

RESOURCE-BASED VIEW: A NEW STRATEGIC PERSPECTIVE FOR PUBLIC HEALTH SERVICE MANAGERS

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ABSTRACT

The resource-based view (RBV) theory is a widely accepted strategic management theory, particularly within private sector organisations. [1,2,3] However, within public healthcare settings, the level of empirical support available on the use and appropriateness of RBV within this environment is largely uncharted. Consequently, this paper aimed to further understand the level of evidence for the purpose of providing an insight into how it may be used to improve the efficiency and effectiveness of public health organisations.

An extensive literature search returned a total of 859 studies. Of these, just 13 studies met the inclusion criteria of being an investigation of the use of RBV theory in public sector healthcare organisations. The analysis conducted demonstrates that while the use of RBV theory has been relatively slow, the benefits are positive.

The practical application of RBV theory lies in strategically mapping the relationships between resources, capabilities, and public value, relevant to healthcare organisations, in order to gain and understand how public value is created to provide a competitive advantage and superior performance for the organisation.

KEYWORDS

resource-based view; strategic management; healthcare; competitive advantage

INTRODUCTION

Public healthcare organisations are facing dynamic economic and financial challenges and are searching for solutions that translate into greater adaptability and efficiency. [4] Greater adaptability and efficiency are essential to ensure sustainability and performance, and to meet the demand for insight and transparency surrounding the nature and management of public resources. [2,5] The RBV theory is an efficiency-based explanation of sustainability and performance [6] that has been credited by some researchers as enabling organisations to survive or even thrive in turbulent environments. [7,8] An intrinsic assertion of the RBV theory is that resources, which are

valuable; rare; inimitable; and non-substitutable can be used to create sustained performance differences and, therefore, should feature prominently in strategic planning. [9] Given the growing concerns for financial sustainability in public healthcare it may now be useful to expand this theory into the public healthcare arena. [10] Thus, implementing the logic of this theory in the management of public healthcare organisations in challenging and turbulent environments appears to be a legitimate strategy. [7,8,3,5]

Using the RBV within public hospitals may be one way of managing resources more effectively, however, there is

limited empirical evidence as to the appropriateness and applicability of this within the public healthcare context. Therefore, this study was designed to begin to fill this gap in the literature and scope the potential viability of this theory for use in public health sector management. To assist with this, the study was guided by the following research question:

How can the resource-based view theory apply to public healthcare organisations?

BACKGROUND

PUBLIC HEALTHCARE ORGANISATIONS

Historically, the Australian healthcare system was unreliable in its financial approaches until the establishment of Medicare in 1984, due to the reliance on the prevailing political climate. From 1996 Australian healthcare was financed publicly via national universal health insurance with publicly subsidised private health insurance. [11] This financing has continued to present day with the inclusion of means testing for the publicly subsidised private health insurance added in 2013. [12,11] The responsibility of the management of healthcare lies with the states and territories, with some of the funding and jurisdiction provided by the Federal government. [13,11] For example, public hospitals, which account for about 65% of all hospitalisations are operated and governed by the states and territories, but the funding of services is a joint responsibility of both levels of government. [12,11] The result is a complex system with fragmented and disjointed responsibilities. [11]

From 2015 until June 2017, Commonwealth efficient growth funding was uncapped, with growth funding provided at 45% for all service activity growth above the prior year. However, from 2017-18 the Commonwealth growth funding was capped at 6.5% of funding, with approximately 1.6% consumed in cost escalation. [12] This is a significant funding cap that will not be sufficient to meet current and future demand. [13] This means that public hospitals must now be more conscious of using resources efficiently and effectively to ensure long-term sustainability.

