Stakeholder Management: A Universal Strategic Health Services Management Approach to Unlock a Profitable Return on Investment

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Abstract

There have been sustained global policy and fiscal pressures for businesses, including health care services to demonstrate unique customer-oriented entrepreneurship capabilities in terms of marketing and innovativeness, influenced by the recent global financial crisis, leading to business closures, budgetary shortfalls, and constant operational challenges for survival. For several health care managers, this entails effectively managing the increasing influence of active and powerful stakeholders to achieve a competitive advantage in terms of productive and allocative efficiency over customer-driven results and innovativeness. A focus on value addition by itself is a precursor of effective stakeholder management, clinician leadership model, and a decentralized activity based management, which integrates customer values from basic and expected services to desired and unexpected services as well as combining product quality and high quality customer services needed to usher a competitive advantage to organizations through cost leadership or product differentiation. However, a stakeholder management tool that is universally applicable across all health care business entities is still work in progress. This paper debated upon relevant previous literature on stakeholder management as a central feature for customer-driven business practices, for implementation in form of a universal stakeholder management tool, in order to advance sound entrepreneurship capabilities that support dynamic high quality customer care-driven health care and innovation.

Keywords: **stakeholder, customer care, innovation, entrepreneurship, health care services, return on investment, management, strategic**

JEL Classification: M1, M130, M190

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The global importance of a healthy population and thus a healthy workforce is undoubtedly pivotal to the survival and well being of any economy. Recent turbulent economic events across the globe have confronted health organizations with complex management puzzles to cope with scarcity of resources in pursuit of safe, value for money, and responsive health services. According to Webster (2009), the only valid definition of a business purpose is to create a customer based on two unique distinguishing functions of marketing and innovation. As Culley (2014) posits, organizations that strive to win and delight customers have shareholders benefitting handsomely, yet the opposite results in a doom-loop of employee disengagement, with subsequent loss of business profitability. The rise of the Internet and e-commerce has prompted the creation of virtual organizations and has ushered multiple consumer choices, thereby forcing businesses to evolve and adapt to achieving better ways to compete.

Within these rapidly changing and unpredictable business practice environments, customers and shareholders make increasingly strong demands on businesses for specific product requirements to get value for money services. There is often contention in the shareholder and customer value discourse for many businesses, whereby shareholder value is attributed a higher priority that is consistent with the objectives of strategic businesses. For

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Drucker (2005), a focus on every employee's contribution to high quality customer care is critical to achieve a whole of business effectiveness in terms of direct results, building of organizational values, and their re-affirmation through marketing, building and developing leaders for tomorrow. To achieve this effective performance, Welch (2005) investigated the power of positive surprise that promotes the expansion of an individual clinician employee's job horizons to include bold and unexpected boundary spanning activities, new concepts and processes that surpasses the individual, unit, and organization's overall performance. Therefore, businesses have to develop and implement sustainable processes and strategic techniques that are focused on the effective use of organizational resources to support managers to enhance both customer and stakeholder value at a competitive advantage. Simply put, employees have to understand and make decisions about their core business activities that promote improvements in both customer value and the overall worth of a business enterprise from the owner's perspective using unique advantages such as cost leadership or product differentiation that other businesses are unable to replicate. According to Viljoen and Dann (2000), low-cost producers based on cost-leadership principles allow businesses to sell their products or services at a lower price than competitors. However, product differentiation has services that has characteristics that are superior to those of competitors such as superior quality, customer service, delivery performance, or product features such as innovation. A hybrid competitive advantage occurs when businesses integrate cost leadership and product differentiation (Wright, Pringle, & Kroll, 1992). Simply put, businesses that sub-contract their structure and development resources to other businesses to reduce both fixed and manufacturing costs employ a dual competitive advantage.

The focus on value addition by itself is a precursor of effective stakeholder management, clinician leadership principles, and an adaptive and decentralized activity based management involving responsiveness, open communications, high performance teamwork, self-development, and development of others (Jensen, 2001). To this end, Jensen (2001) proposed the enlightened stakeholder theory in terms of a business's vision, strategy, and tactics, as a long term market value maximization approach, which both unites participants in the organization and becomes the scorecard for managers to assess the business's success or failure in achieving a competitive advantage. In other words, health care organizations maximize their corporate values by paying a unique attention to the needs and interests of the stakeholders. For a health services manager, in an environment of turbulent change and scarce resources, effectiveness entails being sensitive to and developing an ability to work in response to the proximate environment, thus making customer-orientation and employee engagement the essence of management and a unique distinguishing tenet of a business culture. In other words, authentic leaders utilize principle-centred leadership to understand the real drivers of business success, which is a long term perspective that centralizes meaningful employee engagement on the delivery of customer value at every stage, using clearly defined values and ethical decision making principles. Meaningful employee engagement reflects integrated value delivery team structures, where the focus is on customer value in order to achieve outstanding performance.

