

Frontline Employees as Game Changers in Hospitals

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Institutions are “**the rules of the game**” (North, 2009, p. 3). Institutions can be defined as rules and norms that shape and constrain social behavior. They shape, stabilize, and guide the social behavior and actions of individuals, groups, and organizations in ways that make them expectable to other interactants (Scott, 2014).

Service innovation and institutions

Service innovation always involves **institutional change** (Vargo, Wieland, & Akaka, 2015), i.e., breaking old institutions and creating and maintaining new ones (Lawrence & Suddaby, 2006). Uber, for example, with its new business model, challenges both the informal rules that established firms apply and the formal regulations within which the game is played. Institutions, however, are always slow to adapt and can also **hinder service innovation** when the forces of inertia are stronger than the forces of change. Uber seems to be losing the battle as a growing number of countries and cities ban the mode of passenger transportation (Birkinshaw, 2017).

With regard to innovation and transformation of healthcare services, **healthcare organizations** (Breton, Lamothe, & Denis, 2014), **pharmaceutical firms** (Kukk, Moors, & Hekkert, 2016) and **start-ups** (Wallin & Fuglsang, 2017), in particular, have been empirically studied as “game changers”. But what about **frontline employees** (e.g., physicians and nurses)? Given their customer-centric position, they have great potential for innovative ideas. Can they change institutions to foster service innovation, and if so, how?

Empirical Findings

In a qualitative study in hospitals, we identified **six types of practices** that frontline employees use to break old institutions and create and maintain new ones. Table 1 summarizes the results and provides **guidance for managers** on how to foster institutional change, and thus service innovation, at the frontlines.

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Types of practices	Definition	Anchor example
Bypassing	Circumventing formal regulations or finding informal agreements (Lehmann, Graf-Vlachy, & Koenig, 2019)	Using the short official channels to implement new ideas
Advocacy	Mobilizing political and regulatory support (Lawrence & Suddaby, 2006)	Applying for funding from clinic management
Creating normative networks	Creating loose networks (Lawrence & Suddaby, 2006)	Organizing regular presentation rounds to give the healthcare industry the opportunity to showcase their novelties
Legitimation	Constructing legitimacy for practices in everyday interaction through communication and discourse (Tracey, Phillips, & Jarvis, 2011)	Aligning with powerful employees known for being open to innovative ideas
Enabling work	Creating formal rules that facilitate, complement, and support new institutions (Lawrence & Suddaby, 2006)	Adapting internal processes to ensure the spatial and personnel resources necessary for service innovation
Embedding and routinizing	Introducing foundations of new institutions into the working day of co-workers (Lawrence & Suddaby, 2006)	Training co-workers in new healthcare services

Table 1: Sets of Practices for Institutional Change.

To put it in a nutshell:

1. **Institutions** are formal and informal rules and norms that **regulate behavior**.
2. Institutions can both **foster and hinder** service innovation.
3. **Institutional change** always takes place in service innovation.
4. Frontline **employees** can act as **game changers**.
5. Game Changers engage in **practices** like **bypassing, advocacy, creating normative networks, legitimation, enabling work, and embedding and routinizing**.
6. Managers should **allow room for institutional change** to promote service innovation.

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