| | N | Mean | Std. Deviation | Minimum | Maximum |
|--|-----|--------|----------------|---------|---------|
| Efficacy of the procedure or treatment in relation patients' condition is contingent on having open business policy model. | | 2.2149 | 1.28851 | 1.00 | 5.00 |
| Efficiency with which services are provided is con- tingent on having open business policy model. | 335 | 1.6478 | .87280 | 1.00 | 4.00 |
| Respect and caring with which services are provid- ed is contingent on having open business policy model is contingent on having open business policy model. | | 1.7642 | .82326 | 1.00 | 5.00 |
| Timeliness with which a needed test, procedure, treatments or service is provided to the patients at the most beneficial time or necessary time is con- tingent on having open business policy model. | | 2.2478 | 1.16901 | 1.00 | 5.00 |
| Safety of the patients (and others) to whom the ser- vices are provided is contingent on having open business policy model. | | 1.6179 | .63125 | 1.00 | 3.00 |
| Availability of a needed test, procedures, treatments or service to the patients who need it | 335 | 2.1373 | .89189 | 1.00 | 4.00 |

Table 1.1: Friedman Test

Ranks

| | Mean Rank |
|--|-----------|
| Efficacy of the procedure, or treatment in relation patients condition | 4.05 |
| Efficiency with which service are provided | 2.78 |
| Respect and caring with which services are provided | 3.17 |
| Timeliness with which a needed test, procedure, treatments or service is provided to the patients a the most beneficial time or necessary time | t 4.14 |
| Safety of the patients (and others) to whom the services are provided | 2.79 |
| Availability of a needed test, procedures, treatments or service to the patients who need it | 4.07 |

Test Statistics

| N | 335 |
|-------------|---------|
| Chi-Square | 506.631 |
| Df | 5 |
| Asymp. Sig. | .000 |

a. Friedman Test

Decision Rule

From the above table, the calculated Chi-Square value is 506.631. This is greater than the critical chi-square value (df = 5, α = 0.05) of 11.07050. Also, the asymptotic significance of 0.000 < 0.05. Therefore, the null hypothesis should be rejected. Hence, the quality of service to patients in the mission hospitals is significantly contingent on having appropriate open business policy model.

Hypothesis Two:

Ho: Open system business policy model does not significantly promote competitiveness in the management of mission hospitals.

H₃: Open system business policy model significantly promotes competitiveness in the management of mission hospitals.

NPar Tests Table 2 Friedman Test: Descriptive Statistics

| | Ν | Mean | Std. Deviation | Minimum | Maximum |
|-------------------------------------|-----|--------|----------------|---------|---------|
| Service quality | 335 | 2.3881 | 1.16274 | 1.00 | 5.00 |
| Cost control | 335 | 2.2985 | .87574 | 1.00 | 5.00 |
| Innovation capacity | 335 | 2.5403 | 1.08225 | 1.00 | 5.00 |
| Quality of human resources | 335 | 1.9761 | 1.25947 | 1.00 | 5.00 |
| Flexibility towards customer demand | 335 | 1.8896 | 1.07908 | 1.00 | 5.00 |
| Security of human and information | 335 | 2.1194 | 1.12833 | 1.00 | 5.00 |

Table 2.1 Friedman Test

Ranks

| | Mean Rank |
|-------------------------------------|-----------|
| Service quality | 3.78 |
| Cost control | 3.62 |
| Innovation capacity | 4.21 |
| Quality of human resources | 2.78 |
| Flexibility towards customer demand | 3.14 |
| Security of human and information | 3.48 |

Test Statistics

| Ν | 335 |
|-------------|---------|
| Chi-Square | 215.201 |
| Df | 5 |
| Asymp. Sig. | .000 |

a. Friedman Test

Decision Rule

From the above table, the calculated Chi-Square value is 215.201. This is greater than the critical chi-square value (df = 5, α = 0.05) of 11.07050. Also, the asymptotic significance of 0.000 < 0.05. Therefore, the null hypothesis should be rejected. Hence, open system business policy model significantly promotes competitiveness in the management of mission hospitals

Hypothesis Three:

Ho: Environmental turbulence and uncertainties do not significantly constitute great challenge to the adoption of business policy models in mission hospitals

 H_5 : Environmental turbulence and uncertainties significantly constitute great challenge to the adoption of business policy models in mission hospitals.