Similarly, by clarifying employee roles and responsibilities, organizations can create an enabling and engaging environment for clinician leadership whose values are directly linked to customer values (Shiri, 2013). Following this process, businesses on the one hand present a value proposition that seeks to identify key values, customers, and key customer care qualities ; on the other hand, this stakeholder management approach creates a profit proposition, which also identifies the design and cost-efficient monetary value services customers are prepared to pay for ; and people proposition, whose central feature is on aligning and engaging employees in order to willingly contribute their best efforts to deliver profitable customer value. For example, to improve cost-efficient utilization, consumer service experiences, collaboration with other providers, patient - flows and patient-physician relationships are important. As Brinkerhoff (2003) alluded, one source of sustainable health reforms involves effectively managing the increasing decision making influence of active and powerful stakeholders on issues such as health services governance, financial resource allocation, and control and patient services. Board (2010) and Roach (2009) pointed at a crisis of leadership being the epicenter of a visible post-global financial crisis systemic flaw in terms of rethinking the system to achieve sustainable profitable innovations. Whilst, Royal, and O'Donnell (2013) underscored the increasing value for business leaders, analysts, and financial regulators to by-pass the illusion of numbers in their risk models and incorporate the

human capital investment that considers the relevance of people management data when evaluating the potential performance of knowledge-intensive, service-based organizations as a strategic new paradigm to provide a more effective early warning of potential financial distress and unleash post-global financial crisis profitability. From this discourse, the role of healthcare actors is reviewed from a broad system-wide perspective in terms of identifying linkages among health care actors and assessment of capacity to access strategic information, resources, opportunities, and support needed to influence key decisions and for improved accountability.

Malhotra and Khanna (2009) underscored the value of collaborative innovation for businesses using non-conventional business execution strategies that empower customers with risk-managed consumer choices, equity of access to core business services, and cushion firms from depleting profit margins. Sawhney, Prandelli, and Verona (2003) expanded the discourse of co-value creation from a strategic e-commerce business imperative where businesses collaborate with both customers and their competitors to achieve collaborative innovation on new product development. In this manner, customer and competitor engagement in the entire five stage new product development process of ideation, concept development (front end and strong customer engagement stages that utilize web-based focus groups, suggestion boxes, advisory panels, virtual communities, web-based idea markets, surveys, questionnaire), product design, product testing, and product introduction (deep back -end stages of product testing) (Ulrich & Eppinger, 2003) transacts in closely-knit virtual communities, thereby permitting businesses to reach new customer-base frontiers and gain knowledge about their competitors in a flexible, interactive, low-cost, broader, richer, and timely scale that creates and sustains a competitive advantage (Ianstiti & Levien, 2004). In doing so, businesses create ongoing customer dialogue, foster strong personalized customer relationships, absorb social customer knowledge, and knowledge of potential lead users or competitors' customers as well as gain access to unbiased customer knowledge and useful insights into opportunities that lie beyond the business's immediate field of view.

Samson and Gloet (2013) posited proven business innovativeness as a key profit driver for successful organizations and innovativeness-driven economies in terms of higher revenue growth, higher levels of cash-flows, cost advantages, long-term competitive advantage, profitability, and productivity. Whilst Brittain (2012) linked creativity with volatility, unpredictability, complexity, and ambiguity (VUCA), and recommended leaders to abandon trying to meet external standards and express their own, deeply-felt leadership viewpoints, and bring their complete selves into business interactions. In other words, creative leaders should trust their unique gifts and access their unique mix of gifts and talents, and give voice to themselves in creative responses to business situations. The authors situated the building blocks of innovation as premised within business strategy and leadership, customer focus, orientation to some calculated risks, and risk changes implementation strategies ; an organization's culture promote employees to have the opportunity and inclination to contribute to innovative outcomes. In this manner, a strong human resource management and training strategy that underscores the whole of workforce participation, proper management of innovation strategies, and management of partnerships, creates competitive value-added business competitiveness.

By definition, "primary stakeholders are those stakeholders who bear some form of risk as a result of having invested some form of capital, human or financial, something of value, in a firm" (Clarkson, 1995, p. 5). These stakeholders are those individuals, without whose participation a business cannot survive ,that is, "the survival and continuing profitability of the corporation depends upon its ability to fulfil its economic and social purpose, which is to create and distribute wealth or value sufficient to ensure that each primary stakeholder group continues as a part of the corporation's stakeholder system" (Clarkson, 1995, p. 107). Primary stakeholders include capital suppliers (shareholders) employees, other resource suppliers, customers, community residents, and the natural environment (Blair & Whitehead, 1988; Clarkson, 1995; Starik, 1995).

Expanding this viewpoint, Clarkson (1995), viewed stakeholders as implying individuals, groups, and competitors; internal, interface, or external, who had a vested interest in and actively or passively attempted to influence the decisions and operations of health services. Starik (1995) perceived internal stakeholders as those customers who operated within the boundaries of organizations such as the management, professional, and non-professional staff who often managed to gain constant contributions through a sufficient pay inducement. Interface stakeholders function both internally and externally to the organization, such as the medical staff, the

health services board members, corporate officers, stockholders and taxpayers, whose value addition is effectively managed through sufficient inducements. Blair and Whitehead (1988) positioned external stakeholders as neutral, non-supportive or hostile, existing in a symbiotic, competitive, or regulatory relationship, mainly to provide inputs into the organization, compete with organizations, or to have a special interest in organizational operations such as consumer groups, media, politicians, professional groups, suppliers, patients, regulators, and insurers. As Albrecht (1992) argued, a stakeholder value package classification system that integrates customer values from basic and expected services to desired and unexpected services combines product quality and high quality customer service, which is a competitive advantage to organizations. Clarkson (1995) concluded that relationships by nature involve investments by multiple parties in terms of time parameters through a process which underscores reputation, fair dealing, and moral treatment by multiple parties to enhance their value.

