

The organizational development processes towards New Ahus

Creating a new organizational structure

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Preface

This master thesis is a product of countless hours of pondering, reading, writing and a fair amount of frustration. The finished thesis is a product of my own hands, but a number of people are entitled to an acknowledgement.

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1. Introduction

There has been done a lot of research on organizations, and organizational development processes the last 50 years. Researchers have since the start of the 20th century tried to identify why organizations get the features they actually have, and how these processes towards specific organizational structures actually goes. The changes in organizational structures have been analysed in various and differentiating theoretical perspectives, and studying organizational development processes is not a particularly innovative field of research. But, though it has been written many thousand pages on this theme it seems that there are mostly the same organizations that have been placed under the magnifier. A lot of the existing theories in this field can be seen in the context of either private organizations, or well established public administrative organizations that can be seen as rather uniform in appearance. This makes the existing organizational theories easy to apply on a set of organizations, and they can have a great deal of explanatory power on the dynamics in these organizations. The latter years there have been an increasing focus upon hospital organizations, and organizational development processes within this sector. The demographical growth and technological development have forced forth renewal of hospitals, which also created a wave of different approaches in how to understand these processes. This will ultimately lead to an interesting question;

What factors will influence the decision – making, and outcomes in organizational development processes? Can an organization create a completely new organizational structure, while preceding its regular operations within the existing one?

Before assessing these questions, it's reasonable to review the causes that make them of current interest. In the latter years the hospital sector have been undergoing several structural changes as a consequence of the hospital reform of 2002, when the state took over the ownership of the hospitals. The reform brought in a new set of demands in regard to effectiveness and cost containment that was a somewhat new way of thinking for hospital managers. Hospitals as organizations were to adapt structural features that most often have been seen in private organizations. Along side these processes there has been an emerging need of better and larger hospitals as an answer to the growing population and increased technical demands of hospital treatments. Hospitals with old building structures need to be, or is to be, replaced with new and more modern hospitals to cope with the increasing pressure. Since year 2000 there has been build 3 new large hospitals. The new Rikshospitalet was finished in 2000, St Olav's Hospital in Trondheim is finished with construction phase 1, and the new Akershus University Hospital Trust (hereafter Ahus) will be finished in 2008/2010. Building a new hospital is not only to be considered as a large constructional process, a new hospital also opens up for a more or less unavoidable pressure to alter the former organizational structure.

The case for this thesis, Ahus, has undertaken several extensive and demanding organizational development processes the latter years in the approximation towards New Ahus. The hospital has deliberately used a lot of resources, both in terms of financing and human capital, in ensuring that they are well prepared when the new hospital building are ready to be taken into use by 2008. The hospital has had a very clear focus on how and why the organizational projects have been conducted in the way that they have. Organizational employee participation together with rational and, seemingly, innovative solutions have been the read tread throughout the whole process. The hospital has a stated vision of being a hallmark of how a new hospital shall be created in terms of internal organizational principles and physical structure, as well as organizational culture. Having such a focus on how and why would surely

entail that the choices must have been consciously made. According to the diverse literature in the field of organizational development, certain characteristics should then prevail by these choices. But, these characteristics can be difficult to identify. This thesis will try to assess how Ahus has approached the fairly ambitious project of developing and implementing a new organizational structure before the actual physical prerequisites are present.

1.1 Theoretical framework

The thesis will to a large extent seek answers to the research question through organizational theory. Why has Ahus decided to use the strategy towards altering the organizational structure that they have? And how have these choices affected the outcome of the organizational development processes? There are many different ways to approach these questions, but one perception is that they can be seen in the light of some contextual perspectives. This research field consist of a lot of different theories and approximations to how, and why, organizations act as they do. Most of the theories have emphasized how organizations manage their relationship to the surroundings, and that reorganizations comes as a consequence of an awareness to changes in time, is unavoidable, or that they happens as a contingency.

Reorganization is by many seen as a choice that mirrors goals and expectations for a set of actors, which can be identified as the organization managers. The structure of the organization in this context is a result of an analytical appraisal from the management. In the question of reorganization or structural change this will be a consequence of a goal and situation perception for the management in the organization (Roness 1997:64). At the same time the actual reorganization processes

and decision - making processes will be influenced by the context in which the management see the organization. Olsen (1986) has divided organizations in three different perspectives, he claims that organizations can be seen in an instrumental perspective, a cultural perspective or in a myth perspective. Further, in what perspective the organization is in will have an impact on how the restructuring and the decision - making processes are conducted in that particular organization. Christensen et. al (2004) in “*Organizational theory for public sector*” divides these perspectives into two different axis. The authors talk about a structural – instrumental approach, and an institutional approach. In the instrumental approach the organization is seen as a tool or device that stands to the disposal for the managers. The rationality is manifested in the formal organizational structure, which limits the individual’s action possibilities and creates a capacity to realise a set of determined goals and values. Scott (2003) labels this in terms of organizations as rational systems. The institutional perspective on the other hand, opens up for that the organization has its own institutional rules, values, and norms that have an independent influence on decision - making (Christensen et. al 2004:13). So, by understanding the perspective in which an organization can be seen in can in turn determine a lot in sense of why particular organizations makes certain decisions, and by that getting certain characteristics.

1.2 Conceptual framework

The analysis will be on the micro, intra – organizational, level. That is the managerial level’s decision - making, and the collaboration between the various actors within the hospital in the organizational development processes. In terms of understanding why certain actions prevails, and how certain structures emerge, it seems of great importance to identify the most important set of perspectives in which an organization

can be seen in. To overcome this problem it seems most reasonable to look at the two different approaches that can have the greatest explanatory power in sense of organizational change. In assessing Ahus as an organization, I will use the theories that differentiate organizations as instruments or as institutions relying on organizational culture and environmental myths. In the view of organizations as instruments the underlying action logic is based on a form of consequence logic. This logical approach is based on a goal – mean – rationality where the future consequences are attempted to be explained by the action that is performed (Christensen et al 2004:13). Scott (2003) uses the label organizations as rational systems the same way. The term rationality is by Scott used in the narrow sense of technical or functional rationality, that is “*extend to which a series of actions is organized in such a way as to lead to predetermined goals with maximum efficiency*” (Scott 2003:33). The other chosen perspective, the institutional approach, is based on the logic of the appropriate. The logic of the appropriate entails action as a consequence of previous knowledge of what that has been functioning in the past, or that is seen as reasonable and acceptable in that specific organizational environment (Christensen et al 2004:13). In the institutional perspective it is more emphasis on goals that are developed internally, which subsequently leads to changes as a set of gradually adaptations (Christensen et al. 2004:13-14). Philip Selznick differentiates between the instrumental and the institutional approach by stating “*the most important thing about organizations is that, though they are tools, each nevertheless has a life on its own*”. Selznick is further addressing the importance of institutionalization as the process where organizations create their own specific character, and the emergence of an own distinctive competence (Scott 2003:69). So from an action point of view, the institutional causality seems to be a slight revision of the instrumental logic. Instead of working towards producing a set of very clear organizational objectives and goals, the institutional approach is more stressed towards doing the right things right according to meaning and legitimacy (Brunsson & Olsen ed. 1998: 68).

2. Akershus University Hospital Health Trust

Ahus is one of the largest hospitals in Norway. The hospital consists of one main hospital located at Nordbyhagen in Lørenskog municipality. Further, the health trust consist of a smaller local hospital, Stensby, which is a somatic hospital with some emergency capabilities located in Eidsvoll municipality in Akershus north. In addition to these two hospitals, Ahus also consist of Lillestrøm hospital which operates the district's physician emergency centre, district psychiatric centra and children and youth psychiatric out – patient care centres at Jessheim, Lillestrøm, and Grorud. The core tasks for Ahus are patient treatment, education and research. Ahus became a university hospital in 1999, and it is integrated with the Faculty of Medicine at the University in Oslo. As a university hospital Ahus is obliged to profile research in areas that converge with its role as a regional hospital.

The catchment area consists of approximately 280 000 inhabitants, and is one of the most rapidly growing regions in Norway. In the Hovedfunksjons Programmet ver. 4.0 (hereafter HFP) it is used an estimate that concludes with a catchment area consisting of 340 000 inhabitants by the year of 2015. By this time Ahus will cover the whole of Romerike region, and from 2015 comes in addition three of Oslo's boroughs; Grorud, Alna and Stovner (HFP 4.0 2003: 13).

Ahus has approximately 515 somatic beds, and 196 psychiatric beds. Yearly the hospital treats an average of 53 000 in – patients, and have approximately 150 000 out – patient consultations. The hospital has an overall budget on 2, 5 billion NOK and employs some 4200 people (www.ahus.no).

During the last part of the 1990's problems in regard to the building structure became evident. The main hospital building at Norbyhagen was constructed in 1961, and a major examination of the physical structure revealed that the condition on the building's concrete structure was poor. It was estimated that the building could be used in its current condition to 2008/2009, but not significantly longer than that. At the same time there were large problems in regard to how the building maintenance in regard to medical and demographical development had been conducted. New rooms have been built in the current structure making the hospital more like a maze than an effective hospital building. At the same time the increase in level of patient treatment put hard pressure on the lack of space, lack of eligible facilities in terms of patient treatment which subsequently resulted in a high level of corridor patients and a low efficiency in terms of a relatively high DRG – index adjusted for the national average (HFP 4.0 2003:15).

2.1 New Akershus University hospital

The decision to build a new hospital at Norbyhagen was finally taken by the Ministry of Health and Care services in May 2002, and ratified by the Parliament in 2003. The construction of the new hospital building began in March 2004. Before this the county of Akershus had already decided to build a new hospital that was to ensure the local and central hospital functions that Ahus (SiA at that time) was responsible for. In the middle of this process came the large hospital reform that was ratified in 2001, and implemented in 2002, that handed over the ownership of the hospitals in Norway from the counties to the central state. Accordingly to whitepaper no. 66: 2000 – 2001 “*The law on health trusts*”, there were created 5 regional health trust which has the responsibility for all the hospital trusts within the region. Ahus then became a hospital, owned by Health Region East. The region is admitted to, based on “*The law*

of specialist care” § 2 – 1 to entail equal and necessary treatment to all inhabitants within its catchment area. The ratification of the building plans entailed that Ahus had to adjust in regard of the overall structural and functional distribution of tasks within Health East. At the same time the project had to lower its budget with approximately 2 billion NOK, which was about 20% of the initial overall budget. This goal was reached mainly through cuts in net area, and organizational restructuring (HFP 4.0 2003: 8). The new estimated cost of New Ahus was set to be 6, 72 billion NOK.

2.2 The organizational development projects

There are in all 14 different main organizational projects at Ahus (Programdirektiv for organisasjonsutvikling mot nytt sykehus 2006: 14). The projects are to be viewed as the core elements in how Ahus can obtain the goals written in the “*New SiA - From vision to reality*” document. This document states that the New Ahus, as much as possible, must be organized with a starting point in the core processes for the hospital. The shape of the organization, the infrastructure, and the support functions thereby has to go out from these core processes. For New Ahus the core processes are identified as diagnostics, treatment, patient education, education and research (Rapport Overordnet OU – strategi 2001: 22). The main projects are divided in terms of covering these aspects:

1. *Bed area*: Organizing, roles, work flow and guidance mechanisms for the bed “yards”.
2. *Acute submitted patients*: Organize the flow of patients that arrives through the acute admission unit, and sending them further into the organization.

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3. *Out – patient care*: Organizing/adaptation to new procedures, and team consultations. Patient focus in regard to “one day visit”
 4. *Day surgical centre*: Establish a day surgical centre
 5. *Intensive care*: Patient flow between intensive care and post operative care, or development of a new intermediary unit. Cooperation in use of equipment.
 6. *Pediatrics centre*: Organize the centre, and integrate the specialities.
 7. *Laboratory centre*: Organize the 4 specialities where the analysis shall be conducted at one place.
 8. *Picture diagnostic centre*: Nuclear and radiology as one unit, ensure good patient flow.
 9. *Research*: Integrate research in the hospital as a whole. Ensure the development of a learning organization.
 10. *Inter organizational cooperation with the primary care*: Ensure the wholeness in advance and after a hospital stay for the patients.
 11. *Patient hotel*: Analyze various ways to use a patient hotel
 12. *Main kitchen*: Choice of various ways of services, and organizing principles.
 13. *Technical operations*: Consequences of operations. Doing it self vs contracts.
 14. *Organizational culture*: Principles for change in organizational culture to support the goals for the new hospital.

(Programdirektiv for organisasjonsutvikling mot nytt sykehus 2006: 14)

Many of these projects have created a lot of controversies in the organization. The problems have typically been in terms of how the new structure is to be employed, and who that is to employ them. The projects have stirred up many profession groups and created fragmentation in terms of that different professions doesn't want to loose their former positions in the new organizational chart. Clearly some professions have had to give something up, as a consequence of new ways of organizing the former department structure. Departments like surgery and medicine, which traditionally have been large and strongly professionalized embedded parts of the hospital structure, have in regard to this had much influence on the actual outcomes on the final appearance on the new organization.