Since public healthcare funding is largely derived from government funds where there are constraints from this finite 'resource pie', it creates competition with other public healthcare organisations and government agencies, for funding. [12] Each health service must have its own resources and capabilities and consider its

environment, in order to negotiate with the government for a piece of the funding resource pie. Most notably, they are dependent on other bodies, such as Ministerial cabinets, for direction and scope of their operation. In addition, public healthcare organisations, are externally justified in that their existence is dependent on the provision of services for public purpose. [4] They are to some extent, politically, economically, and socially aligned to satisfying key stakeholders [14,4] and the key to success is identifying, sustaining, and growing strategic capabilities to produce the greatest public value at an efficient and reasonable cost. [4]. In recent times, where resources are fluctuating; organisational slack is decreasing; and there is an increase in public scrutiny and scepticism, satisfying key stakeholders is becoming increasingly difficult. [4,2,15,5]

While distinctively private organisations generally rely on governance structures that provide direction and scope of operations that are designed for the firm's own financial well-being, both public and private organisations may face similar competitive challenges in terms of obtaining resourcing. The increasing attention on incorporating the Environmental, Social and Governance (ESG) aspects of healthcare operations into reporting, as an essential appurtenance to organisational performance measures, brings similar challenges to both private and public healthcare organisations. [16] This is largely due to the attention and pressure from investors, consumers, employees, and stakeholders on ESG issues making healthcare organisations reassess the way they communicate and deliver services. [16] As such, resource management in healthcare organisations requires a strategy that exploits specific tangible and intangible resources that will enhance organisational performance.

RESOURCE BASED VIEW

RBV originated in the strategic management field and is based on the theory that organisations have both tangible and intangible resources made up of human, physical, and organisational capital. [1] The idea that organisations can be looked at as a set of resources was initially proposed by Penrose. [17] However, the development of RBV theory was advanced by Wernerfelt [18] and further progressed by Barney [1] with the concept of strategic resources providing a competitive advantage for the organisation. The rudimentary distribution of resources across organisations within the same industries is thought to be the reason for differences in performance. RBV theory is based on the concept of building a competitive advantage and organisational performance, built on the ownership of

organisation-specific strategic resources. [1,6,3,19] RBV theory has been widely accepted in the strategic management field however, RBV empirical studies have only provided mixed evidence of construct validity, suggesting a need for further theoretical advancement. Mostly in healthcare the application of RBV has centred on theoretical interpretation and less on the use of RBV as a theoretical lens to investigate healthcare organisations.

RBV is a theory about the behaviour of organisations and is essentially a statement about how organisations operate. According to Barney [1] the internal attributes of these resources must be valuable; rare; inimitable; and non-substitutable (VRIN). Hence, RBV argues that while it is necessary for organisations to possess VRIN resources, organisations must also demonstrate the ability to alter them to their full potential to gain a competitive advantage and superior performance. [20] Strategically managing these resources to create a superior performance and competitive advantage depends not only on the scope to invest in innovation and improvement through exploitation of the internal environment but also on the capability and capacity of managers to sense, seize and respond to opportunity that will shape organisational performance. [21,22,23]

COMPETITIVE ADVANTAGE FOR PUBLIC HEALTHCARE ORGANISATIONS

The notion of competitive advantage is relevant for understanding the differences in performances of public sector organisations, where the value and profit are not retained by the firm but instead are apportioned to the community it serves. [19] Recognising and managing VRIN resources is only part of the process of RBV theory; developing and strategically controlling the resources builds organisational livelihood. [24] Unfortunately, there is limited empirical research that gives attention to the paradox this raises where the purpose of the organisation is to provide knowledge and services for the objective of giving them away for the public good rather than maximising profit. [19]

This is important because public healthcare organisations are created to fulfill the responsibilities of the government and are expected to contribute to the common good in the delivery of healthcare services to the community. [12] Notably, the Australian healthcare system is a multifaceted complex network of governance and support mechanisms that facilitates the delivery of quality services through policy, legislation, coordination, regulation, and funding.

[12] The purpose of government funded public healthcare delivery in Australia is not for commercial profit but to develop sustainable capability within the industry in terms of efficiency, quality, reputation, and performance. As such, maintaining a competitive advantage plays a key role in establishing funding for public healthcare organisations.