From a structural organizational power perspective (Kanter, 1977), interface stakeholders tend to be among the most powerful stakeholders in terms of access to strategic lines of organizational information, support systems, opportunities to influence key decision processes, and access to organizational resources. To get the job done effectively, I hypothesize that all stakeholders need adequate access to formal and informal power, in terms of structural empowerment factors, to remain effectively engaged and get the job done effectively. In doing so, each stakeholder needs to access structural determinants of organizational power such as information, resources, support, and opportunities. Organizational performance and survival of health services, therefore, are premised on effective stakeholder management. For health services managers, stakeholder management is an approach that systematically integrates effective marketing management, effective accounting, financial, economic principles and decision making, dynamic leadership in terms of innovation, creativity and entrepreneurship, expert operations management, influencing and making decisions, strategic and sustainable business planning, and ability to compete in a global marketplace.

Globally, the central theme in health services management is that it is a cockpit of turbulent change, where a myriad of problems exist, ranging from scarcity and rationing of health resources, increasing consumer demand for health services, and the burgeoning significance and influence of stakeholders on the delivery and management of health services. As Miles (2012) recommended, the stakeholder management paradigm holds increasing influence on effective health organizational performance, yet it is still work in progress. In other words, managers should focus more of their attention on relationship building and clinician leadership capabilities, and less on role defining to achieve high quality health services and innovativeness at a competitive advantage for survival. The essence of quality in stakeholder management entails the ability to establish a customer complaints policy framework to improve customer service and for resolving complaints based on careful planning, factual, and objective data. Mard, Dunne, Osborne, and Rigby (2004) centralized quality management as a prominent strategic benchmarking imperative for driving a business's strategic value as measured in the form of strength of market position, effectiveness of new product development, effectiveness of the executive compensation policies, level of customer satisfaction, quality of investor communications, quality of products and services, and strength of corporate culture. It is, therefore, imperative for organizations to proactively identify customer needs and expectations, and the organization's role in providing the services or products to fill these needs. Specifically, health services need to establish relationships with clients based on customer value, and manage and coordinate the key ingredients in a service culture. A customer-oriented health service's effectiveness and survival are premised on its ability to provide high quality customer services through a process of careful planning, feedback collection on service effectiveness, efficiency and equity, and then use subsequent feedback outcomes to monitor and implement corrective customer service actions. Finally, health services are reviewed and reported on the basis of customer service outcomes in accordance with organizational requirements. Shewhart (2008) recommended PDCA (Plan-Do-Act-Check) cycle as a total stakeholder quality management system that empowers stakeholders to take ethical responsibility for planning and implementing decisions to ensure that service improvements are consistently retained.

Given the high profitable value of the stakeholder management discourse for several organizations, there is a need to identify a standard universal tool kit for use in organizations to diagnose stakeholders' power as a way to

identify and assess the extent of key stakeholders' influence on organizational performance. In this context, organizational performance, as Dwyer (2012) stated, is expressed in terms of achieved direct results, ability to build organizational values and their re-affirmation, and ability of organizations to constantly identify and develop leaders for tomorrow. Therefore, the process of identifying and evaluating stakeholder power influence and core values is a dynamic process that takes into consideration the potential for one stakeholder to form a coalition with another stakeholder and the subsequent mergers.

Gilley, McMillan, and Gilley (2009) associated the ability to initiate change with the capacity to influence, direct, and modify other employees' behaviours in order to achieve organizational effectiveness. Nohria, Joyce, and Roberson (2003) concluded from a system functional review that a competent management is a key ingredient of sustainable competitive advantage in contemporary and rapidly changing organizations such as the health care industry. Intuitively, stakeholders with high levels of formal and informal power have access to structures of productive power within an organization such as information, lines of support, opportunities, and resources.

Traditionally, generating and manipulating knowledge is fast seen as a core function of any economy and is the only sustainable way for organizations to create value and profitability in the longer term (MacMorrow, 2001). Yet, for Stewart (2001), workplaces that promote higher knowledge intensity achieve greater commercial profitability, higher levels of innovation and, ultimately, knowledge, which has become the source of wealth creation and economic growth. By definition, Johnson (2013) described knowledge as a social entity in the form of information that is relevant, actionable, and is based, at least partially, on experience. The process of knowledge transfer for health service stakeholders uses frameworks as formal, informal, market-sensitive, and professional oriented governance structures. In saying so, frameworks for managing health services become dual windows on the world and lenses that bring the world into focus. Expanding formal frameworks represent organizationally sanctioned knowledge or rigid rules that seek to shape and control desired behavioural norms to achieve targeted outcomes. In addition, informal communication and friendship structures thrive on deeply shared emotional understandings that temporarily shape affiliations to organizational life.