In addition to these 14 organizational development projects, 2 projects were carried out as a larger managerial meeting, labelled Large Scale Workshop. At this meeting the goal was to agree on clinical organization, hereunder the new organizational chart. And in addition the organization of the staff functions, that is how to decentralize the staff/support functions, and defining the Human Resources function. The Large Scale Workshop seeked to establish a consensus among the hospital managers in regard to how the new organizational chart was to be. Further the aim was to establish new guidelines in terms of managerial principles, and premises in the new organization.

2.3 The rationale behind the organizational changes

One of the key features of how Ahus has approached the situation in regard to the new hospital has been to restructure the organizational chart. The main goal has since the summer of 2005 been that the new organization should be ready to be implemented in the current building structure by 01.01.2007. The hospital

management has set fairly high goals in terms of having the new organization developed, and exercised before clinical operations begin in the new building structure. The emphasis have been on how to utilize the new building structure and the technology optimally, and by this be “*one of the most modern, operation effective and patient focused hospital in Norway*” (Programdirektiv for organisasjonsutvikling mot nytt sykehus 2006: 5). It is a desire for the hospital management that the new structure at New Ahus will appear as a hallmark of an optimal hospital organization. New Ahus has a vision that the hospital will develop as a reference for other hospitals in regard to organization structure, and the processes towards building a new hospital (Programdirektiv for organisasjonsutvikling mot nytt sykehus 2006: 5).

Some main points have evidently been more important than others in how the hospital is to be organized. One of the main drives have been to create centre functions to unitize the functions and services that are used by many, and that are important for the continuous operation of the hospital. The main idea has been to think cross profession, and building down the structural obstacles that often have identified a traditional hospital organization making the organization more flexible and effective. One core idea has been to move specific departments up from level 3 to level 2. This is done with the perception that the decision lines are getting shorter, which entails swifter decisions and provides more flexibility. There has also been a focus on practical organization in terms of those units that are serving a wider set of departments. The establishment of a laboratory medical centre serves as an example. Here is all functions in regard to medical biochemistry, immunology and transfusion medicine, medical micro biology and pathology unitized in an one centre solution with a unified management.

2.4 New structure

The organizational chart (functional from 2007) has built in 5 centres, initially there were 6, but the centre of Pediatrics and youth wanted to organize them as a clinic. The centre approach is motivated by the thought that it is most effective to have a common management for those, before independent, departments with a third level management which are highly dependent of each others or that to a large extend have a history of cooperation. The centre organization will further improve the effectiveness in use of personnel, equipment and rooms, and by that entail greater effectiveness (HFP 4.0 2003: 20). The centres are placed at the second level, and are therefore represented in the hospital management group. The centres are a result of the organizational development process and they are, seemingly, well anchored in the organization. The 5 centres are represented by:

- The centre of laboratory medicine
- The centre of picture diagnostics
- The centre of research
- The centre of e – health, ICT and medical technical equipment
- The centre of service and techniques

Towards New Ahus there has been a great deal of focus on the Centre of research. Research is one of the main goals for New Ahus, and an area that has got special attention through the organizational development process by being one of the core activities at the hospital. Historically there have been little attention on research, and Ahus has been viewed as a working hospital rather than a university hospital. The

development of such a centre, which unites all research related activities have been done with the goal to do more in terms of motivating physicians and other professions to conduct more research, which is one of the premises of the new hospital. The research is set to be a strategy agent towards obtaining the future goals for the hospital in regard to patient treatment, and through the centre of research these activities will be well anchored in the hospital management (Rapport Overordnet OU – strategi 2001: 35).

Divisional structure

There are three divisions in the new organizational chart. Two somatic divisions divided in the medical and surgical professions, and one psychiatric division. The medical and surgical divisions are segregated according to a frontier specific organizing principle. The psychiatric division is, like the somatic divisions, organized after the same principle.

In the surgical division, the new Day surgical centre is placed as a clinic in the division. The organizational placement of the centre has been a much debated theme. One alternative was to organize the day surgical centre as an independent centre at level 2, with an ownership of its own employees. The project group's proposal on the other hand was to organize the centre within the surgical division, according to the most effective use of personnel. The project group's proposal was the one that got chosen. In terms of personnel it was decided that the personnel should have a permanent employment in the day surgical centre. There were made exceptions for operators and anaesthetic physicians who are employed in their specific departments. Special nurses are rolled between central operation, out – patient care and other services to ensure their competence but they are formally employed in the centre

(Sluttrapport DKS 2006: 7). The division is still organized around the principle of closeness to central operation and the department of anaesthetics.

The medical division is very much like the surgical division in regard to internal organization. Though, some aspects are new for the organization. First of all it is decided to move the acute medicine department out of the division, and push it up to level 2 in the organization. The argumentation behind this decision is that the large number of acute admissions to the hospital, nearly 70% of all admissions, makes this department one of the hospitals largest bottle necks. Having the department on level 2, makes the communication with the other divisions, centres and clinics through the hospital management as a whole easier in terms of assessing the hospital's total capacity. Further has the department of medicine been dissolved, like the department of surgery in the surgical division, and the structure is compatible with the frontier specific principle. The medical division has also created one clinic at the third level, the neurology clinic unitizing all the neurological specialities.

Staff functions

In regard to the staff functions there are made some changes that are addressed towards the goal to make New Ahus a hallmark in terms of professional emphasis. The old staff functions like communication, human resources and economy are kept. But, in addition there are introduced two new units. The first one is the unit for medical professions and strategy, which consists of a quality unit, the social worker and physiotherapy units and the library function. The other unit is called the unit of health profession, and are aimed at the cooperation with the primary health care and the educational institutions. The unit also has the responsibility for the department of competence. The creation of the two new staff units are in coherence with the

hospitals goal to have a strong emphasis on professional development and focus on educational cooperation both inter and intra – organizationally and the units are highlighted as a very successful result of the development process.

Some important process and functional changes

There have also been some important changes in regard to the functional processes at New Ahus. Perhaps most important is the new way to organize the former wards, which will be organized after a yard – concept. Instead of the former more frontier specific wards, the bed area model will take less consideration to types of disease creating a seamless ward system. The bed area is organized in 28 beds, divided into 4 “bed yards” consisting of 7 beds. The organizing principle is that the bed areas are to be so flexible that there are no need for a building structural change in case of a change of which clinical profession that shall use the beds. This type of organizing the bedpost is a copy of how Ringerike Hospital and St. Olav hospital have chosen to do it in their new hospitals.

Further a new principle is that all blood sampling is to be decentralized. The functional principle is that it is the nurses at the bed area that shall take all blood samples in that specific bed area, and further transmit it with the tube transporting system to a centralized analysis at the centre for laboratory medicine. The decentralized blood sample concept is very ambitious in terms of making sure that all the nurses at the bed areas will have the qualified competence to conduct these routines.

3. Methodology

Answering questions about organizational development from an organizational point of view is difficult. To try to answer from the outside of the organizational point of view is even more difficult. This thesis is conducted from the latter. The approach towards such a problem is even more complicated by the fact that the organization itself has a very rigid perception of how and why the organizational processes develop as they do. Asking representatives from the organization, namely managers, would surely provide answers that will support the organizations official goals. Therefore assessing Ahus in regard to managerial choices and structural arrangements, the analysis has to be organizational independent.

3.1 The case study

Since the objective of this thesis is to go in the depth in one concrete process and examine the effect of that process, the natural design of this thesis will be a case thesis. The case thesis is regarded as the preferred strategy when “*how*” or “*why*” questions are posed, when the investigator has little control over events, and when focus is on contemporary phenomenon within a real life context (Yin 2003: 1). The case thesis is explanatory by nature and is used in many different situations to increase knowledge in fields which regards individuals, organizations, social, political, and other related phenomena. In other words this methodological approach seems immediately applicable to use on complex social phenomena like organizational change. The extensive use of theory in this thesis will make this a form

of a “*theory interpreting case thesis*”. That is, I will use existing theories and established terms to describe and interpret the organizational development processes at Ahus. Since only one organization is assessed in this thesis it will be a single embedded case thesis (Yin 2003), having no intention to compare the processes at Ahus to similar processes in similar types of organizations. In this thesis the organizational development process, which is the actors and their actions, will be the dependent variable. The independent variables will be represented by the organizational theory used. The thesis will be based on a time reference period (Kumar 2005), and thus be retrospective in investigating situations that has happened. In regard to be able to generalize from the case thesis to the theory, the theory serves a role of providing an “*analytic generalization*” (Yin 2003: 32). Using two perspectives will provide a better integrity to the thesis by illuminating more than one side of the processes. Accordingly will the theories be used to illuminate the case, and not contradictory using the case to verify the theory.

3.2 Collection of data

The case thesis has a very theoretical approach to the research question. This have laid very high guidance in terms of data collection. Being a descriptive and not a normative thesis the best sources of information have been through documents and observation of how the organization has approached the organizational development processes. The use of documents has been chosen because of the fact that they officially state the organizational goals, which this thesis will rely heavily on. What is the connection between word and action? Such strategy documents will further have a high availability and provide complementary and valuable information in regard to the intention of the processes. The project groups end reports have also provided valuable information in how these processes have been conducted and what the content of the

projects have been. Though these documents provide very useful information, one weakness can be that they are very formal. They don't say anything about the more informal aspects of the processes that may have just as much explanatory power as the formal. To compensate for the lack of informal information, I've used observation at the hospital level as a mean to grasp this side of the organizational development. The observation has been divided in two different events. This opportunity to be a, though very informal, part of the actual processes gave me a very useful insight in the atmosphere and how the existing culture in the organization has interacted with the organizational development processes. This in turn has made me able to understand the process course in a more accurate way than if I had not been implemented in the organization at this level.

The autumn of 2006, from 14.08 to 15.10, I had an internship at Ahus. Formally I was to follow the director of the surgical unit, then, Steinar Olsen. The internship intention was to give me, as a student, an insight in how a hospital organization was operating. Throughout these 2, 5 months, I had the opportunity to participate at all meetings which the enterprise director was attending despite meetings involving individual employees. These meetings spent from ward and department level, and up to top management strategy meetings and meetings in the directive management group who had the responsibility of the formal decision - making in regard to the organizational processes.

After the completion of the internship in October 2006, I got a further opportunity to participate in the start – up of a organizational development process evolving around the physical and technical abilities and limitations in the cooperation between central operation, the department of anaesthetics and the pre / post operation ward. This period lasted from approximately the middle of October to the middle of December. This project had members recruited from the hospital organization itself, together

with representatives from Deloitte Consulting. The consultants' tasks initially were to identify the main principles of operating these units in the today structure and mapping the workflow. These results were to be laid to ground in the further elaboration of future structure and co-ordination agreements in these departments in the new hospital. My participation in this project was to follow one consultant from Deloitte and try to come with suggestions as well as observe and learn.

Supplementary to these sources of data, the thesis has used two interviews conducted by SINTEF Helse the first trimester of 2007. This interview material contains two interviews. Both objects are members of the hospital management, and the project directive management group. The interviews have been a part of SINTEF's "follow – up" project of Ahus. A project that has been conducted simultaneously and alongside the organizational development processes. The material from these interviews provides the subjects personal perceptions of the historical and current course of the processes, and they have been used to clarify and ensuring the organizations managerial view of the organizational development processes. The use of material from these interviews in this thesis has been approved by SINTEF Helse.

3.3 Validity and reliability questions

The quality of the thesis relies on its validity and reliability. The validity concept can be defined as "*the degree to which the researcher has measured what he has set out to measure*" (Kumar 2005: 153), or as "*data's relevance for the research question*" (Hellevik 2002: 183). That is the validity depends on the data's appropriateness and validity for the research question. The reliability on the other hand says something about the consistency and stability of the instrument (Kumar 2005: 156). The reliability then says something about the accuracy of the processes of the

measurement of data (Hellevik 2002:183). The validity of this thesis will rely on the result of combining the theoretical perspectives to the empirical evidences that have been used. That is, does the empiricism actually illuminate the important aspects of the theory? Through the use of well established literature sources, ie, contributions that have gained high legitimacy in organizational theory, and empiricism that it would be difficult to doubt since it relies on actual events in the near past it seems that the validity is in order. The validity of the observational part of the thesis can be more discussed. Though trying to keep some distance in terms of being absorbed by the organizational culture, it can be difficult to stay neutral in every case. But, own notes and perceptions are purely expressions of interpretations of the discussions and decisions that where made. When it comes to the use of official documents as a source of information it doesn't seem to be conflicting with the reliability concept. Such documents will be first order information that there should not be necessary to raise any questions in regard to its genuinity. The interviews reliability can be difficult to determine. The respondents may have had incentives to give explanations that put their own as well as the organizations behaviour in a good light. The impression of the interview objects are that that they are very honest and describe the situation as it was or really is. Interview reliability can also be distorted by the interview objects lack of knowledge. The interviews are done with two of the presumably most important actors in these processes, so arguably they will have fulfilled this requirement as well.