Competition is a key element of economic policy in Australia, seen as the engine which drives efficiency, productivity and innovation. [25] In 2015, Australia's competition policy, laws and institutions were reviewed by the Competition Policy Review Panel (Harper Review) [26] to determine whether they remained fit for purpose considering the challenges and opportunities facing Australia in the foreseeable future. [26] The Harper Review [26] recommended a new set of competition principles that would assist in directing the government's commitment to competition reform. [27] Competition was welcomed if it was in the public interest and did not impede on the long-term wellbeing of the public. The healthcare sector was expressly recommended by the Harper review [26] as being amenable to competition reform to ensure innovative ways to deliver high-quality and efficient human services.

In 2016, the Productivity Commission was requested to inquire into Australia's human services with the objective on innovative ways to improve outcomes through the introduction of competition, contestability, and informed user choice. [28] The inquiry found that the provision of public hospital services was one of the six human services best suited for competition-based reform. [28] One of the main principles of the inquiry was that healthcare should be user-focused with consumer choice the basis of service provision and delivery. [28]

While competition, contestability and choice are still in the early stages of reform, it is likely that these factors will become an important part of Australia's healthcare system in the future. Particularly since other successful jurisdictions, such as the United Kingdom, have had competition policy as an integral part of their National Health Service.

Without sustainable strategies and continued attention to resource capability, public healthcare organisations face difficulty in achieving the goals of creating public healthcare value and responsiveness. Thus, the RBV theory may be useful in public health service management

because of its potential to assist healthcare leaders in understanding resource value and value creation.

DISTINCTIVE COMPETENCIES AND CAPABILITIES

Distinctive competencies and capabilities that fit within the VRIN context, are built on the foundational work that RBV addresses in possessing and deploying resources for competitive advantage. [4,29] It is the capabilities and core competencies within the organisation that have been far more significant in explaining competitive advantage and performance than resources alone. [30,21,29] The distinctive competencies and capabilities can simply be individual tacit knowledge which makes them difficult to replicate or can also involve a unique pattern of links that synergistically provide the uniqueness. [30,22,4] For example, organisational reputation is a unique intangible resource that organisations acquire, usually by the goodwill of the firm, and as such is a critical resource for an organisation. [20]

This more contemporary extension of RBV theory argues that while it is necessary for an organisation to possess VRIN resources, organisations must also demonstrate the ability to alter them to their full potential in order to gain superior performance and competitive advantage. Distinctive competencies and capabilities have not been as widely studied by strategic management theorists as tangible resources have been. [30,29] The importance of strategic planning concentrating on developing an organisational livelihood and good reputation, which it enables the organisation to cope and recover from external challenges, such as economic and social upheaval, has yet to be explored. Researchers have focused on identifying organisational strengths and weaknesses in relation to external threats and opportunities rather than on organisational livelihood. [24,31,32,33,34,35,36,37]

These identified gaps in the literature may be a result of failing to identify distinctive competencies, or rather, not knowing how to link competencies and capabilities with the organisational goals and mission. [4] While it is beyond the scope of this review to draw conclusions, it is possible that measuring resources is more easily achieved than measuring the intangible resources of competencies and capabilities. Nevertheless, gaps exist in the public management literature with respect to what distinctive competencies mean within the public healthcare arena. [4,38,5,3] In addition, distinctive competencies theorised in the private organisation literature may not provide a useful guide on how to identify them within public or not-for-profit

organisations in a way that makes them useful for public organisation strategy planning and implementation. [4,39,3] Answers to these questions rest in part on a conceptualisation of what constitutes the appropriate scale of distinctive competency and capability analysis in the public domain.

METHOD

A scoping study was performed to identify all the relevant literature systematically, using Arksey & O'Malley's [40] identified review framework. There are very broad definitions of what constitutes resources, and without first defining the parameters this might generate an unwieldy number of references. In turn, using the term healthcare only may reduce the likelihood of missing relevant articles, particularly if 'hospital' is a keyword and not 'healthcare'. Consequently, the initial search was done using a broad approach to the topic to try and generate the breadth of coverage required. Once this was done, there was a sense of the volume and general scope of the field which then informed the parameters and key search terms used. Identification of studies relevant to the research question included examining the electronic literature database; reference list for relevant literature; key journal hand search; existing networks; relevant organisations, and conference papers. This was to ensure a wide scope of the literature and to reduce the risk of missing relevant articles. The method is shown in flow diagram 1 (see Figure 1).