Kirman (2001) posited market-sensitive stakeholders as the important interface of organizational structures that focus on knowledge exchange relationships between traders or brokers. As Johnson (2008) and Kaplan (2008) added, market-sensitive stakeholders are seen from a consequential utilitarian perspective, with the primary basis for continued relationships resulting from a perception of mutual gain creating dynamic changes in social systems depending on changing rewards for broad societal value outcomes, regardless of potential personal benefits. Yet, for Macdonald (1995), professional stakeholders underscore the development of tacit knowledge to distinguish between professions and to define relative competence to do non-routine work or to apply old knowledge in new ways to solve novel or unforeseen problems. In doing so, professionals establish their practice jurisdictions and social status within social systems, thus defining the legal instruments for credentialing and professional training structures.

Overall, Gray (1996) depicted frameworks as a language most commonly used to indicate both a way of viewing the world and of subjectively interpreting it, thus acting as sense-making devices that establish the parameters of a problem. Central to clinical governance structures are key structural determinants of power in form of information, support, resources, and opportunities that seek to achieve clinical excellence. Research evidence also suggests empowerment as a key instrument to explain organizational effectiveness (Kluska, Laschinger, & Kerr, 2004).

Discussion

✸ **The Stakeholder Power Status Evaluation Tool Kit :** Firstly, I propose Table 1 to be the Stakeholder Power Status Scorecard. Secondly, Table 1 is a method to identify influential stakeholders in terms of social status conferred by society that is consistent with the human relations theory (Mayo, 1933) and sociology of professions (Abbott, 1988). Similarly, Abbott (1988), using an interpretive paradigm, described the process by which

Table 1. The Proposed Stakeholder Power Status Scorecard

Stakeholder	Type: Internal; formal; external; professional; market	Informa-tion	Resour-ces	Opport-unities	Support	Variance	Contribu-tion Margin	Targeted Net Income	Total Stake-holder Power
Medical staff									
Management									
Professional staff									
Non-professional staff									
Executive Board									
State Government									
Media									
Other Hospitals/Competitors									
Health Insurers (Medicare/Medibank)									
Community Groups									
Patients									
Politicians									
Stockholders/taxpayers/public									
Suppliers/Creditors									
Regulators e.g. ACHSE									
Professional Groups e.g. AHPRA									
Missionary/Religious Services									
Special Interest Groups									
ACHSM, Labour Unions									

professions such as medical staff seek to legitimize themselves to society by attaching their expertise to the widely held values of rationality, efficiency, and science, and proposed the use of power both internally and externally to preserve an abstract system of knowledge in terms of internal hierarchical stratification and differentiation. From this discourse, Abbott (1988) centralized the assumption of an objective reality by arguing that the reality of medical staff, for example, is a social construction rather than being a technically rational function driven by and serving the internal operations of organizations. The purpose of the stakeholder power status evaluation tool as a continuous quality improvement tool is to identify and measure the capabilities of each stakeholder to influence internal, interface, and external business operations and organizational effectiveness.

A set of assumptions of the stakeholder management tool that resonate with Drucker's (2009) assertion of marketing as management, strive to define the main characteristics of a business operation, its objectives, and the roadmap for defining results, customers, and their values in relation to the core business. Following this notion, the Table 1 seeks to identify and rate key health services stakeholders using a matrix scale of 1, 3, and 5. The central feature of stakeholder power, as Johnson (2013) alluded, is knowledge management, implying that one's effectiveness in a specified role is a reflection of his or her ability to manage industry specific knowledge or information to achieve direct results, customer satisfaction, and to identify new opportunities. Subsequently, knowledge management translates into customer care feedback systems and new business opportunities for expansion. In doing so, organizations proactively respond to new business threats and emerging expansion opportunities (please refer to glossary and Figure 1 for easy and less-time consuming scoring guidelines).

Glossary

✸ 1= *Not at all important* to the stakeholders and is the score when 1 sub-item is achieved *;* 3= *somewhat important* to the stakeholders and is the score when 2 sub-items are achieved ; 5 = *critically important* to the stakeholders and is the score when 3 sub-items are achieved.

✸ Key business activities are classified into four categories: Information communication and technology systems (best industry benchmarks ; customer-oriented teams/units); resource-based operations (activity based management, open information systems, performance based bonuses; local place management) ; opportunity-oriented operations (new ventures, poor performance areas ; low customer care feedback systems); business support systems (these seek to reinforce change and manage resistance to change).

✸ Total (Maximum) stakeholder power = 5 multiplied by 4 (total number of structural power determinants) = 20; Average = 3x4=12 Scores; Minimum = 1x4=4 Scores. The lower the stakeholder power scores, the less influential the stakeholder is at a specific time and event. Conversely, the higher the stakeholder power scores, the more influential the stakeholder is at a specific time and event.

✸ Variance in Power: It measures the differences at high stakeholder activities and low stakeholder activities.

✸ Contribution Margin: Total stakeholder power minus power variance (high-low power figures at a specific point).