4. Theory

4.1 The instrumental organization

The view of organizations as instruments has its origin in classical organizational researchers like Taylor, Fayol, Weber, Gulick, and Simon (Scott 2003). Taylor's Scientific Management was a way to approach the efficiency in organizations by promoting rationalization of practice through standardization of procedures. As Taylor's theory was heavily criticised for treating humans merely as machines (Kjekshus 2004: 15), a competing theoretical school was introduced by Fayol. His perspective emphasized the managerial functions, and attempted to generate broad administrative principles that would serve as guidelines for the rationalization of organizational activities. Whereas Taylor proposed to rationalize the organization from the "*bottom - up*", the administrative management theories by Fayol worked towards rationalize the organization from the "*top - down*" (Scott 2003: 41). This was further taken into consideration by Luther Gulick (1969). He viewed the organization as an administrative instrument to achieve certain stated goals. Important in this view was the concept of coordinating the same tasks within the same units of the organization, dividing the organizations after functional, client or geographical criterions (Kjekshus 2004: 15). Critics to this theory were given by Herbert Simon (1997), who sought to explain the managerial actions as a consequence of "*bounded rationality*". While Taylor and Fayol made their assumptions on the existence of the "*economical man*", which would be a person motivated by self interest and have complete information about all possible alternatives. Instead, Simon introduced the "*administrative man*" who seeks to pursue his goals, but with the lack of having complete rationality doesn't always know exactly what all the alternatives are. In this

situation, knowing only a few alternative outcomes, the “*the administrative man*” will settle for an adequate solution instead of pursuing to optimize it (Scott 2003: 50).

The instrumental organization is viewed as a tool, or an instrument to obtain a set of predetermined goals. Such goals can be, eg, public health care. Hospitals are the instruments in terms of ensuring that the societal goals of providing health care are reached. Adequate healthcare to the population as a whole is the goal, while the hospital is the instrument to obtain that particular goal. The organization, and its members, will in this instrumental perspective act according to being purposeful and coordinated agents (Scott 2003: 34). Thereby, they will act in regard to a goal – specific – rationality, which entails that they carry out the tasks for the organization with a perception that the outcome of a specific decision will be as anticipated. To ensure this they need to have considered all the available alternatives in terms of the consequences the various decisions will have on the fixed goals for the organization. This makes them able to make intentional choices among the alternatives and obtain the effect that was intended (Christensen et. al 2004: 30). Entzoni (1988) states that the term “*instrumental rationality*” can be used because this definition view the actors as pursuing goals, to which the he or she is committed for reasons irrelevant for the definition. Instead, the definition focus is on the selections of means. The gathered information in regard to this is used to identify the efficient and suitable means to achieve the stated goals. Important to denote is that this is an extremity of how actors within an organization supposedly will act. In the same sense Simon’s “*bounded rationality*” is used to designate rational choice that takes into account the cognitive limitations of both knowledge and cognitive capacity (Simon 1997). That is, you cannot decide upon what you don’t know. This in turn makes decision – makers unable to act, and assess beyond constrains of the organizational structure (Kjekshus 2004: 16). When being constrained by the organizational structure, and the bounded rationality, this has to entail that the decision – makers within this framework will have fewer possible choices to choose among. Though ensuring stability and

predictability, such a situation may exclude new innovations to improve the organization (Brunsson & Olsen 1993). Further, in an instrumental perspective, intra – organizational agreement is an important organizing principle. The instrumental organization will put much effort in maintaining agreement, seeing to that everybody is pulling in the same direction. An instrumental organization will by this be rather conflict adverse. And if conflicts arise, the organization will use the hierarchical structure as a conflict solving tool. In a simplified form, someone decides what is right, and what the others shall do (Brunsson 1993).

Goal specificity

For instrumental organizations, goals and how to obtain these goals are of particular interest. Goals can be understood, and defined, as concepts of desired ends. These concepts or goals must be translated into a set of preferences to be able to make rational assessments in how to obtain them by choosing between the alternative actions. In regard to Simon's bounded rationality this will entail conducting actions that not necessarily will give an optimized, but rather a satisfactory, outcome. Specific goals do not only represent a supply criterion in the choice of alternative actions, but they also guide decisions in relation to how the organizational structure can be designed. The goals further specifies what tasks that are to be performed, what kind of personnel that is to be hired, and how the resources within the organization is to be allocated among the various participants (Scott 2003: 34). In an instrumental perspective the emphasis will lie on the cognitive functions of the goals. The goals will provide a criterion for generating, and selecting among alternative courses of action (Scott 2003: 292). For an organization to be instrumental these goals have to be identified, if they are not the criteria to establish an organization will not be present. But, when that is being said, complex organizations may sometimes encounter vague

and unspecified general goals, which in turn can make the choice of alternatives problematic. Though having vague general and overarching goals, the organization can have rather specific goals in the day – to – day activities. In case of health care, physicians can not always agree on the abstract definitions of health or illness, but they can successfully organize their work in term of specific outcomes as getting the patient healthy. In an instrumental organization the action will usually reflect the talk and decisions in the organization, namely the organization will generally do what it says (Brunsson 1993: 17).

Goals need not only be specific, but they can also be visions or official goals. Such goals are to a large extent hallmarked by a very high abstract level in terms of acting more like guidelines for the organization (Christensen et. al 2004: 89). For example, “*the most cost efficient hospital in Norway*” or “*the most patient focused hospital*” are two of the visions that are laid to ground in New Ahus. These goals can often be characterized as not reachable, and formulated as some kind of utopia. The reasons for such visions are that they are aimed at creating a broad legitimacy for an organization, and they are typical in new organizations in the early stage or in organizations that reorientations in terms of a new structure (Christensen et. al 2004: 89). The legitimacy provided through such visions serve an important role both inter - and intra – organizationally.

Formalization and structure

In an instrumental organization the formal structure, in terms of who that performs the tasks and who that are allowed to undertake them, is very rigid and the anticipations to the people within the decision - making positions are impersonal. Who that is to perform a certain task is limited by an organizational chart, and how the task is to be

performed is described in various forms of rules and routines. The norms of “*doing the right thing*” exist by that independently from the persons within the organizational positions, and any characteristics they might have (Christensen et. al 2004). The organizing through the shaping of the formal structure happens as an interaction between degrees and forms of specialization and intra – organizational cooperation. The most common way of organizing such a structure is a Weberian bureaucratic organization, which relies heavily on a hierarchical structure, routines and division of labour. The division of labour entails that the organizational tasks are divided to different set of departments, and tied to concrete positions according to horizontal specialization. The routines are often manifested in written documents such as procedure guides and handbooks. This formalization is done with the perception to make behaviour more predictable by standardizing and regulating the organization and it’s participants (Scott 2003: 35). The organizational structure is in this way seen as a mean, or an instrument, which can be modified as necessary to improve the organizational performance. Instrumental organizations can further be distinguished by being centralized or decentralized, which explains the decision - making level in the organization. In a centralized organization the decisions are mostly taken at the top level, with an anticipation that they are followed up at the lower level. Contradictory, in a decentralized organization the decision authority are moved to a lower level giving more responsibility and autonomy to, eg, middle level managers (Christensen et. al 2004: 37).

From an instrumental point of view the management of organizations will entail influence on the possibilities of achieving goals. In a managerial setting this will be expressed through the design of the organizational structure. In this structure it becomes necessary for the management to ensure their participation rights at the various tables. The organizational structure can in the same way make the managers able to control other actors participation and choices of action (Christensen et. al 2004: 44). That being said, this might also propose a problem for the organizational

management, in terms that they can be cannot be attending all decision - making arenas at all times. Which is a situation that might cause problems in regard to the managerial control span. Despite this the management can have some influences on the processes, having participants in various decision - making groups that don't purpose solutions they know will be rejected from the managerial side.

The instrumental approach to reorganization

First of all it seems reasonable to distinguish between two types of reorganization processes, *reforms* on one side and organizational *changes* on the other side. Reforms can be defined as active and consciously attempts by the administrative leadership to change the organizational structure or culture, while organizational changes in fact are the actual outcomes of these processes (Christensen et al 2004: 130). In an instrumental perspective it is the organizational structure that will get most attention in terms of organizational redesign, and it is the management that have the responsibility in the execution of the reforms. The management organizes the reform work on the basis of different goal – mean appraisals, that is in how to achieve the predefined goals. It will be very important for the organizational development process that it is organized within, and uses, the existing organizational structure in such a way that it can guide the inputs and outputs of the reform process. Further, in an instrumental perspective it will be important to organize systematic attention in the organization to the organizational reforms. This can in turn be done through establishing own units in the organization for organizational development questions, and build up a knowledge base within these units. The employees and their union organizations can also be drawn into the organizational development processes, if they are expected to inhabit important knowledge in regard to any future consequences of current reforms. At the same time their participation in the organizational development process can act as a catalyst in terms of providing

legitimacy to the process. Actors in the organization that supports the managements views can by this be implemented in the process, while any opposition contradictory can be drawn out. Often there will be a goal for the organization to build in as many different interests as possible in such processes. This will in turn make the process easier, but at the same time often make the outcomes of the organizational development less radical (Christensen et al. 2004:135).

4.1.2 Assumptions within an instrumental perspective

Managerial dominance

The instrumental organization is, in terms of Simon's "*administrative man*" theory, a typical "*top – down*" organization. Decision - making is centralized, and resolutions made at the top level management are expected to be implemented without significant resistance at the lower levels of the organization. A strong management will therefore be necessary in case of being able to drive through decisions which might create considerable disturbance in parts of the organization. In an instrumental perspective, the management are to be view as the organ for making and implementing collective decisions on behalf of the organization. By such, the managerial actions are guided within the formal structure that in turn guides their thoughts and actions. The formal structure will act as a device or tool for the management in terms of ensuring that they control the most important organizational guidance means. These means, understood as the formal organizational structure, becomes important in terms of controlling the other participants in the organization through regulating their behaviour (Christensen et. al 2004: 108). This makes the managerial apparatus able to use the formal structure in regard to achieve the predetermined goals regulating and demanding the employees

in one direction. Any possible opposition can in practice be forced out of the decision - making process by creating groups with employees that the management know will vote in favour of the desired solutions. To execute management in an instrumental perspective becomes a way of utilizing the hierarchical possibilities in terms of reaching the organizational goals. How an organization will be is, by this, very much a result of how the managers use the formal structure to guide the organization towards obtaining the expected goals. Hence, managerial dominance will push the organization forward through rational choices in terms of anticipated outputs of certain organizational processes. Thus, in an instrumental organization there will be a strong management which in practice makes decisions regardless of possible opposition in the organization. Anticipated in an instrumental organization in terms of organizational development will further be that the organizational structure in some sense are decided upon before eg. organizational development project groups starts their work on designing the structural proposals. This situation is referred to as a form of proactive management. The management will in this case first decide upon a desired action or outcome, and then the responsibility in regard of ensuring that the decided action or outcomes are reached lies on the employees in the organization (Brunsson & Olsen 1993: 91). That is, ongoing organizational development processes will more likely have a legitimacy based meaning rather than actual impact on emerging organizational structure.

Subordinate participation

Though the top management in an instrumental organization will be the locus of decision - making, the participation of the lower parts of the organization will be important. Since it is a very high degree of centralized decision - making, the organizational managers need to rely on some extend of acceptance in regard to the decisions among the employees in the organization. To ensure that this is obtained,

one possible approach in an instrumental perspective is to establish various ad hoc work groups or project groups that are set to work out different sets of organizational development proposals. Employees are drawn out of their regular activities to deal solely with the work towards a new organizational structure. Making the employees participating in such, will give the management a great deal of legitimacy in terms of showing the rest of the organization that these processes is partly owned by themselves. Though seemingly having a great deal of subordinate participation in larger and smaller reorganization processes, the instrumental perspective still entails a great deal of hierarchical guidance. That is, in an extreme ideal form, the management will recruit personnel to such groups by picking employees that they anticipate will promote the official, as well as unofficial, managerial views. The central principle of recruitment to this kind of work is managerial and organizational agreement and loyalty. Members are recruited on the basis of the expressed or implied condition that they share the general goals and purposes of the organization and its management. An instrumental organization will, by that, not employ personnel who say they will oppose the present management (Brunsson & Olsen 1993). Important to denote is that there will be given some room for opposition, but in regard to overcome obstacles in this sense the management will have built – in capacity in terms of structural arrangements. A proposition from a project group that doesn't suit the managerial ideas or goals will probably be voted down in the management group. Accordingly, it would be anticipated that the subordinate participation in an instrumental perspective will be a result of the individual attitudes towards the processes and stated goals, instead of being recruited on basis of personal characteristics as eg. knowledge.