SEARCH TERMS

The search terms were selected following an initial scan of the literature and included the terms: organisational resources, distinctive capabilities/competencies, resource-based view, hospital and healthcare, public organisation. These terms were utilised in the electronic databases set out below.

EXCLUSION CRITERIA AND LIMITATIONS

Foreign language material was excluded due to the cost and time involved in translating the material. It is acknowledged that the risk of this approach is that potentially relevant papers may have been missed.

The search included studies published between January 1984 and March 2022. January 1984 was chosen as it covered major health policy changes in Australia and because public healthcare improvement from a RBV perspective is a relatively new development. Arguably the major contributors to the dominant theoretical

underpinnings of RBV, is the work of two Strategic Management theorists, Wernerfelt [18] and Barney. [1]

ELECTRONIC LITERATURE DATABASES

The databases searched included ABI/INFORM Complete (ProQuest); EBSCOhost; Thomson Reuters LBC; Emerald Full text; Informit Search (multiple databases); MEDLINE; EMBASE and CINAHL. These databases were chosen due to their subject coverage of the business, management, and health sectors. Technical searching strategies were checked by the Griffith University Library Information Officer and comparable results were obtained. The search

technique was confirmed and the risk of missing relevant articles was minimised. The articles selected were exported into Endnote for ease of organising the results and to keep a structured record of articles and any library requests made.

ARTICLE SCREENING AND CRITERIA

The various mechanisms for searching in this scoping study yielded a total of 3,892 references. Of these 3,873 were obtained via electronic database searches; 14 were identified from references, 2 from hand searching, and 3 from existing networks and conferences (see Table 1).

TABLE 1. ARTICLE SCREENING RESULTS

Article Screening	Total	Combined total
Electronic database search	3873	3892
Article reference search	14	
Journal hand search	2	
Existing networks and conferences	3	

The references were reviewed and articles with irrelevant titles such as, "Carbon Management Systems and Carbon Mitigation" were excluded, as were news items, letters, and book reviews. As the objective of this scoping review was to examine the literature on healthcare organisational resource capability and value from a resource-based view perspective, the abstracts retrieved were read and assessed for relevance based on whether the article considered RBV and healthcare / hospital / public organisation.

All selected articles based on these criteria were read in full and recorded. This included the author; year of publication; country; focus of the study; method, comments; and future research suggestions. Both the screening process and abstracts were independently reviewed and validated articles selected for inclusion.

Results

The initial review of the 3,892 reference citations indicated that the search strategy had collected a sizeable number of irrelevant studies. This was largely due to the difficulty with different terminologies in different countries and with 'resource' being a relatively broad term. As such, this scoping study adopted specific criteria post hoc once familiarity with the literature was obtained. The inclusion criterion was based on whether the article considered both