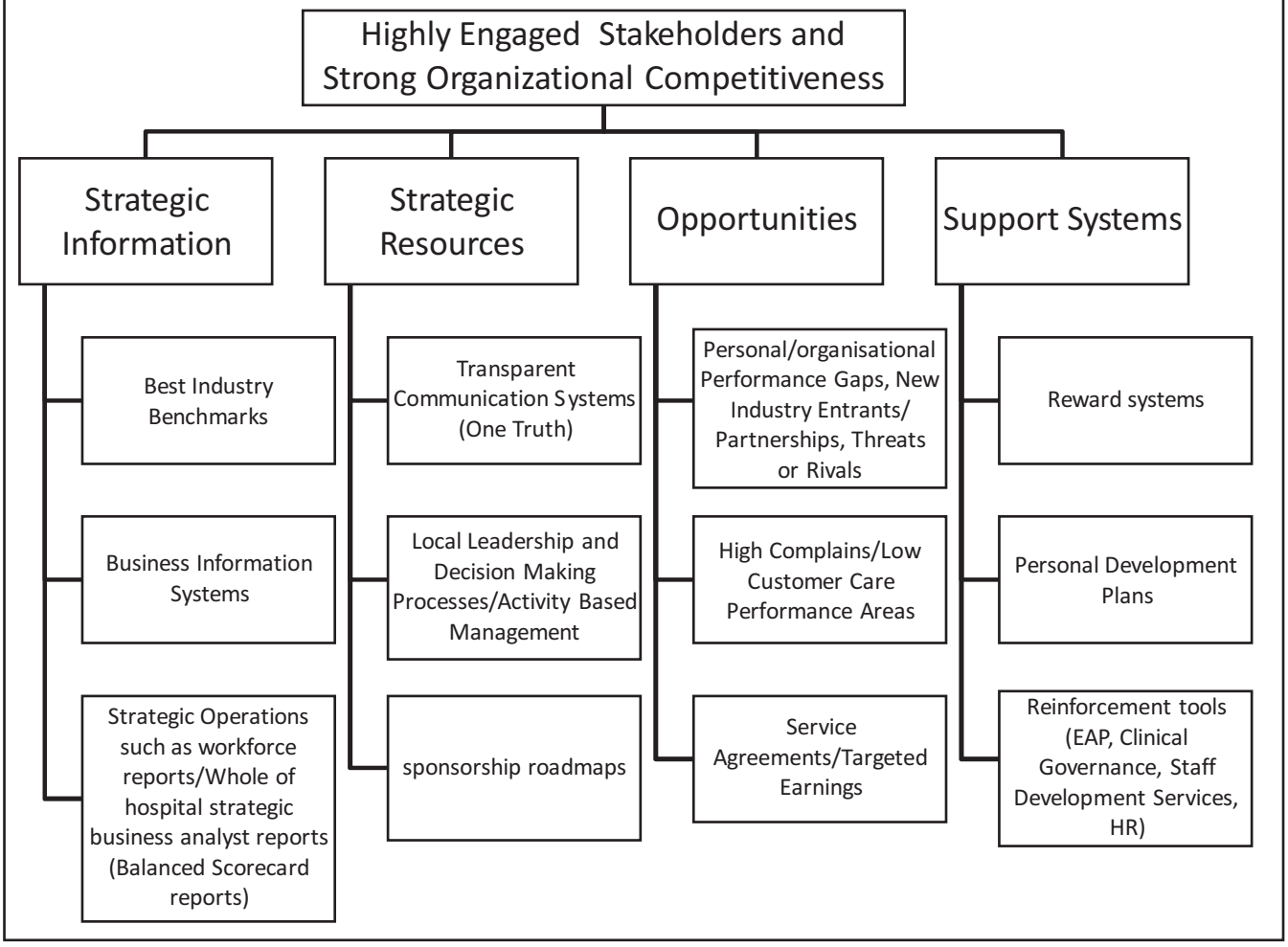
✸ Targeted Net Income: Is the level of stakeholder activity (power) necessary to achieve a specified income. The Figure 1 was drawn from service agreements and organizational budgets that are specified annually by health care purchasers.

A Dynamic Customer-Centric Decentralized Organizational Activity Based Management Model

Drawing from the organizational power paradigm (Kanter, 1977), the Figure 1 is a guiding framework to evaluate and tabulate stakeholder power, itself an adaptive and decentralized activity based management model, which is directly linked to a measure of decentralized units's ability to access and manage strategic and dynamic organizational empowerment structures such as information, resources, opportunities, and support. According to Cieslak and Kalling (2007), the main purpose of the activity based management model is to facilitate managers to better understand how activities add value to products, provide learning, growth, and internal efficiency and customer satisfaction beyond financial dimensions of performance. By giving front-line employees access to empowerment structures such as strategic information, support, resources, and lines of opportunities, employees can make better decisions about their activities and set priorities. At the epicenter of the activity based management model is a dynamic customer relationship management approach that seeks to identify activities highly engaged employees must do to satisfy customers and build their loyalty and profitability now and in the future.