Organizational distinctiveness

Instrumental organizations are created to obtain certain specific goals. The structure will thereby be constructed in such a way that these goals can be achieved. Goals for a

set of different organizations may vary, therefore it would be reasonable to anticipate a wide set of different organizations and structures. The legitimacy for an organization will be to create a rational structure that solves the tasks with the proper amount of resources within its specialized field. The instrumental organization will therefore have a drive towards a certain degree of distinctiveness. Distinctiveness in terms of that some elements of organizational innovation has to be implemented in cases of reorganization, this in regard of showing other and similar organizations that they are doing things more effectively than the others are. But, on the other side. What other organizations do should not have any impact on what the specific organization in question chooses to do. An organization in an organizational development process will carefully assess all possible alternatives in how such processes shall be undertaken, and choose the alternative that creates the most effective way towards goal achievement. Inter – organizational adaptation will therefore, in theory, not be especially evident within an instrumental perspective. The organizations will rather create visions, and goals that highlight their processes as the far most important and rational. Making decisions towards how and why is by that a statement towards showing other organizations that their choices of alternatives will be “*the right way*” with the highest maximum efficiency. Instrumental organizations will at all times be competing towards gaining a position as the best possible organization within its specialized field. Important for an instrumental organization is to decide upon an effective structure with one purpose, to achieve goals and through specified rules and routines having a strong and seemingly reasonable division of labour.

4.2 The institutional organization

Scott (2000) defines institutions as “*institutions consists of cognitive, normative and regulative structures and activities that provide stability and meaning to social behaviour*” (Scott 2000: 167). An organization in an institutional perspective will emphasize that their actions will be guided by a set of culturally created norms that is connected with the organizational routines (Brunsson & Olsen 1993). The institutional perspective can be divided in two different perspectives, a cultural perspective and a myth perspective. While the cultural perspective will rely mostly on the normative aspects of organizations, the myth perspective will rely on the cognitive aspects. But, the both of them will emphasize organizations as institutions that emphasize the environment they are in.

4.2.1 The cultural perspective

The cultural perspective will emphasize the organization in itself, and the values that that the organization over time will acquire (Selznick 1948). Selznick further stresses the institutionalization of organizations as the processes where an organization will take on a “*specific character*” and by that achieve “*a distinctive competence or, perhaps, a trained or a built – in capacity*”, that is the most significant aspect of the institutionalization process entails the process where the organizational structures or activities gets a value on it’s own (Scott 2003: 69). In this perspective the organization will, as Selznick puts it get “*infused with value beyond the technical requirements at hand*” (Selznick 1984: 17). Meaning that the institutional organization will consist of formal structures, as well as informal rules and procedures that will structure the organizational behaviour. The cultural perspective

of organizations as institutions entail that the organizations will be more complex, less flexible and adaptive to new organizational demands (Christensen et al. 2004). But, despite this the socially created norms will provide a framework where complex situations can be recognized and solved within. The organizational culture will be a result of internal and external pressure that forms the organization to take on a distinctive character or organizational “*soul*”. The cultural perspective can by that be seen as an adaptation, in terms of values and norms, where the process of this adaptation will give the organizations its distinctive value. In other words, culture defines what the institution is. For the members of the organization the importance will be to act according to the institutional anticipations in terms of rules and norms in the organization. That is, to act in regard to what that is seen as appropriate in terms of the organizational norms. The “*logic of appropriateness*” becomes the action logic for the organizational members. This logic can be a powerful tool in complex situations, which can be solved by standardized and almost intuitive ways of action (Christensen et al. 2004: 52). The cultural perspective relies heavily on that the individuals are guided by the institutional preferences, determined through the institutions rules for behaviour. By that, in terms of organizational development it is not enough to change the formal structure. There has also to be a change in the individual behaviour.

4.2.2 The myth perspective

The myth perspective is often referred to as the new institutional perspective. The core of this perspective is that the organizations are in institutionalized environments, where they are confronted with socially shaped norms in regard to how the organization ought to be shaped (Christensen et al. 2004: 66). The organizations have to continuously adjust to these norms in regard to organizational development, and try to implement these norms in the organization even if they in fact doesn't make the

organization more effective. This process tends to make the organizations apparently more alike on the outside, without actually changing the organization considerably internally. The socially created norms in the institutionalized environment are called myths. These myths can be broad myths, super standards, or they can be narrower as institutionalized standards (see Røvik 1998). Institutional products, services, techniques, policies and programs are examples of variables that can function as powerful myths (Meyer & Rowan 1977: 340). The myths are often rapidly spread through imitation and can be absorbed by various organizations without giving any instrumental effects, but are rather adopted ceremonially by the organizations (Christensen et al. 2004: 66; Meyer & Rowan 1977). Myths can further have a function as a show window, in which they place themselves on the organizations as a veneer. That will create a situation where the managers talk about new solutions or new managerial tools, without actually using them. The essence is that an institutionalized organization must not only conform to the myths, but also maintain the appearance that the implemented myths actually work. But, the organizations conformity to the institutionalized myths often tends to conflict with the organizational efficiency criteria. An organization that promotes efficiency can actually be in a situation where it is sacrificing its support and legitimacy in regard to institutional perspective (Meyer & Rowan 1977).

Goal complexity

In an institutional perspective, goals will be decided upon and developed from situations and pressure from the surroundings. That will make the goals more unstable than in an instrumental organization. The goals will primarily appear as symbols, ideas and visions. Symbolic goals can be results of natural development processes, as concepts which are pushed on to the organization from the outside. Such a pressure can also be a form of adaptation of a “*best – practice*” that national or international

organizations use. Managers can also make up own myths or symbols and spread them to the organization because that they are anticipated to support other more instrumental changes (Christensen et. al 2004: 96). Scott (2003) emphasizes that there are frequent disparities between the organizations stated goals, and the “*real*” goals that are pursued by the organization. That is between the official goals for the organization, and the actual operative goals that can be observed. Goals are by this getting blurred as a consequence of existing as a legitimacy process, rather than focusing upon the internal processes. The stress lies on the symbolic functions of the goals, where the symbolic aspect relates to the significance for the organizational audience. That is the public, clients, taxpayers, owners or regulators (Scott 2003: 292). In an institutional perspective it is important that all organizations must pursue support or maintenance goals in addition their output goals (Perrow 1970: 135). That is, no organizations can devote all its resources on production, each organization must also use time and resources on maintaining itself and its existence. Institutional organizations will have more emphasis on the behavioural structure, and be more interested in examining what is done rather than what is decided or planned (Scott 2003: 58). Philip Selznick (1984) emphasizes that when managers are to define an organization’s goals they have to take account of *the internal state of the polity*; ie, the strivings, inhibitions and competences that exists within the organization and *the external expectations*; that determines what must be sought or achieved if the institution is to survive. The problem for any organization in terms of goal setting will be to adjust the goals in coherence to the organizations abilities and the irrepressible forces within the organization (Selznick 1984: 67 - 68). In a complex organizational environment there will be a variety of different problems, and solutions that creates situations where it is the solutions that seeks the problem, and not the opposite as anticipated in an instrumental perspective. This situation is known as the “*garbage can*” theory by March and Olsen (1976).

Informal structure

The institutional perspective does not reject highly formalized structures, but question their importance. Especially the impact on the behaviour of the participants within an organization of a formal structure is important. While formal structures are designed mainly to regulate behaviour and to direct proper action towards goal achievement, the institutional view is that somewhere along the way the participants will be just as much influenced in terms of performance by the informal structure. Thus, there will in this perspective be more to organizational structure than rules and routines. In an institutional system the emphasis on how an organization is to be run are guided by culture determined rules that can be identified in the organizations process routines (Brunsson & Olsen 1993). Individuals are merely not just hired employees to conduct certain tasks. They enter the organization with their own perceptions, expectations and knowledge bringing with them distinctive values, interests and abilities. When these variables interact in the formal structure the belief is that a stable informal structure can be achieved. That is, the formal and informal structures exist alongside generating informal norms, power systems and communication networks (Scott 2003: 59). Further, Scott (2003) emphasizes that strong formalization puts heavy burdens on those responsible for the design and management of organizations. That because in nobody can be so foresighted that they are able to predict what that is going to happen in the future at every level in the organization. Trying to program human and organizational behaviour in advance becomes impossible, with the result of being maladaptive and lead to *“trained incapacity”*. He denotes that *“highly centralized and formalized structures are doomed to be inefficient and irrational in that they waste the organization’s most precious resource, the intelligence and initiative of its participants”* (Scott 2003:60). As a consequence of this approach to structure, the institutional perspective will emphasize structural arrangements that permit goal – directed behaviour by the creation of feedback loops and servomechanisms. These mechanisms will enable the organization to generate information on the

organizational system that can be measured and compared to other established standards (Scott 1975:3).

The institutional approach to reorganization

Organizational change within an institutional perspective is believed to come as a consequence of existing organizational crises, or with a strong belief of coming crises. Larger reforms will by that emerge as a result of crises which can be identified as, eg, a growing distance between what the organization actually produces and the expectations that the public, owners etc, have to the organization (Brunsson & Olsen 1993: 17). It seems clear that organizations from a institutional point of view will share a lot of common concepts. In an institutionalized perspective it will be important that the chosen solutions to a new structure will harmonize with the existing beliefs for the same type of organizations in the same environment. DiMaggio and Powell (1983) identifies four parts or steps in an institutionalized structural process; an increase in the extent of interaction among organizations within the same field; the emergence of sharply defined inter – organizational structures and patterns of coalition; an increase in the information load with which organizations in a field must contend; and the development of mutual awareness among participants in a set of organizations that they are involved in a common enterprise (DiMaggio & Powell 1983: 148). By that, there will at all times be certain recipes, or beliefs in how an organization normatively should be organized. Anticipatory this will create a number of isomorphic organizations (Meyer & Rowan 1977; DiMaggio & Powell 1983). When new organizations emerge or old ones renew themselves, forces tend to lead them into being more similar to each other. Such organizational innovations are commonly driven by a desire to improve performance. That is, new innovations are rapidly spread throughout the environment and create a threshold where adoption to new techniques provides legitimacy rather than improvement in efficiency for

organizations (Meyer & Rowan 1977). By that, legitimacy becomes somewhat more important for the organizational survival than its actual effectiveness. Hannan and Freeman (1977) notes that isomorphism can be a result of that non - optimal organizations are selected out, eg, loses its legitimacy or because of the fact that organizations learn the appropriate and normative responses and adjusts their behaviour according to what that is expected of them as organizations by the rest of the environment.

In an institutional perspective it will be expected that the successes of implementing reforms will be coloured by to what extend it conforms to the organizational identity. To succeed with reforms that conflict with this specific identity it will be a need for a strong managerial engagement. That is, managers that are able to give as much focus and attention to the reform as necessary. The organizational institutional character in accordance to organizational change will make reforms easier to initiate than to decide, and easier to decide than to implement (Brunsson & Olsen 1993).

4.2.3 Assumptions within an institutional perspective

The managerial light bulb

The perhaps most important part of the managerial role in an institutional perspective is to define the organizational goals. In doing so the managers also have to define the organizational identity, and values. The management in an institutional perspective have to, at all times, consider the normative aspects of the organization according to the ruling anticipations in the inter - organizational environment. The managerial role

will thereby have aspects of being some kind of a light bulb for the rest of the organization. The manager has to express, and administer the cultural norms and values and ensure their social integration in the organization. In terms of an organizational development processes the managerial role will be of particular importance. As being a manager he or she has the responsibility to control the ongoing processes, ensuring the two – way – communication in the organization and communicating to the rest of the organization that the proposed processes are in line with the environmental “*best – practice*”. The institutional manager will have to be very visible in terms of larger organizational processes, and the manager will further have an important role in regard to argue in favour of proposed changes. Thereby, the managerial role will have a fairly great saying in whether or not the processes will turn out to be successful. That being said, the managerial role will be under a great deal of pressure from the environment. It is not to be understood that the managers in an institutional perspective are adjusting the organization to the environment only by own perceptions or beliefs. The existing symbols and myths will place heavy guidance on the management in how an organization shall be constructed, and what characteristics it should have. The managerial role in this sense will then be to identify the “*right*” myths that are accessible for that particular kind of organization. At the same time, the managerial role will be occupied in terms of how organizational processes shall be organized within the organization. Important may not solely be the outcome of the organizational development, just as considerable is the process in itself. The managerial search for the right organizational myths evolves just as much around choosing the right normative way in terms of structuring such organizational development processes. Conclusively this means that the managerial role in an institutional perspective in many ways will have a very clear effect. The manager can, in fact, be able to direct the whole organization in a desired direction by using the institutionalized symbols and myths the right way.

Bringing the participants cognitive capacity back in

The institutional organization are mainly organized around informal constructed structures, thereby will the individuals within the informal structure be important. An institutional perspective emphasizes the importance of the individual's cognitive capacity. When a person is hired in an organization, he or she will bring with them a certain set of perceptions, knowledge and values into that particular organization. The institutional perspective will further anticipate that the individual's characteristics will be an important factor in the shaping of the organization. Contradictory to the instrumental perspective, employees in an institutional organization will therefore be hired as a consequence of abilities, and not merely as a consequence of organizational attitudes. By that, the individuals in the institutional perspective will then be anticipated to have a fairly large impact on the organizational development processes. Scott and Meyer (1994) argues that an individual, having certain rights and capacities, in fact are capable of rationally modify the whole organization itself, as well as particular positions within it. Thus, the institutional perspective will give the individuals as being employees much importance. In terms of organizational development processes their propositions will, accordingly, be taken into serious consideration at the managerial level in terms of both legitimacy and beliefs in the quality of the proposals delivered.