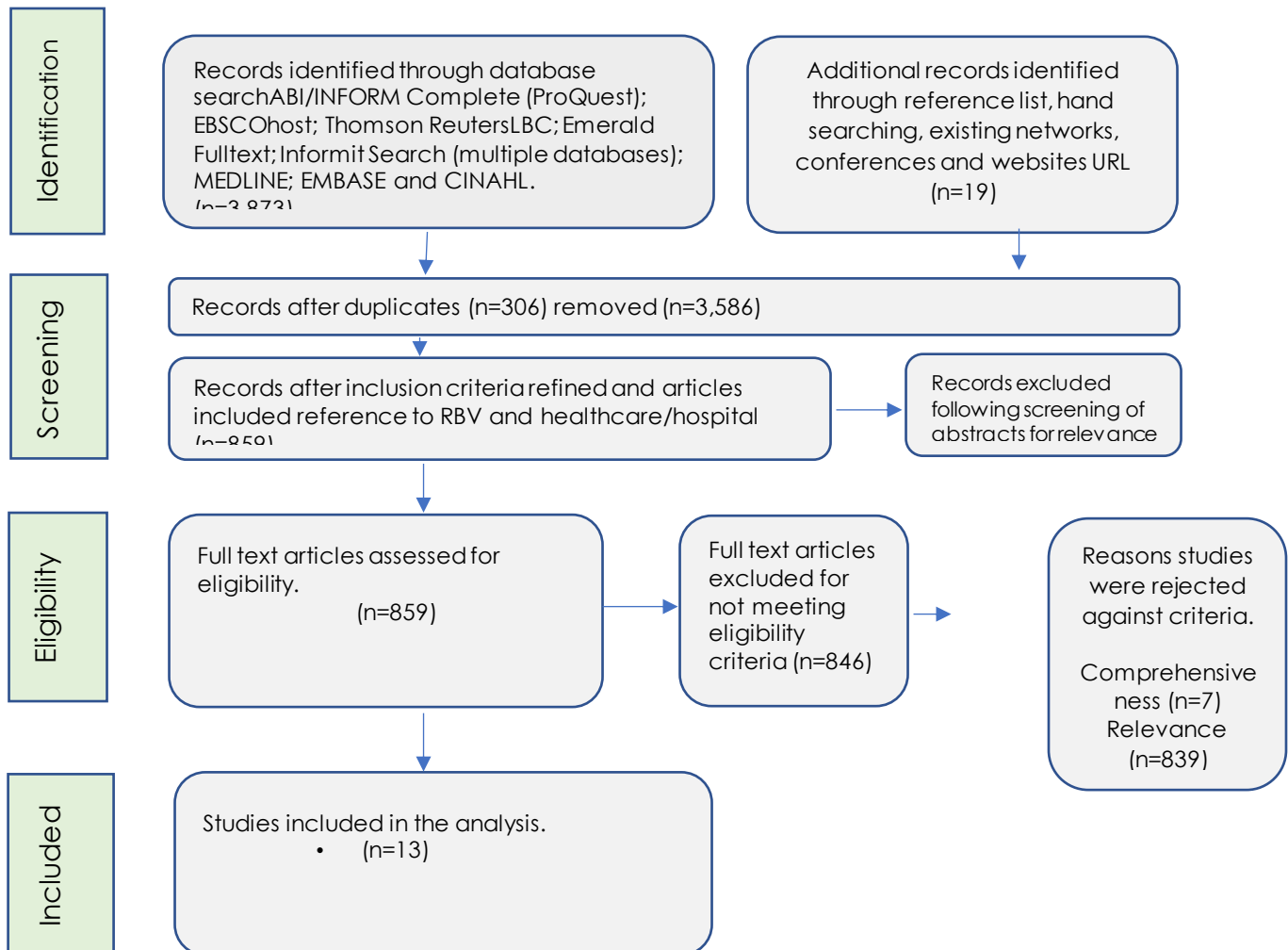
RBV and healthcare / hospital / public organisation. Flow diagram 1 sets out the selection process for review. Reference to RBV and healthcare/hospital/public organisation yielded 859 results once duplicates were eliminated (306) and papers that did not relate to health care and RBV (2727). Of these 859 articles, 839 were rejected for relevance and 7 were rejected as they were short articles of less than two (2) pages and were general commentaries and as such were not comprehensive enough to draw logical conclusions from. Ultimately a total of 13 papers were selected. Of these 13 articles, similar themed studies (strategic management (6); human resource (3); information technology (2); reputation (1); competitive advantage (1) were grouped together and all were read closely and in comparison, to identify common themes.