Front-line employees are therefore freed from budget-oriented goal targets that restrict their ability to build relationships. The different sub-systems of the four empowerment structures are continuously changing as part of self-regulation, in response to internal, interface, and external forces. As an example, a business information system such as Patient Flow Chart and In-Patient bed availability within a healthcare organization at one point will be considered as strategic information. Subsequently, the same information may also constitute an organizational resource, support, and opportunity to reflect changes in purpose in terms of organizational values, principles, targets, and the changing practice terrain. To make effective local decisions and to identify important opportunities, as a way to get the job done, it is important for each unit to have access to adequate strategic

Figure 1. Proposed Adaptive Customer-Oriented Decentralized Activity Based Management Model



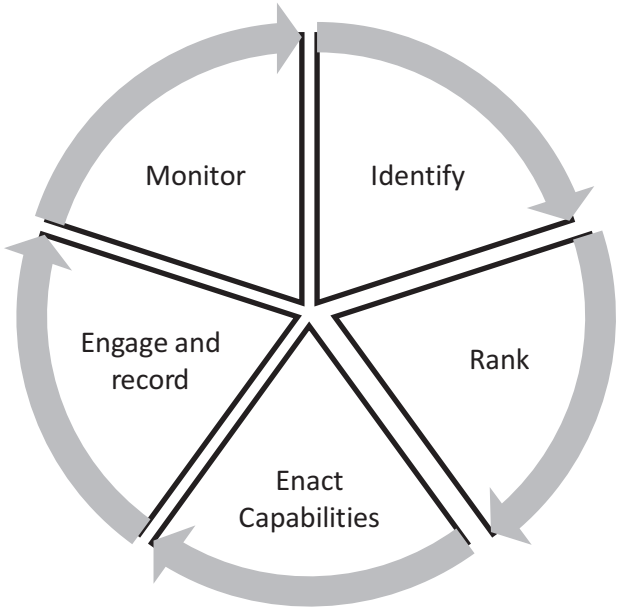
organizational information, support, opportunities for skills and knowledge development, and exposure for upward career advancement. Local leaders and senior managers use open communication systems to support front-line employees to make the best decisions, achieve high-quality customer care, and identify new opportunities for growth. In this illustration (Figure 1), organizational performance is not fixed to annual performance targets, but is measured both internally against best industry standards using transparent and well supported performance based pay systems, and is externally compared to the best industry competitors.

Implications for Practice and Health Policy

As Gardner, Avolio, Luthans, May, and Walumbwa (2005) argued, the stakeholder management approach for health organizations reflects a self-based model of an authentic leader and follower development process that underscore*s* the value and process of development of authentic followership and its relationship with authentic leadership. By way of explanation, the key focus is that through increased stakeholder self-awareness, self-regulation, and positive modeling, effective organizations influence the development of authenticity in both leaders and followers. In turn, followers' authenticity contributes to personal well-being and the attainment of sustainable and measurable organizational performance on the basis of identified realistic business goals.

The critical factors for employees to unlock stakeholder value and to determine essential stakeholder priorities involves establishing a unique approach for identifying, ranking, and communicating with each stakeholder. In

Figure 2. Identify-Classify-Empower-Execute-Monitor Cycle



Source : Adapted from W. Shewhart (2008). *Economic control of quality of manufactured product.* Princeton, NJ : Van Nostrand Reinhold.

addition, a whole organization engagement strategy is needed to proactively engage each stakeholder. Then, using metrics or quantitative data obtained from the stakeholder power scorecard, progress can be monitored to measure each stakeholder's impact, and each stakeholder's influence and performance can be tracked against established organizational strategy and performance gaps. Following this process, enact enabling capabilities for each organizational unit by establishing useful empowerment structures from the decentralized activity based management model in Figure 1 to support employees to achieve and record high customer satisfaction and direct results. Finally, the collected data is aligned with the organizational strategy and identified future business opportunities, through various decentralized clinical governance frameworks that resonate with customer and stakeholder expectations as summarized in the Figure 2.

By way of explaining, organizations enact capabilities for committed employees to make fast decisions in their local markets in terms of identifying and ranking key stakeholders. The organizations then engage and record the ongoing results for stakeholders' influence monitoring. Following this process, front-line employees achieve effective leadership capabilities to implement key decisions about the bargaining power of suppliers and customers that evaluate business attractiveness in terms of long term profitability based on a careful identification of threats from new entrants, alternative business competitors, and rivalry among similar businesses. In order to compete in a global economy, business enterprises have to move towards higher quality, shorter cycle times, smaller batch sizes, greater variety in product mix, and cost reduction (Collier, 2003). From this dialogue, as attested by Brignall and Ballantine (1996), stakeholder management becomes a multidimensional performance measurement system, which gives businesses an outward-looking focus, competitor-centred, and customer-focussed approach to service provision at a dual cost - leadership and product differentiation, and strategic and sustainable competitive advantage. This approach to performance management re-orientates organizations from a control focus towards an improvement focused system, which centralizes performance gap as a resource to manage threats from new entrants, stakeholder influence, and opportunities.