Isomorphy and transmission of experience

Meyer and Rowan (1977) argued that modern societies contain institutionalized rules in the form of rational myths, and that it is these beliefs that mainly shape organizational forms. By this, it is the societal cultural pressure to conform to these myths rather than the technical demands that affect the organizational development.

This kind of institutional isomorphism means that the organizations will assimilate the institutional rules into their own organizational form, making the organizational environment more and more alike over time (DiMaggio & Powell 1983). That is, the organizations within an institutional perspective will not create an own distinct, and specialized, structure to solve the organizational tasks. Rather, the institutional organizations will conform to other organizations in the same environment, and adapt the ruling structure that these organizations possess. Contradictory to the instrumental perspective where it is important for the organization to show other organizations how certain tasks is better solved within their structure, an institutional organization will rather show that they are modern and “*up – to – date*” in terms of following the normative structural trends. This would further entail that organizational development process will be characterized by project groups that actually have more emphasis on translating existing recipes and norms to fit into the new organization they are creating, rather than reinventing something brand new. The processes of fitting organizational recipes into specific organizations are a form of translation of the same recipes so that they easily can be fitted into the emerging or existing organization. This form of translation of normative structures complicates DiMaggio and Powell’s (1983) isomorphism theory because it would entail that the translation process will create many local appropriations of one specific organizational recipe. It would then be reasonable to anticipate that organizations will be very much alike on the outside, but rather unlike on the inside in terms of organizational structure. Further, organizations will to a large extend learn from each other, and implement structures that already exists in the environment and that have been showing effective in other organizations.

5. Organizational development processes in 3 phases

The organizational development process towards New Ahus can be divided into 3 main phases. This chapter will present the empiricism of the processes chronologically in regard to these phases. The 3 phases will be presented as an initiation phase, a decision - making phase and an implementation phase. The initiation phase begins with the strategy document “*New SiA – From vision to reality*” which determines the visions and goals for the new hospital, a work that was ended in November 2001. The initiation phase further determines the structure on the organizational development processes, which subsequently leads to two important managerial meetings in the spring 2005. The decision - making phase marks the processes that start after the two managerial meetings in 2005. Important in this phase will be how the mechanisms of the project groups and the directive management group interact with the organizational development processes, and what the actual outcomes of these processes are. The decision - making phase also marks the establishment of the new organizational structure, which was the subject on the Large Scale Workshop in the summer of 2006. The implementation phase starts the process of setting ideas and decisions out in practice. The phase begins 01.01.2007, when the new organizational structure was scheduled to be functional. The main focus in this phase will be how the organization actually prepares itself towards using the new principles. This phase will not end before the organization actually operates as scheduled, which set to be in October 2008.

The phases don't have a very clear distinction in terms of when they start, and when they end. An organizational development process is a dynamic process where new decisions replace old decisions, and where various actors will continuously go in and

out of the processes. Despite that, the division in 3 phases will provide a structure which makes the empiricism possible to analyse within. The phases will also provide an approximation to which types of problems and solutions that is present, and how the actors have interacted with them.

5.1 The initiation phase (2001 – 2005)

5.1.1 Vision formulation

In case of Ahus the strategy document “*New SiA – From vision to reality*” (Rapport Overordnet OU – strategi 2001) marks a logical starting point of the organizational development process. The document’s main purpose was to create and develop the organizational strategy towards New Ahus, and to present suggestions to organizational visions and ideas. The document states that a vision will be in particular important in sense of guiding the personnel’s work towards a new hospital structure in a desired direction, and give the personnel a choice in whether or not they want to be a part of this process. Further, it is emphasized that if such a vision is to work, it has to be conducted processes that includes as many as possible and that creates a common responsibility, enthusiasm and commitment for all members of the organization. The responsibility in terms of creating such a vision is ascribed to the management, and the task to communicate it and ensuring the desired enthusiasm applies to all (Rapport Overordnet OU – strategi 2001: 19-20). This implies an organizational culture that have to come out from a joint value foundation within the organization.

“*New SiA – From vision to reality*” further determinate the structural guidelines that have been important in the processes towards New Ahus. The document emphasizes that the organizational development task is the process towards implementing a fundamental vision anchored in the overarching values for the new hospital. These core values are equity, availability, quality and efficiency. At the same time the document presents an enterprise idea:

“The New Ahus shall be a clearly professional profiled and highly competent, in effective cooperation with other health care sectors. The hospital shall use the available resources to the better of the populations health and the patients needs. The hospital shall conduct research and education in cooperation with the university and other educational institutions. The value creation shall take place through doing the right things correctly, effective and coordinated. New Ahus shall in relationship with comparable hospitals be among the most effective in the country, and it shall be well organized and committed managed”

(Rapport Overordnet OU – strategi 2001: 20)

High goals and anticipations are the common tune in the idea behind the organization that New Ahus will represent. The program directive for the organizational development process towards the new hospital states that the main goal for the project is to ensure that New Ahus becomes “*one of the most modern, reliable, and patient focused hospital by using new technology and the new building structure and use these two optimally*” (Rapport Overordnet OU – strategi 2001: 20). To ensure this, there is a clear focus on a higher degree of converting in – patient to out – patient treatment, have a 10 hour opening time, and to remove known organizational bottle – necks (Programdirektiv for organisasjonsutvikling mot nytt sykehus 2006: 5). Further

is it in the document “*New SiA – From vision to reality*” a strong focus on management, and managerial development. The management roles and functions must be organized in such way that they converge with the complex organization that the new hospital will be. At the same time there is a strong focus on managerial resources, and that these resources are used in a way that entails a good quality on the everyday management within the hospital’s core processes. In order to obtain this it is stated that the managerial resources must be moved out in the organization by the principle of decentralization. This is expressed by a need to have as few levels as possible between the executive management and the top management. Further, an administrative level between the sectional level and the department level is not desirable. In the strategy document it is also expressed a concern with the possibility for a situation where the enterprise is split into a level 2, designing the enterprise in a divisional or clinical structure. Rather than organizing in divisions or clinics, the document presents an idea to split the enterprise according to profession in centre and/or in teams (Rapport Overordnet OU – strategi 2001: 29 – 30). Leaving such a level 2 organizational management strategy, where enterprise directors reports to the administrative director on behalf of the departments, entails that there will be a fairly wide supervision span for the top management. Due to this, it is emphasized that the supervision authority has to be distributed among the top managers so that the supervision span can be made manageable (Rapport Overordnet OU – strategi 2001: 30). In regard to organizational structure the red tread through the document is that the new hospital wants to put stress on decentralization.

5.1.2 The actual organizational development start

The more official start of the processes that leads up to how the structural choices and decision that can be identified today get’s its characteristics, can be set to be the

Easter of 2005. Then a managerial meeting was held at Kleivstua, Krokkleiva. This meeting was initiated by the hospital's new administrative director. The director came into the organization at a time where several processes already had started. At that time, as now, the new hospital project was defined in between the hospital organization and the New Ahus organization, which is the building contractor. But, as it later has been remarked ([interview]), the new hospital project was not clear enough defined giving little decisive power according to the organizational development. The perception was that the hospital organization itself wanted to run the organizational development processes, which would be very difficult, both in terms of coordination and flexibility. Structurally there were, at this time, several different directive management groups for the organizational development processes. Eg, was it one group for implementation of DIPS, and another group for implementation of PACS. This made the organizational development processes difficult to comprehend and the lack of coordination between them led to a classic situation where *“the left hand doesn't know what the right hand does”*. By that, one of the first decisions the administrative director made was to gather the groups into one directive management group assembling all decision - making at one table. One of the main objectives with the meeting at Kleivstua was to ensure that the persons that subsequently would have the responsibility of success or failure towards the new hospital in fact was conscious to the premises that laid in the main functional program (HFP 4.0), which contained the hard quantitative future and organizational principles of the new hospital. By that, the document had a strong guidance towards the framework in which the organization had to act in accordance to. A further definition and introduction to the main functional program was given at a larger managerial meeting, 120 managers from different organizational levels, at Gardermoen in May 2005. The desire for this meeting was to start the operationalization of the principles in the main functional program. After this meeting it was all in all approximately 35 – 40 various organizational projects at different levels in the organization working on how to comprehend these issues, and preparing the road ahead. Both the Kleivstua and

Gardermoen meeting decided, and ratified, that a new organizational structure was to be developed and implemented by the date 01.01.2007.

5.1.3 New organizational development project structure

In the summer of 2005, after the Kleivstua and Gardermoen meetings, there were done important changes due to how the project organizations should be organized. The term “*guerrilla*” management ([interview]) was introduced. In this term lies the concept of internal project groups, with internal project managers instead of relying on external expertise. The rationale behind this choice was to deliberately create legitimacy out in the organization, making the organization itself the owner of the development processes. Further, this would supposedly make rapid decisions more possible due to shorter communication lines. This way of organizing enabled a structure where the projects would work parallel with the operational organization. To recruit appropriate personnel to the project groups the strategy was to send out emails in the organization, where the personnel could respond if they were interested to take part in the organizational development processes. The response in the organization was surprisingly good, and the management received some 140 answers from employees that were interested in participating in the organizational development either as project managers or as project participants. This recruiting process ensured both legitimacy, and provided project members that had a genuine interest in working on the creation of the organizational changes. Further was the project managers chosen based on the confidence they had among the other managers, namely the hospital managers. This way of organizing the organizational development process, using the “*guerrilla*” approximation, received a relative high acceptance in the managerial group and became the leading organizing principle for the projects.

5.1.4 Organizing the directive management group

Also the directive management of the organizational development processes got further polished in this phase. Before, having several decisive management groups these were now assembled into one group. The model chosen was to a large extent coloured by the desire for intra – organizational legitimacy, and to be able to make swift decisions under consensus. To ensure this the directive management group had to absorb representatives from those groups which would be influenced by the various decisions, namely the employees in the organization. By August 2005 the directive management group was set, and implemented, as one unified group. The group consists of the hospital management (enterprise directors like the old group), but in addition there were included 1 user representative, 3 employee and union representatives, and 1 representative from the University of Oslo that participates when it is necessary. It was also wanted by the hospital that the primary health care organizations should be represented in the group, but the mayors in Romerike municipalities decided not to participate. This decision made some controversies because the affected boroughs in Oslo wanted to have access to this decision - making organ, which they now didn't. As a solution to this the hospital chose a model where the municipalities, rather than directly participation, got informed through meetings and participation in the organizational development projects that would influence the relationship between the hospital and the primary care services.

The directive management group's mandate is to act as a decision - making organ upon proposals that comes from the various project groups. From the managerial level it has been expressed that *“instead of driving through unpopular decisions, the groups seeks consensus and unified decisions to ensure that organizational changes are well anchored in the hospital”* ([interview]). The composite of the group, with 3 representatives from the employees, surely entail some level of disagreement. On the

other hand is it stated that “*legitimacy not is a goal in itself, but it expresses itself as that in reality*” ([interview]). When difficult proposals in terms of decision - making comes to the directive group, one strategy has often been to postpone the decision, so that the opposing parties in the group can be given more rounds with information and further clarifications. This process is done to ensure that the directive group appears unified when the decision is taken, which subsequently becomes important in terms of a successful implementation further down in the organization.

5.2 The decision - making phase (2005 – 2007)

5.2.1 The directive management group as decisionmaker

The directive management group is the superior decision - making organ in regard to the organizational development processes. The group is, as elaborated, fairly widely anchored in terms of having members that aren't usually represented in the hospital management. This have created some disagreement, and made decisions more difficult to take than if the group had merely consisted of the hospital management. The employee representatives will to a much larger degree try to protect their interests, while the hospital management will see the larger picture. As a consequence of this, the ruling norm at Ahus has been to also use the hospital managerial group as an arena towards decision - making in regard to the organizational development projects. When difficult decisions are recognized, these problems have been thoroughly discussed in the hospital management group before a project's proposal is taken up to decision in the directive management group. The rationale behind this have been to ensure that the hospital management appears unified in case of which

decision that they think will provide the best solution. Having a unified hospital management in the directive management group would surely entail that the chances of obtaining a decision that the management desires are higher. In regard to the organizational development, the projects have all the way been very aware of the fact that it is the directive management group that decides upon the proposals that they make. That is, the projects can have made out 3 different alternatives favouring one. The chance then is that the preferred alternative, from the project groups side, might be ruled down by the directive management group. This has been a premise that the project groups have been aware of, and the decision - making processes demonstrates that they have also accepted it. This can in turn have made the organizational projects somewhat constrained by the directive management group, by the fact that the projects haven't emphasized possible solutions that might be ruled down. That is, you don't want to use time on something you know will be rejected. Instead, it has been done a lot in terms of trying to avoid situations where the directive management openly goes against the projects proposals. Namely, the directive management group have tried to choose the best alternative that will possibly gain the most acceptances in the organization as a whole.