The framework for assessing the quality of primary research reports was through Kmet's Quality Assessment Framework. [41] This framework provides a scoring system for both qualitative and quantitative research to assess the quality of the methods used in the included articles. The scale from Kmet [41] was originally designed to assess technology in healthcare, however, this framework provides a useful instrument that facilitates the quality assessment of the studies used in this review. The criteria for qualitative studies have 10 domains for which the answers and scoring can be as follows: (yes = 2); (Partially = 1); (No = 0); and not

applicable. The quality score of each article was calculated by summing the total score of items with non-applicable domains removed from the scoring. The calculated summary score for each article was obtained across relevant items. The quality assessment was

appraised by two reviewers independently. The possible standard quality assessment score ranged from 0 to 20 with 0 indicating low quality and 20 indicating high quality. Articles that had a Quality Assessment Score (QAS) of 15 and above were included in the review (see Table 2).

FIGURE 1. FLOW DIAGRAM SELECTION PROCESS



Adapted from PRISMA. [42]

TABLE 2. RESULTS SUMMARY

Study	YEAR		QAS	Reference
Strategy implementation Kash, B.A., Spaulding, A., Johnson, C.E., & Gamm, L.	2014	Resource dependency theory and RBV in strategic management. Two HC systems had similar pursuits and both utilise an externally orientated RDT method of strategy formulation. The relevance of the RBV was apparent during resource deployment for strategy implementation. The process of HC strategic decision making incorporates RDT and RBV as separate and compatible activities that are sequential.	17	32
Decision making Fraczkiewicz-wronka & Szymaniec-mlicka	2012	Public hospitals use both RDT and RBV approaches and these are both positively correlated which means that managers who understand the importance of resources for decision making usually try to use both the external and internal view. They understand the importance of setting the goals on the basis of own resources and resources that are owned by stakeholders. Paying more attention to resources which are used	18	42
Strategic management capability Turkeli, S., & Ercek, M.	2010	Making the distinction between resource and capability based monitoring is important particularly in times of uncertainty. Political ties hampered the implementation of the project because external and political relationships. Internal stakeholder and top management difficulties in initiating and maintaining strategic	15	29
What constitutes value in public healthcare and how can RBV improve benefits management practices? Svejvig, P., & Schlichter, B.R.	2020	RBV used to theorise about value creation process. Public value creation linking resources, capabilities and public value. Identified five public value dimensions: professional value; organisational value; patient-perceived value; employee-perceived value; and learning.	16	38
How strategic resources influence hospital performance in HC industry Su, S., Lai, M., & Huang, H.	2009	Objectives were to examine the relationships among human capital, innovation capability and organisational performance; present a conceptual framework linking these elements; and examine the influence of hospital ownership on performance of innovative hospitals. The results showed the mediating role of innovation in the impact of human capital on organisational performance. Human capital is the most fundamental element of strategic resources and may affect innovation capability. Human capital and innovation positively influence on another. Innovation generates and enhances hospital performance.	16	26
Human resource capabilities Lee, W., Hung, S., & Chau, P. Y. K.	2011	Relationship between innovative business processes and market interrelationship performance from RBV perspective. Technological capability and cultural capability positively affect market interrelationship performance whereas structural capability is unrelated to innovative business processes. Influence of KM infrastructure on market interrelationship and performance	17	31
Evaluation of business value of CPOE in cancer care from a RBV perspective Haddad, P., Schaffer, J.L., & Wickramasinghe, N.	2015	The CPOE system has potential to generate business value and enhance the overall performance of the hospital in the area of oncology. Improved reputation of the hospital as "state of the art" system. Both assets and capabilities are key to attain business value from the studied CPOE.	16	28
Interorganisational relationships and hospital financial performance from a RBV perspective Gloede, T.D., Pulm, J., Hammer, A., Ommen, O. Kowalski, C., Groß, S.E., & Pfaff, H.	2013	RBV perspective of interorganisational relationships with hospital and outpatient physicians. Impact on hospital financial performance. Study of 95 hospitals. Outcome - need to clearly define variables that measure competitive advantage and clearly distinguish between those variables and any measures of resources. Having effective interorganisational relationships is positively associated with hospitals	16	37
RBV measure of reputation in HC sector Smith, A.D.	2008	Reputation should be seen as a competitive advantage driven by knowhow and culture. Reputation as an intangible asset	15	40
Putting the Resource-based view of strategy and distinctive competencies to work in public organisations Bryson, J.M, Ackermann, F., & Eden, C.	2007	Method of recognising distinctive competencies to create a competitive advantage for the organisation. National Health Service is used as an illustration. Key to success of public organisations is identifying and building strategic capacities to produce the greatest public value for key stakeholders at a reasonable cost. The RBV approach to strategy is relevant and potentially useful for public sector organisations.	15	5
Impact of strategic orientation adopted by an organisation on its performance Szymaniec-Mlicka, K	2016	Public organisations should adopt RBV in strategic decision making and focus on the organisations resources and skills to better enable its effectiveness with emerging challenges and when operating in a turbulent environment	15	6
Resource-based view on safety culture's influence on hospital performance: The moderating role of electronic health record implementation. Upadhyay, S., Weech-Maldonado, R., Lemak, C.H. Stephenson, A., Mehta, T., & Smith, D.G.	2016	The association between safety culture and hospital quality and hospital performance based on RBV theory. Tangible and intangible resources specific to an organisation assist with the achievement of strategic goals of improving patient safety and performance.	17	37
Resource-Based and Strategic Group Influences on Hospital Performance Short, J.C., Palmer, T.B., Ketchen, D.J.	2002	Healthcare complexity creates challenges to uncovering the determinants of the performance of these organisations. Study looked at 85 hospitals and the effects of resources, strategy and performance	17	36