Hope and Fraser (2003) presented a stakeholder management approach using a shareholder value model system, which aligns decisions of internal managers with the expectations and interests of interface and external stakeholders. In this manner, the stakeholder management tool acts as a benchmarking model that measures and

aligns targets with external and internal best practices, business strategy, human resource practices, and then displays results in terms of ranking lists. From this perspective, budgets and internal accounting systems are barriers to benchmarking because figures rarely are tied to external factors but reflect set internal realistic goals. To achieve business competitiveness in a volatile practice context, it is the company's performance relative to the competition that counts and becomes the basis for benchmarking. By drawing performance benchmarks from a customer-relationship management tool, it allows a fair-evaluation of efforts during business uncertainties as it measures relative success. Important to note is that budgets and accounting systems are expensive and time consuming, and are prone to gaming and internal manipulation to justify conformance with external agents' regulations. Hope and Fraser (2003) attributed the budgeting and accounting process for senior managers and finance managers in terms of time costs, to the value of 5 to 6 months annually, which is 20-30% of senior executives and finance managers' managerial time. Simply put, to achieve innovation performance and business results, a customer-problem based business strategy that communicates unique ways for solving customers' problems and for conducting business processes in terms of closely aligning business innovation outcome measures with personal and team success drivers and incentives becomes a key driving force to generate innovative solutions. Yet to date, there is an unconvincing link between the value of budgets and accounting systems and achievement of high quality direct results and customer care in organizations (Cieslak & Kalling, 2007).Therefore, according to Cokins (2004), strategic learning and value-creation models among the workforce must replace fixed staff performance management controls by focusing on performance gaps rather than targets. Briefly, the customer-relationship management tool focuses managerial actions on knowing and satisfying customer needs profitably and is an effective cost-saving, customer-oriented performance management tool that employs best industry and competitor benchmarks. In doing so, innovative business managers implement well-defined value-based process improvement and cost management techniques that seek to generate and operate a business's competitive advantage, service planning, and control systems to maximize operational efficiency and effective resource utilization ; these techniques also forecast the cost of products and services to support strategic and operational decisions.

From the perspective of a health service business strategy, stakeholder management presents a new proactive management approach to influence positive business growth and consistent consumer satisfaction. Findings from the stakeholder power status tool kit provide valuable strategic business operational information that positions any organization in a competitive advantage by clarifying existing and new practice boundaries. One way to achieve business competitiveness and innovation is to change functional mindsets to team based mindsets as a cultural challenge (Hope & Fraser,2003). To achieve teamwork and personal employee responsibility, leaders must create a network of small, customer-focused teams and base staff development initiatives such as staff recruitment, retention, succession, and training on potential employee's fit within the team. Through decentralization of strategic information, resources, support, and expenditure authority to local units, organizations place accountability for customer outcomes and value creating decisions on each employee to enable each person to respond to local opportunities in ways that enhance business image and effectiveness.

For unit leaders, it is vital to demonstrate a sound understanding of activity based management as a customer and stakeholder value-driver, thus realizing how to measure and reduce the cost of activities and how each activity adds value to key business operations and customers. It becomes important for leaders to set up key work empowerment structures in the form of employee access to relevant resources, information, support, and opportunities for skill and career advancement. By demonstrating a sound understanding of stakeholder value, relationships, and power, employees are able to identify key role competencies and build honest relationships needed to satisfy customers and build their loyalty and profitability for business success. According to Gurdjian, Halbeisen, and Lane (2014) and the McKinsey Quarterly (2009), organizations in USA spend over US$14 billion annually on improving the capabilities of managers and on nurturing new leaders, where leadership development is a current and future priority for executive human-capital priorities. Simply put, an organization that is not self-perpetuating in terms of leadership succession in a turbulent environment is likely to fail. From this perspective, managers need to effectively lead their teams by setting ethical boundaries for them to follow, using a power base to influence positive behaviour through coaching and training in order to achieve organizational effectiveness.

Intuitively, managers, through the use of empowerment structures, promote job satisfaction, job flexibility, reduction of unprofitable business operations, which lead to subsequent improvements in business net profits.

According to McGrath and MacMillan (2009), it is vital for senior managers and interface stakeholders to reduce uncertainty in business performance during an economic depression by identifying and celebrating short term reward milestones along the business continuum, thereby reducing employees' fear of failure by minimizing the cost of failure. Also, managers need to implement ethical information management practices, investing in simultaneous investments to create momentum for employees by insisting on substantial, coordinated changes that depart from obsolete practices and reinforce changes in practice. In other words, managing an organization's performance by measuring your effectiveness with that of your competitors using high level human relations becomes a proactive management approach to ensure both business survival and expansion. One critical element for use by these stakeholders to assess performance is a whole organization balanced scorecard report, which provides an overview of performance in the business's key areas of people management, innovation, and growth. Mooraj, Oyon, and Hostettler (1999) defined a balanced scorecard as a necessary good for businesses, which adds value by providing both relevant and balanced concise information for senior managers to facilitate learning organizations and leads to the implementation of formal and informal control systems at a competitive advantage to other peer organizations as well. In doing so, senior managers and interface stakeholders are able to identify new markets for expansion or areas to reduce operational costs, in order to maximize profits.

For internal stakeholders such as health professionals and medical employees, enterprise information such as sound financial literacy and management accounting systems through activity based management and job costing have become a common norm of daily practice that are now integrated into core clinical competencies in order to maximize business operations, capture relevant business data, reduce waste and operational costs, and thus ensure consumer satisfaction and constant profits. Through this complex, adaptive, and decentralized decision making process (Kaplan & Norton ,1996), organizations relinquish authority to capable and committed front-line employees to enable them to make fast, transparent decisions in response to prevailing business threats and opportunities so as to create business competitiveness. On the other hand, leaders provide support and reinforce desired performance principles and boundaries for front line employees.