5.2.2 Large Scale Workshop

The perhaps most difficult decisions in terms of organizational development is and always will be, especially in hospital organizations, alternations in the organizational structure. Hospitals are very traditional, and professionally guided organizations where medical professions at all times have been fighting for resources and status. The desire behind the Large Scale Workshop (hereafter LSW) was to ratify the future organizational chart down to minimum department level, and to establish new criteria for management and organizational culture. The choice of undertaking these tasks as

a 3 days meeting, was that this would be much more effective than establishing an own organizational development group, and at the same time provide more legitimacy to the process involving the most affected employees, namely managers and other key personnel. The pre - work and principles for LSW was done by an own “*sponsor*” group that consisted of enterprise directors and department directors, which laid out the premises for the meeting. The composition of the group was to ensure the anchoring out in the organization. LSW revealed some important issues in regard to the how the feelings towards a new hospital structure were in the various levels of the organization. It soon became evident that there was much opposition within certain groups, and the meeting made an insight in the informal power game that took place in the organization. One of the main concerns evolved respectively around the organization of the medical, and the surgical divisions. One suggestion was to separate the medical department in an own division, leaving the medical professions with two divisions and two enterprise directors. That is, one more than the surgical professions would get. This led to a lot of fractionation within the surgical group. As an answer to this the LSW ended without completely stating the future organizational chart, and both the medical and surgical division was marked “*unfinished*” in the organizational chart. One choice would have to be to make a superior managerial decision in terms of setting the foot down at one solution. But, this would subsequently have stirred up the organizational climate to such a degree that the outcome of LSW could have damaged, rather than availed the organizational development. It was rather communicated to the organization that; we have one proposal, but there are certain things that have to be worked more with. As the managerial level stated, the organization was clearly not ready enough to make these structural changes. The thoughts around the new organizational chart were not yet mature in the organization ([interview]).

LSW had further as a goal to determine the managerial criteria for the organization. The desire was to emphasize the principles for what management at New Ahus will

be, and to outline what that will be expected by the managers in terms of the new managerial criteria. Most important in this sense is the responsibility that the managers get in terms of implementing and ensuring that the implementation processes are done according to schedule. The new managerial criteria are quite clear in that the managers have to show themselves suitable to reach the goals that are anticipated in terms of the new organization. Further was it a focus on creating and implementing systems for choosing the right managers, managerial development and managerial appraisal. The managerial appraisal system shall be a system that consists of result and other criteria based follow – ups, in addition to the appraisal of collaborators, co – managers, and senior managers. LSW was used much in form of repeating the managerial criteria that had been established in “*New SiA – From vision to reality*”, where the hospital had chosen a system with one manager with a unified responsibility for strategy, professional, administrative and personal (Rapport Overordnet OU – strategi 2001: 30 - 31). The period after LSW, demonstrated that some managers did not fulfil these requirements. And it became important to express and stress that those that didn’t manage to follow – up the criteria that “*New SiA – From vision to reality*” stated, and LSW emphasized, had to get the process back on track. One experience that came forth after LSW was that the line organization was functioning badly in terms of communication and implementation further down in the organization. It was in this phase identified that there was a diversity in how the problems in regard to implementation was comprehended by the hospital management, which subsequently lead to a situation where the information that was given further down in the organization became unequal according to the different managers. From a model where the enterprise directors had the responsibility to communicate and implementing decisions made by the directive management group, the new hospital project started having direct meetings with the department directors instead. In doing so they “*cut the line*” ([interview]). This had further implications on the composition of the hospital management, and as stated in the managerial criteria, the managers that didn’t cope with the implementation process had to leave their posts.

5.3 The implementation phase (2007 – 2008)

5.3.1 Preparing the organization

Ahus' most ambitious goal has been to have the organizational structure ready and practiced before the actual relocation into the new physical building structure. This entails that a lot of the preparation have to be done in a physical environment that is very different from how it is going to be. One of the largest obstacles throughout the processes have, to a large extent, been to inculcate to the organization's members that changes is to be done. Large organizational development processes that goes over a longer time span, tends to make the organizational members somewhat indifferent to the increasing numbers of suggested changes. The challenge for the hospital management will then be to continuously stress the fact that the new structure in fact will be implemented, As the hospital management has noted "*the apprehension in the organization has been that all the proposed changes are to ambitious, and the anticipation among many have been that this is something that is going to diminish over time*" ([interview]). By this, it has been important to stress the fact that it will not diminish. The changes will be implemented. In terms of succeeding with the implementation of the organizational changes a fairly large cultural reorientation have to take place, and emphasize that it is expected by all the organizational members at every level that they stand behind and supports the new structure. According to the implementation phase the main goal for the hospital management have been to all the way try to implement the decided structural changes as soon as the organizational development projects have delivered the end product. This may give the organization an opportunity to extract "*rapid gains*" in terms of increasing the efficiency of the organization in its current state. That is, undertaking the structural changes that can be implemented in the existing structure without the physical requirements that the new

building will provide. The implementation of such has had two main purposes. First of all to work more effectively, which the organizational changes surely must entail, and to better prepare the organizational members down on department or sectional level to work – in the new procedures. Examples of such can be seen on in, NN3 – Hjerterovervåkningen, which have implemented a system where the nurses are taken out of the pre - visit routine. A principle that will be a routine in the new hospital. Further have the orthopaedic bedpost, NN7, tried to organize them after the forthcoming bed – yard principle. Demonstrating that the new functionalities actually works and in fact can create gains, in terms of savings in resources and financial expenditures, have been a particular important goal for the hospital management in terms of legitimating and creating support for the changes in which parts of the organization have been sceptical to. Regarding the organizational scepticism, in terms of implementation, the clear perception of the manager for the new hospital project is that the nursing staff is very willing to transform and try out the new functionalities. But, according to organizational culture, there have been much more resistance at the physician and managerial level in the organization ([interview]). A situation which becomes somewhat problematic in terms of that the individuals who are to front the organizational changes, according to formal positions, in fact are the same that opposes the changes the most.

5.3.2 Educating the organization

Communicating, and interpreting, the organizational changes are not the only aspect towards obtaining success in terms of how Ahus can implement the new organizational structure. From the beginning of the organizational development processes, and the decision to build New Ahus, the organization has had focus on managerial development. In this managerial development process it also lies a set of new managerial criteria and an increased focus on what that actually are demanded

from those that employing the managerial roles. The shaping of the managerial criteria was one of the main agendas at the Large Scale Workshop. The decision to address these questions at this meeting made the current managers (May 2006) able to participate, and formulate what they thought was necessary for eligible management in the new hospital. Approaching the question of managerial demands this way will also commit the managers more tightly to strive in obtaining the principles that they themselves have decided. As another mean to provide, and ensure the existence of, competent leaders the hospital have chosen to use the organizational development projects as a form of managerial education process. Those who became recruited as project managers have, during and after the project deliverances, been followed – up with the aim to exercise them in becoming qualified managers in the new organization. Further have the organization emphasized education in terms of transformational management through various courses like the “*implementation school*” ([interview]), which directs to all managers at the hospital, giving them an introduction to all the forthcoming changes at the hospital, and what these changes will do with the concept of management. At the same time the hospital have sew together a course to make the managers aware of demands, rights and behaviour towards these new processes. The functional changes also require additional education of the rest of the employees. New technology and new procedures will entail a set of new everyday situations. To solve this matters the hospital have created own implementation teams that will be present in the various departments in the critical phases to act as service persons and specialists to ensure that the implementation quality is sufficient. The use of project organizational members towards solving these tasks is regarded as more efficient than solving the implementation problems through the line organization. Arguably the line organization will be more rigorous, and less flexible, than the project groups in terms of driving through the changes. The importance in the preparing of the organization and the success of the implementation relies heavily on the concept of seeing the structure and functionalities cross – profession like, which the line organization demonstrably is less capable of.

6. Process analysis

In this chapter the empirical findings that are explained in the latter chapter be analysed in the theoretical perspectives that was elaborated in chapter 3. In doing so the analysis tries to seek answers to how and why the outcomes have become what they are and hopefully give answers to the stated research question. Structurally the chapter will mainly follow the phases, and try to establish a link between the most important aspects of the organizational development processes and the theory. The analysis will provide two levels, the different actors influence in the organizational processes and how the organizational thinking has been behind the structural changes that have been made.

6.1 Instrumental explanations

6.1.1 Consequences of formal participation

In an instrumental perspective it must be anticipated that the formal decision structure is the cardinal for the actual participation pattern. The structure will determine who that will have access to the arenas where the decision - making processes towards the new hospital takes place. The participants, according to decision - making, in the organizational development processes will by that follow the formal organizational structure in regard to holding certain positions. The actors within these positions will

by that be important in how and which decisions that is being made, subsequently having a great saying on the process outcomes.

The participants in the initiation phase of the organizational development process got access to the organizational development mainly as a result of placement in the formal structure. In the pre – project “*New SiA – From vision to reality*” the project group received participation rights as a consequence of positions in the hospital organization, namely as managers at hospital or department level. The pre – project can, empirically, act as evidence of that the participants followed the formal decision structure in the hospital organization. Though there were elements of external participation through members recruited from the University in Tromsø, SINTEF and one consultant from a private company. But, the existence of these participants will not challenge the anticipation of that the initial phase was dominated by participants that follow the organizations formal structure. The members of the project group behind the vision formulation process was merely recruited as a consequence of holding certain positions in the formal structure, and not by anticipations that they might have specific knowledge to contribute to the project in line with instrumental perceptions.

Reviewing the decision - making phase, the instrumental approach provides even more explanatory power in sense of who that was to be participants in the organizational development processes. The strategy towards recruiting employees in the project groups was done by sending out invitations in the organization. Following the instrumental perspective the management will, theoretically, choose employees that they know will be loyal to the organization and promote the stated organizational goals. The result of this intra – organizational invitation gave much feedback, and the managerial level got many candidates in which they could choose from. This brought necessary legitimacy to the management at the same time as the project managers

could be recruited mainly on the trust that these persons had within the hospital management. That is, not necessarily picking the most eligible candidates. Rather the hospital management got a group of organizational members that would pursue the organizational goals through working out organizational structures that would be in coherence with the hierarchical determined goals. This gave the hospital management an opportunity to be able of having some control over the anticipated outcomes of the organizational development projects. The decision - making phase can, to some extent, be viewed as more open than the initiation phase since the phase gave certain employees without formal participatory rights, which is not being in a managerial position, a place in the work towards the new structure. Though having informal participants in the projects, the projects in themselves are under strong hierarchical guidance through the directive management group. At the same time it would be reasonable to anticipate that the more informal members attitudes towards structural changes is more difficult to control, which in turn may lead to project proposals that is not completely in line with the hierarchal desires. As a tool in ensuring that the specific organizational goals are kept, the organization has used the directive management group. The directive management group has also open up for including user representation and union representatives. That is, organizational members that usually is outside the organization's formal decision - making structure. Such representation will modify, and make structural changes less radical than if the hierarchical determined management would have all the decision - making rights. By, that the decision - making phase outcomes have been affected by absorbing participants that usually will be reluctant to ratify extensive managerial decisions. This phase also gives evidences of a more informal participation in terms of the use of reference groups, and submitting project proposals out on hearings in the organization before making a decision. But, there is little empirical evidence supporting the fact that these groups have had a significant impact on the organizational development processes as a consequence of this structural arrangement.

The processes in the implementation phase can also be assessed in light of instrumental determined participation. The responsibility to implement structural changes in the organization has, mainly, been laid on the managerial level. Initially this responsibility was given to the enterprise directors. They were, through the managerial criteria, expected to use their formal position in the organizational structure to ensure that the ready – made structural organizational changes was implemented as scheduled. Due to the formal structure the directors had the power and purposively, according to the managerial criteria, the determination to conduct the changes in which the hospital management represented by the administrative director anticipates. Despite this the implementation phase has, so far, probably been the least successful. The assumption, as explained by an instrumental perspective, that all organizational members are to undertake the goals of the management without significant resistance does not hold in this case. The apparent organizational resistance made the structural changes more difficult to implement than anticipated. This situation resulted in some other surprising changes, in a hospital organization that is, in terms of the removal of the managerial resistance by replacement of the positions. The hospital management have in the implementation phase demonstrated that they are following up the managerial premises which were established at LSW by using the hierarchical structure to force out the resistance towards the decided organizational changes. In a new attempt to ensure eligible enterprise directors that was capable to ensure the implementation processes, the positions were constituted by employees within the organization which had been in positions as department managers. They have temporary been employed in these positions to March 2007, where an evaluation of their degree of implementation success will decide whether or not they will be offered permanent employment. This temporary employment strategy has been a deliberate action from the hospital management ([interview]).

Conclusively it can be said that the 3 phases of the organizational development to a large extent have been hierarchically guided in terms of participation, which can be

explained by an instrumental perspective. The actors in the decision - making positions are there because of their membership in the formal organizational decision - making structure. At the same time Ahus gives a clear perception in regard to how they want the organization to be on an early stage of the processes, and they have effectively used the hierarchical structure to obtain the desired outcomes of the processes. In cases where organizational opposition has been revealed, the hierarchical structure has been used as a mean to solve the situation either by forcing employees out of their positions or by using the superior decision - making power which the hospital management has through the formal structure.