NPar Z Tests

Table 3 Z- Tests:

Descriptive Statistics

| | Ν | Mean | Std. Deviation | Minimum | Maximum |
|---|------|--------|----------------|---------|---------|
| Responses on challenges in adopting BPM in Mis- sion Hospitals | 2345 | 1.7838 | .80775 | 1.00 | 5.00 |

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| Table 5. 1 | One-Sample Konn | One-Sample Kolmogorov-Smirnov Test | | | | |
|-----------------------------------|------------------------|--|--|--|--|--|
| | - | Responses on challenges in adopting BPM in Mission Hospitals | | | | |
| | N | 2345 | | | | |
| Normal Parameters ^{a,,b} | Mean | 1.7838 | | | | |
| | Std. Deviation | .80775 | | | | |
| Most Extreme Differences | Absolute | .287 | | | | |
| | Positive | .287 | | | | |
| | Negative | 218 | | | | |
| | Kolmogorov-Smirnov Z | 13.878 | | | | |
| | Asymp. Sig. (2-tailed) | .000 | | | | |

One Semple Kelmegeney Sminney Test

a. Test distribution is Normal.

b. Calculated from data.

Decision Rule

Table 3 1

Testing the responses of the respondents with the Z-statistics, the Kolmogorov-Smirnov Z values in the table above were obtained. The Z-value of 13.878 (which is greater than Z-critical value (95% level of significance) of 1.96) indicated that the respondents' responses to the question is normally distributed. Hence, the null hypothesis should be rejected. Therefore, environmental turbulence and uncertainties constituted the greatest challenge to the adoption of business policy models in mission hospitals.

4. Results And Discussions

The quality of service to patients in the mission hospitals to a large extent was contingent on having appropriate equipment, competent doctors and availability of drugs ($X_c^2 = 506.631 > X_t^2 = 11.07050$, asymptotic significance = 0.00 < α = 0.05). The finding concurred with the nine quality dimensions identified by the Joint commission on Accreditation of Health care Organization (JCAHO) (2009). The finding was also in line with the top five factors of quality dimension identified by Codington and Moore's (1987).

Interaction among the employees and the external environment of the mission hospitals to a large extent promoted competitiveness in the management of mission hospitals ($X_c^2 = 215.201 > X_t^2 = 11.07050$, asymptotic significance = 0.00 < α = 0.05). The finding agreed with empirical studies of Southern (1999), Failte (2005), Mullins (2001) Naner and Slater (1990) and Fingleton (2002).

Environmental turbulence and uncertainties such 'government policies on taxation and importation' constituted the greatest challenge to the adoption of business policy in mission hospitals ($Z_c = 13.878 > Z_t = 1.96$, asymptotic significance = 0.00 < α = 0.050.0). This view was confirmed in the work of Lynch (1997); he identifies changeability and predictability as greatest challenge of business policy adoption.

Richard (1999) adding more weight to the finding insisted that health care environment has shifted from a level of reasonable predictability to the one that is unpredictable and highly volatile. Business policy model adoption under such an environment of discontinuous change, characterized by turbulence, volatility and uncertainty constitute a great challenge because it makes increasingly difficult to identify causes or predict results of competitive initiatives with reasonable certainty (Bower and Christensen; 1995 D' Aveni; 1994).

6. Conclusion

The study concludes that adopting open system business policy model is vital for high performance management of the mission hospitals. With appropriate open system business policy model as was identified in this work the following outcomes will be inevitable:

- 1. Service quality will be assured
- 2. Sustainability of operation will be improved
- 3. Competitive advantage will be maximized
- 4. Human resource management will be stable, effective and efficient
- 5. Supply chain management will be optimized
- 6. Environmental challenges will be predicted, adapted to and managed.

Recommendations

Based on the findings of this study, the following recommendations were made:

- 1. Hospital organizations should aim at relationship management by maintaining a long-lasting relationship with the patients through offering loyal services.
- 2. Hospital management should undertake and encourage continuous service innovation by transforming the organization's dormant asset such as the technology, service processes, environment and people into something of substantially greater value to both the customer and the organization.
- 3. Hospital organizations should make information management a priority.

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