Conclusion

One unique contribution of this paper is that it has attempted to holistically explore the essence of stakeholder management in terms of facilitating a profitable return on human, material, and financial resources specifically for health care businesses. No other study has explored this topic in this manner. This study provides opportunities for further investigation of stakeholder management using other methods and sample sizes to explore the validity of the findings. It is hoped that the findings and conclusions of this study will assist in the development of future customer care reforms and their practices in public health care industries and extend the debate to other areas of similar practice, for example finance and marketing, for both traditional physical healthcare and virtual healthcare enterprises.

Yet, the role and value of interface stakeholders cannot be overemphasized, given the increasing competition for rationed health care resources, the increasing influence of e-commerce in reaching out to new customer-frontiers, and strict external market forces. Nonetheless, the case for external stakeholders is strategically paramount for any organization's survival. Increasingly, businesses are integrating internal performance systems with that of their competitor's own performance using best industry standards, as the basic performance yardstick for horizontal financial analysis and control. In doing so, organizations have replaced the rituals of annual budgets and the gaming of internal accounting systems to focus on open performance systems that centralize high quality customer care and employee empowerment in order to achieve a competitive advantage over operational costs and direct results. Finally, for all healthcare stakeholders, stakeholder management integrates the dual clinical and financial houses as a strategic capstone for organizational survival and identification of strategic new expansion opportunities.

Limitations of the Study and Scope for Further Research

With any research, there are limitations and parameters with restrictions often outside the control of the researcher, and in this respect, the present study is no different. Hermeneutic phenomenology, as an interpretive approach, endeavours to make the meanings that circulate in the world of lived experience accessible to the reader. To achieve this purpose, I intentionally sampled systematically, a heterogeneous group of literatures because they were considered to be information-rich research articles regarding the subject of inquiry.

There are several qualitative paradigms, methods, and data analysis approaches in use within interpretive inquiries. A narrative analysis approach based on empirical research evidence, for example, would have focused on the structure and meaning of the stakeholders' language (Biggerstaff & Thompson, 2008), and thematic analysis (Van Manen, 2001) on standard inductive analysis that lacks depth. These methods could have been utilized to improve the quality and depth of analysis needed to produce rich data. In this study, the key quality in the data I was searching for was appropriateness as defined in the inclusion criteria for this study's systematic literature reviews.

There was potential for this study to experience credibility concerns because systematically reviewed research literatures were chosen based on my identification of literature and the available modes of access and then the papers were utilized as the main data source. To counter this limitation, I employed multiple modes of identification and accessed data sources using keywords drawn from three key cross-industry classifications namely M1 - business administration; M130 - new firms, start-ups ; and M190 - business administration: other (stakeholder management). This process allowed me to electronically access broader cross industry research literature, customer-base frontiers, and helped me to gain knowledge about their perspectives on the subject of the study in a flexible, low-cost, broader, richer, and timely scale, thereby opening the research process to a broader scrutiny by various professionals and peer reviewers.

The general interpretive analysis assumes that interpretations are always grounded and are local to the particular samples of research literature reviewed (Van Manen, 2001). In this study, I systematically sampled literatures that I viewed as information-rich on the subject of innovation, stakeholder management, entrepreneurship, knowledge management, and strategic management applicable across all three given professional classifications. My inclusion criterion for research literatures in this study was guided by key words provided at the beginning of this discourse, to be able to interrogate the subject of stakeholder management in its broader sense. This criterion extended to the conclusions from the reviewed and discussed research studies. These conclusions were contextual to the three subject classifications mentioned above, and cannot be broadly generalized. Lastly, a major limitation of this study was the limited literature review sample size. For quite pragmatic reasons of the lack of funding to support this study, this systemic review of literature was limited to specific classification codes, keywords, and search engines that I was able to access and that met the inclusion criteria. As discussed previously, this approach was appropriate for a qualitative opinion-based theoretical study of this nature where the aim was to gain insights with the intention to generate further academic debate on the subject of stakeholder management rather than draw general conclusions.

The purpose of this paper was to highlight how stakeholder management through managed customer-care and competitor influence can serve as a powerful platform for healthcare businesses to create and sustain profitability based on collaborative innovation. This paper sought to generate further debate on existing health care entrepreneurship models, empowerment structures, and knowledge management principles in the context of virtual environments for value co-creation. In pursuing these objectives, the literature was reviewed by searching national and international sources utilizing multiple approaches. Keywords and a combination of keywords utilized in searches included stakeholder, customer care, innovation, entrepreneurship, health care services, return on investment, labour demand, and strategic management. For the most part, this search included studies on entrepreneurship that were classified under the category L26 to ensure that only relevant current research evidence was reviewed. Given the rapid nature of global health care reforms in response to political, technological advances, socioeconomic, and historical factors (Palmer & Short, 2010), key future research topics are:

✸ Who are the key health care industry stakeholders and why are their views important?

✸ What theories inform stakeholders' perspectives on commercial profitability in health care industries?

✸ As Braithwaite (2005) posited, should health policy makers invest in people management or restructuring the health care system, given the high rate of previous health care reforms?

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