6.1.2 Specific goal pursuit, resulting in goal achievement?

Making comprehensive changes in a hospital's organizational structure is often regarded as especially difficult, due to the particularly strong profession based cultures that exists in hospital organizations. An emerging organization needs specific goals for what the organization shall do, and how it is going to achieve it's goals. The organizational structure must therefore be constructed in such a way that this in fact can be obtained.

In an initiation phase, the goal specification becomes particularly important. In the process towards New Ahus, the hospital management have through the "*New SiA – From vision to reality*" document and the main functional program (HFP 4.0 2003) defined the organizational goals. In addition they went long in suggesting how these goals should be achieved. On the other hand, the initiation phase seems more focused on the organizational visions and to evangelise how the new hospital shall be according to these visions. The initiation phase is surprisingly not evolving especially much around which kind of problems the hospital is to encounter in the coming years,

but the phase have much saying in how these problems shall be solved. This leads to a situation where certain solutions are presented to hypothetical problems. Not making the organization as a whole more attentive to how the future is to be, and continuously addressing the specific goals by using the organizational structure will lead to a situation where the organizational goals and changes becomes a sleeping framework. In the initial phase in the organizational development it seems thereby that the processes was not properly initiated because of the large focus on visions and big words, rather than a specific goal – mean rationality towards New Ahus which could be explained through an instrumental perspective.

The decision - making phase provokes the goal - specific approach towards New Ahus. In this phase the organizational development projects have played a substantial role. A substantial role both in terms of shaping the organization towards what it is to become, and directing new attention towards goals and goal achievement in the organization. In an instrumental perspective the management's best solution to ensure the desired goal achievement, and at the same time legitimate them, is the establishment of ad hoc project groups with subordinate participation. Arguably, many of the most important suggestions and solutions have been realized as a consequence of the project groups work. Though, looking more at the formal side of the decision - making, the directive management group have had the final word in terms of these processes. The hospital management, represented by this group, have been very clear in case of what that is to be expected, and demanded, in terms of functional and structural solutions. The project groups have been aware of the fact that it is the directive management group that finally decides, and anticipatory it would be reasonable to assume that some of the project deliverances have been made on basis to what they know will be an acceptable solution. This can be seen in relation to the fact that the hierarchical guidance in terms of the project development processes at Ahus must be viewed as quite strong. Important to denote in regard to this is, though the directive management group have been fairly persuasive in regard

to the preset goals, the organizational development project must not be considered as merely puppets in the processes. A situation a radical instrumental perspective would entail. The hierarchical guided evidence on the hospital management group towards goal obtaining can be revealed as the strategy used by postponing difficult decisions in the directive management group. If a decision clearly not could be taken without controversies, the hospital management has deliberately chosen to take the case to orientation rather than decision to give the specific decision more time to mature in the organization. The hospital management has also used its formal structure in terms of taking difficult decisions up to discussion in their exclusive group, so that they can appear unified at the directive management meetings making it somewhat easier to get through the managerial desired structural alternatives.

In the implementation phase, evidences of the processes towards goal achievement for New Ahus first of all comes as a consequence in how the organization uses the hierarchical structure to enforce the implementation of ready - made organizational changes. In pursuing specific goal achievement, intra – organizational agreement is one of the core organizing principles. That is, when a decision is made the organization will put much emphasis on that all the organizational members are pulling in the same direction striving towards the same goals. If not, the organization will use the hierarchical structure as a conflict solving tool. In the implementation phase it became evident that some processes were slowed down and partially crippled by communication failures, intentionally or unintentionally, by managers responsible for undertaking the implementation tasks. As elaborated according to participation, these managers lost their formal participation rights. The other consequence was that the project organization took over the responsibility to overview, and conduct, the implementation processes itself. The creation of the so – called “*implementation teams*” ([interview]), which is to act as a toolbox for the department level in terms of how the new functionalities is to be taken into use. These teams are set out to function on the grass root level in the organization to ensure that the hierarchical determined

organizational changes are carried out. Though mainly acting as a helping hand, this function can also be explained in a more strict and instrumental perspective as a form of an implementation – supervision – organ ensuring organizational goal achievement.

6.1.3 Organizational development within an instrumental perspective?

The instrumental perspective cannot explain the organizational development processes and the actors choices fully. But, instrumental explanations can to a large extend provide a reasonable understanding to the organizational thinking, and the actors behaviour, within these processes and the reason for the actual outcomes in the various phases. The hospitals definition of the problem, ie, that they could not solve the tasks of the future within their current state have laid the fundament towards how this problem is to be solved. The problem is partially seeked to be solved within the development of a new organizational structure, and through new ways of conducting business. In an instrumental perspective this will be rational, as the development of the organizational structure is viewed as a primary mean towards solving the organizational goals. As the review of the initiation phase addresses, the connection between the problem and the solutions became somewhat unclear. The focus on the visions and values did not provide a rational approximation towards how the hospital should solve the problems since the solutions in many ways came before the actual problems. This made the organizational development processes not clear enough connected to the actual problem solving, resulting in little coherence in terms of the structural organization of the processes. The new organizational structure which New Ahus will use and that Ahus, partially, uses today is mainly based on a rational perception in terms of incorporating departments that are highly dependent of each other, namely the creation of centres and clinics. Building down the former very

specialized structure, to a more despecialized organizational structure, is based on purpose thinking and can be explained in an instrumental perspective. The new hospital structure will be based on a goal – mean rationality where the cooperation across professions, regardless of former organizational culture provides the most effective way to solve the organizational tasks. The fairly strong hierarchical guidance in regard to the organizational development processes is also empirically evident. The participatory rights for the members in the organizational development processes lies within the formal structure. Further has the directive management group, and perhaps especially the hospital management group, been leading in promoting and deciding upon the shape of the future organizational structure and the prospective functional processes. The hospital management have all through the processes been very clear on where they are, where they want to be and how they will get there. In cases leading to decisions where there have been opposition or disagreement to the desired outcomes, the chosen hospital managerial strategy has been to act very cautious and deliberately used postponing of the decisions in question. Another strategy has been to ensure that the hospital management group appears as one unified group in difficult decisions. Doing so have created more legitimacy to decisions which hypothetically could have created much dissatisfaction at other levels in the organization. Reviewing the stated organizational goals in light of the actual outcomes of these processes it can, empirically, be seen a fairly tight coupling between intentions, goals and effects. This provides further support to the anticipation that the organizational development can be explained as an instrumental process where the organization's management have ensured that the organizational goals are obtained through the deliberate use of the hierarchical structure.

6.2 Institutional explanations

6.2.1 Identifying normative and informal participation

In an institutional perspective it will be anticipated that the norms in the organizational environment determines which actors that will be a part of the decision - making process. Further will the institutional perspective anticipate that the formal decision - making structure is in accordance with what that is expected by the environment, and that this will increase the organizational development processes legitimacy. That will entail that the organization has to invite the parts of, or individuals in, the organization that are comprehended as important in conducting such processes. That means that those being influenced by certain decisions also would be entitled to participation in the decision - making organs to ensure that the processes receives the legitimacy they need to be successfully implemented in the organization.

The analysis in terms of informal and normative participation seems most important in regard to the decision - making and the processes outcomes, by that the locus of the analysis in this section will be on the decision - making phase. In this phase the decisions that is made, and the how the structural changes clashes with the organizational culture are important factors in understanding the course of the processes. For Ahus the organizational development processes have, seemingly, been conducted within the existing norms for similar processes in regard to the involvement of the different participants. The embodiment of the “*right*” participants

will provide a lot of necessary legitimacy out in the organization in terms of the organizational development processes. Though, much of the participation pattern in this phase can be explained from an instrumental perspective there seems to be other important factors in terms of whom and how. The decision - making phase involves a long range of various participants where not all of them can be participating as a consequence of the formal structure. The structural appearance of decision - making and organizational development projects at Ahus, is very much in line with the common normative structuring of similar processes. That is, certain actors and groups must be involved if the wake of these processes is to be seen as legitimate.

The use of organizational involvement through reference groups have become a norm in Norwegian organizational development processes. The projects towards New Ahus have used reference groups in the preparation of organizational changes. The reference groups have, during the projects work, received the groups proposals and been invited to come with their own perceptions on the suggested solutions. The comprehension is that this has worked out well in terms of making the affected groups able to be a part of the processes. Though, there have been situations where the reference groups have complained. Stating that their meanings have not been taken into consideration according to the projects solutions. One example of such a case became evident in the creation of the Day surgical centre. The conflicting question in this project was the question of ownership of the personnel in regard to central operation and anaesthetics. The reference group in this project went long in their criticism of the project, stating that their meanings had not been taken into considerations in the project's final proposal. But, in relation to the use of reference groups it should be mentioned that this kind of participation often is a tool to improve organizational legitimacy. Thus, the most important aspect of such groups is not whether they have had something to do with the outcome of the processes or not. Rather it is emphasized that they de facto got the opportunity to express their meanings. This in turn will make the hospital management able to meet any criticism

from the affected parties after a decision has been made, with the argument that they in fact have been a part of the process. This can surely go both ways. In the case of the Day surgical centre project the very clear disagreement and dissatisfaction of how the project, from the hearing group's point of view, disregarded the hearing group's meanings can distort the process. That is, the effect of not ensuring that the informal participation follows the norm can give extensive consequences for how the various projects outcomes will be.

Other forms of informal participation have also characterized the processes towards the new hospital structure in the decision - making phase. As mentioned earlier, hospitals are very cultural driven organizations. Accordingly, structural changes that don't conform to the established organizational culture will entail organizational resistance. The proposed structural changes in regard to the new organizational chart have in many ways been conflicting with the professional cultural beliefs. Therefore it have been identified various cases of lobbyism, and use of informal management within certain parts of the organization that has had much to say for the outcome of the organizational development processes. Some of the structural proposals, especially in terms of the new organizational chart, have stirred up parts of the organization and created opposition towards the desired changes. The proposal to diverse the medical department out as an own division with an own enterprise director created a lot of organizational disturbance that became evident at the LSW – meeting. This proposal broke with the institutionalized norm in sense of the resemblance between the surgical and medical professions. The strength of the embedded professional culture, especially ascribed to the surgical professions, became so strong that the process in making a decision upon a new organizational structure had to be delayed. In case of the two large divisions, medicine and surgery, the changes in the structure became less radical than proposed. This because the opposition got partially support for their views as a consequence of the clash with the professional culture. The new organizational chart became a conflict of interest between the hospital

management and the second level management in the organization. The outcome of the conflict, which to a large extent have benefited the opposition, can be explained by the fact that the hospital management recognized that this organizational change would not be accepted by the organization being too radical and not analogous to the established culture. The hospital management had two opportunities at this meeting, either to drive through their proposals pursuing an instrumental approach or to follow the organizational culture in a more institutional perspective. If the management would have proceeded with their intentions hierarchically the process would, in institutional theory, lead to failure due to the fact that too radical changes will be rejected by the organization.

Further, can the composition of the directive management group in the decision - making phase be explained in relation to an institutional perspective. In Norwegian organizational culture it is common that interest organizations, like employee unions, are parties in large processes evolving around organizational matters. Their participation will thereby be following the environmental norms. Though they have had a formal decision - making authority in this group, the rationale from the hospital management will reasonably be guided by a desire of providing higher legitimacy to the decision - making process. There is little evidence on that the interest organization have had, to a larger extent, any impact on the organizational development processes outside the formal structure. Applying institutional explanations would anticipate that these representatives use their informal influence to create organizational resistance in cases that break with the employees interests. The union representatives have in many cases been voting against project proposals that have been up to decision - making in the directive management group, but there is less evidences on that they in fact have got their meanings through. But, if there have been cases where they have gone outside the formal structure, this interaction will not be seen as inappropriate due to the strong culture of informal union participation in Norwegian public organizations.

Private consultants have been fairly much used in the organizational development processes towards New Ahus. Their participation in these processes will not be in the formal instrumental framework. They have not had any decision - making rights, but despite this had impact on the processes and their outcomes. Ahus have used the consulting company Deloitte much as a catalyst in the initial phases of the organizational development projects. The consultants have been used as a toolbox for the organizational development projects in conducting various quantitative analyses, and in advisory matters. The trend in Norwegian hospital organizational development processes has been to bring in external expertise, due to the organizational members cognitive limitations in such processes. The use of consulting in the Norwegian hospital sector has been institutionalized as a fairly powerful norm. Thereby their participation in projects of this size in the decision - making phase can in many ways be viewed as nearly mandatory. Though being on the outside of the formal structure, and not having any form of decision - making rights, their participation must be regarded as important to the outcomes of the processes. Røvik (1991) claims that organizations can have a “*hidden agenda*” in sense of getting agents from outside the organization to clarify and legitimate its institutional identity. By that, it will be reasonable to anticipate that the consultant participation in the organizational development processes have an impact on the general formation of the organizational structure.

6.2.2 Developing a new organization, or consolidating to myths?

In an institutional perspective goals will be derived from trends, and environmental pressure. This entails that the organizational goals will more have a role of symbols and visions, instead of being strategically choices to solve certain well – defined organizational tasks. Due to the theory on organizational myths, organizations will adapt and translate existing organizational solutions in line with normative guidelines

in the environment. In an institutional perspective of organizational development, there will be expected that the outcomes of such processes not will be especially new nor revolutionary for the specific organizations.

In the initiation phase of the organizational development process Ahus identified a set of very clear, and ambitious visions for the future organization. Value words as one of the most cost effective hospitals, patient availability, professional competence and focus on research are acquired statements that an emerging hospital must have in terms of undertaking organizational changes to the extend that Ahus is doing. But, looking at these value words they seem very familiar. Both strategically documents in organizational development processes towards the St. Olav Hospital and Radiumhospitalet – Rikshospitalet share much of the same value foundation. The hospitals are searching for the means, through symbols, in how to become the best. But, these strategy documents say little in how they are to obtain such a position by separating themselves from the others. The stated visions have obtained a role as myths in the phase of legitimating the occurrence of new hospitals. In the visions that Ahus has stated, they are to be one of the most cost effective and patient focused university hospitals in Norway. A premise in which the new hospital, as well as all emerging new hospitals, intuitively has to rest upon. These goals must be obtained by the organizational structure and/or through functional redesign. Ahus has all the way emphasized that their approach towards the new structure, and the final structure, will be a hallmark of hospital design. But, the initiation phase of the processes makes the structural suggestions and the organizational chart for New Ahus difficult to distinct from, eg, St. Olav Hospital and Radiumhospitalet - Rikshospitalet. Many of the suggestions in terms of the initiation phase's structural suggestions can even be found in the NOU 1997 – "*Pasienten først*" document. Functional changes as bed – yards and decentralized blood sampling are also institutionalized concepts, or myths, in how an effective hospital must be organized. By that, the organizational chart and the functionalities that New Ahus will have will certainly be measures that other hospitals

already have taken into use, or are planning to do. The phase is thereby not initiating a structural – instrumental approach to obtain the goals in which will be specific to New Ahus, rather they are consolidating to the environmental myths of proper organizing

In the decision - making phase of the organizational development, the institutional perspective provides even more explanatory power to the processes and their outcomes. In this phase, an institutional perspective will predict that the organizational structure will become isomorphic to other similar organizations. That is, the organizational way of thinking which Ahus withholds as innovative and new in fact comes as a consequence of the environmental pressure towards organizing according to the ruling norms. Subsequently the new organizational structures and hospital goals, both at Ahus and other hospitals, will be the same. The main structure of the organizational development processes towards New Ahus can in many ways be ascribed to the changes in the hospital management in 2005. New thoughts and new problem identifications provided an opportunity for Ahus to restart the projects. Though, the question remains. Where did the new impulses, that were now proposed, come from? In case of undertaking organizational change of this magnitude, one would expect a rational orientation towards other hospitals that have conducted similar processes. Evidences of such are not easy to see in the Ahus – approach towards the New Ahus. But, demonstrative to the processes are the changes in the hospital management. The new hospital management's perception of how the processes should be conducted follows a “*garbage can*” approximation (March & Olsen 1976), where solutions to the hypothetical problems can be ready before the problem actually occurs. Much of the thinking behind how the organizational processes should be conducted, and the preferred outcomes of them comes from projects done at Buskerud Hospital. It has been argued that the principles of functionalities and structure would be as much applicable at New Ahus as they will in Buskerud ([interview]). Clearly these perceptions come from the administrative director who entered the organizational development processes at Ahus in 2005,

coming directly from the organizational development of Buskerud Hospital. The director moulded the new approach towards New Ahus heavily on experiences from Buskerud. By that, being a managerial light bulb that translates own experiences into myths of organizational development. Had another administrative director entered Ahus at the given time, the outcomes of the projects in terms of New Ahus would perhaps been quite different from what that can be seen today. This leads to a situation where the choices of main principles and structure for New Ahus become somewhat accidental.

In the decision - making phase the appearance of private consultants have been fairly evident, and they will possibly have had a fairly great saying in terms of the organizational outcome. Consultants are often recognised as prime providers of institutional myths. The consultants that are hired in large organizational development processes will have been participating in similar processes elsewhere, and they will use their experiences in these processes and translate former structural solutions to fit into the organization in question. Thereby their perceptions of how the organization should be shaped and how organizational projects shall be undertaken will be institutionalized with the environment. Ahus have used Deloitte in many of their organizational development projects, where the consultants have had important involvement in the initiation of the projects. Due to the cognitive limitations of the project members recruited from the hospital in terms of such projects, it can be anticipated that consultant suggestions in terms structural solutions will be rather determinate in the processes outcome.

6.2.3 Organizational development within an institutional perspective?

The institutional perspective can provide much explanatory power to the occurrence of certain characteristic of the organizational structure, and through the adaptation of organizational myths. The institutional perspective can also explain some of the thinking towards the participation of various actors in the processes. The perspective entails that the organization is an institution where informal decision - making will be important for the processes, and that organizational myths will be important to the structural shape of the organization. Further, it will be anticipated that the organizational culture has an impact on the organizational development processes. Though the decision - making structure gives evidences as being hierarchically guided in an instrumental perspective, the institutional perspective's explanations can't be disregarded. The organizational development processes, and the hospital management, have demonstrably taken the organizational culture into consideration in terms of not conducting to radical and fundamental changes. That is, structural changes that would have interacted with the organizational culture. Evidences of such can be found in the structural arrangements of the medical and surgical divisions. A situation that can serve as an example where the proposed structural solutions became to difficult to accept for the profession specific groups. Not undertaking such structural alternations, when the opposition is so strong, is in line with the institutional reasoning that to radical changes will lead to failure. In terms of the implementation phase, the organizational culture has had much to say in terms of how the processes have gone. This is emphasized through the fact that different managerial perceptions in terms of the importance of following – up the implementation processes, have made the processes less successful than they were intending to be.

In regard to the participatory pattern of the organizational development processes the institutional perspective can explain the occurrence of various actors. The embodiment of union and user representatives in the directive management group provides necessary legitimacy in terms of the decision - making, and the acceptance of these decisions in the organization. The use of private consultants in the organizational development processes have also become the norm in Norwegian hospitals. Their participation in such processes would for not many years ago be regarded as nearly outrageous by hospital professional groups. Today, on the other hand, it seems that not using private consultants would lead to the same situation. In the processes towards New Ahus the consultants, have participated on an informal basis in the decision - making processes. They have not had formal participatory rights, but have within the informal structure laid some guidance on the organizational development processes. Their participation and impact of the processes thereby supports an anticipation that much of the outcomes of the organizational development projects comes through the informal structure.

7. Conclusions

7.1 Summary

The purpose of this thesis has been to understand the mechanisms that interact in large organizational development processes. Who are the actors, how is their choices shaped and what will this shaping have to say for the actual outcomes. To approach this problem I've chosen to assess the empiricism in the organizational development processes towards New Ahus in light of two perspectives, an instrumental and an institutional, on organizational development. This has been done with an anticipation that these two perspectives will be able to provide valuable understanding to the different aspects that such large processes will have. I conclude that the theoretical basis for this thesis has obtained that goal. The organizational development process towards New Ahus has been an organizational task of an extensive size. The aim was to create a new organization, which subsequently will be a hallmark of how to organize hospitals to meet the future challenges. In order to obtain that goal has Ahus chosen to use organizational development processes, which through the use of internal development projects has created suggestions to a new structure and new functionalities that will make New Ahus operable by October 2008. The hospital's intention of using internal project groups was to be flexible, swift and most of all own the processes by themselves creating inter – organizational legitimacy for the projects outcome. According to these projects has the theoretical framework identified the various actors within, and their relationship to and impact on the processes. The two perspectives have been complementary and reciprocal in their explanations on the various aspects of the processes. This was anticipated, but just as much valuable to understand the processes towards New Ahus. By using two perspectives, not only

one, to illuminate the organizational development the analysis has become more complex. But, with the anticipation that the both of them will have extensive explanatory power it has been necessary to do so in regard to fully comprehend the reality of the organizational development.

7.2 Conclusive endpoints

Revisiting the main events of the organizational development

Characteristic for organizational development processes that goes over a long time span, is that certain events will be more critical to the processes than others. In the processes towards New Ahus, the empiricism demonstrates at least two events that must be said to be determining for the course and outcomes. First of all, the change in the hospital management in 2005 provides much explanation to the actual happenings. By the change of the administrative director it also came changes in how the projects, and most important how the directive management group was assembled. Especially the use of the directive management group and its composition has had much to say for the organizational development. Seemingly, has the group been used, besides decision – making, as a form of legitimacy organ through its wide composition. Also the choice of creating internal project groups, relying on “*guerrilla*” management made extensive alternations in how the approach towards New Ahus developed. These structural arrangements has in the analysis been assessed in an institutional perspective, and been explained as the importance to involve informal actors. The informal participation have in the processes fulfilled two main points. Intra – and inter – organizational legitimacy in terms of adjusting to the environmental norms. This structural choice, as well as the composition of the directive management group, has

provided a control ability for the hospital management and at the same time necessary legitimacy for the proposed organizational changes. Evidently, did the changes in the hospital management provide new inputs to how the organization should be. The transmission of experience and conforming to myths can be thoroughly explained by an institutional perspective. Both the functionalities and structural arrangements are organizational solutions that can be identified at other hospitals. This can be further explained as a consequence of the high degree of institutionalism in the Norwegian hospital sector. In terms of being recognized as legitimate in the environment New Ahus has, as everybody else, to conform to the existing myths. In reviewing the main events of the organizational development, it also seems reasonable to mention the Large Scale Workshop and the aftermath of this meeting. Up to this time the development processes seems to be running nearly too much “*on track*”. The meeting became important in terms of revealing to the rest of the organization, and perhaps the outside world that some things were more problematic than others. The meeting had also important impacts on the organization in terms of giving the management a further emphasize on the managerial demands, and the consequences of not following – up the demands as anticipated. This can have provided a necessary sense of the importance to accept the decided structural changes, and the possible consequences of rejecting them.

The managerial importance

For all organizational development processes of this size, the managerial ability to maintain control over the processes remains crucial. To ensure implementation of extensive organizational changes, which can be comprehended as rather controversial, the management have to be strong. The processes towards New Ahus can empirically be assessed as hierarchically guided. Both the decisions in regard to participation and how the decision – making have been conducted can be assessed in and explained by

an instrumental perspective. The decision – making phase is particularly important in terms of the managerial presence. The empirical evidences of the processes demonstrates many cases where the decisions towards New Ahus have been taken hierarchically, but the analysis does also demonstrate the constraints of such an approach. The hierarchical avoidance of driving through unacceptable propositions has to some extent modified the final appearance of the organization through the necessary conformity to organizational culture, which became evident after LSW. The empirics have also demonstrated the managerial lack of ability to exert its formal guidance of the not controlled informal participation that is informal interactions in the organizations that distorted the processes. This can be exemplified in the case of the problems with the implementation of structural redesign, where the management demonstrated a highly instrumental approach by replacing certain positions in the formal structure in the implementation phase. The managerial role can also be assessed in an institutional perspective. It seems clear that the hospital management, and perhaps the administrative director, has had an important role in regard to the other organizational members. The institutional perspective elaborates over the phrase, the managerial light bulb. The organizational development processes towards New Ahus, can in fact be seen as almost personified through the administrative directors role. It seems important to the processes that the lower levels of the organization has had a great deal of trust in the director, and thereby also been loyal. The position as a form of figurehead for the processes as a whole can be seen as a consequence of the continuous emphasis on legitimacy and conflict aversion by the hospital management as a whole. Empirically there is little evidences of decisions that have created persisting conflicts in the organization, rather has consensus been the main organizing principle.

Final considerations

Was the organizational development processes towards New Ahus a success? Did the organization obtain their goals? The question is not possible to answer in an easy way. But, it can be said that the organization has been able to create a new organization within the existing one. The approach to New Ahus has in an analytical perspective demonstrated that such processes are far from straight forward, the interaction between formal, as well as, informal participants have defined and redefined the goals and outcomes as a consequence of a continuous flow of inputs and outputs. The processes degree of success towards New Ahus can, in a very simplified form, be ascribed to two factors. First of all the right use of hierarchical management, through ensuring goal – achievement and controlling the participants behaviour to a reasonable extent. Secondly, the creation of a common intra – organizational desire to succeed with the development processes that has been obtained through a formidable change in the organizational culture. This cultural change can be viewed as the number one reason for making the organizational changes possible. The achievement of making a so large and complex organization obtain such a drive, and desire to create New Ahus must be seen as somewhat unique in organizational development in the hospital environment. That being said, the processes towards New Ahus have also demonstrated a common fault in the creation of hospitals. The ambitious goal of creating reference hospitals often tends to lead to consolidation of the environmental myths. A lot of resources are spent on trying to pondering out revolutionary functionalities and structures, but ultimately the final appearance becomes evidently isomorphic to other organizations. In the processes towards New Ahus, the hospital oriented themselves in the environment in terms of new functionalities. But, they have been surprisingly reluctant to seek experiences from other organizations that have gone through similar processes encountering the same problems that Ahus ran into. Problems that easily could have been avoided of the hospitals as organizations had a larger will to learn from each other.

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