FINDINGS

The use of RBV theory in the healthcare literature has been slowly emerging in the field of public health service management inquiry over the last 15 years. However, RBV theory has been available for a longer period with Wernerfelt [18] and Barney [1] responsible for the broader development of the theory. Of the articles reviewed, all were post 2007 with 8 arising from 2010 onwards. This highlights that the use of RBV theory within the healthcare industry is relatively recent and raises questions as to why? Is it because the theory is not valued in the management

of health service organisations? or is the theory too vague to be useful in understanding the health service management industry? [4,5] The USA had the highest number of articles identified in the review with three (3). The remaining were from Poland, two (2); Taiwan, two (2); Germany, Turkey, Denmark, United Kingdom and Australia with one (1) each. This distribution may reflect the restriction of the literature search to English language articles.

To assist in answering the research question for this study, a core objective of this review was to determine the range of

techniques used to examine healthcare organisations using RBV as the theory underpinning the study. Support in the empirical literature on the use of RBV theory reflects a transforming theory with the emergence of the dynamic capabilities theoretical approach. This approach focuses on specifically designed types of processes by which organisations can exploit resources for competitive advantage and sustained performance. [43]

RBV as a fundamental theory for the strategic management of public healthcare organisations, has been most widely acknowledged in the work of Bryson and others [4] where a strategic livelihood mapping tool for creating organisational strategy was proposed. Under this method, public organisation managers would be able to identify distinctive competencies that are linked to the organisations' aspirations and goals. This results in the creation of an organisational strategy that produces the greatest public value necessary to achieve a sustainable fit within the environment. Thus, the RBV approach to strategy formation and implementation is relevant and potentially useful for public organisations. However, further empirical research is needed to test the efficacy of defining how distinctive competencies can be useful within the Australian public healthcare setting.

A further study examining the use of RBV as an appropriate strategy for public organisations in challenging environments was identified in the work of Svejvig and Schlichter [44], which explored what constitutes value in public healthcare organisations by activating existing resources. Svejvig and Schlichter [44] identified that mapping the resources with capability, and with public value through their various relationships, provides the understanding for managers about how public value is created. This study recognised that 'healthcare professional perceived value' and 'learning' were important public value dimensions that needed to be identified to establish the motivation and efficiency that builds dynamic capabilities and competitive advantage for the organisation. Recognising the public value dimensions fosters a culture of learning which ultimately enables the organisation to respond to environmental challenges and equip them for the future.

Direct indication of RBV as an appropriate strategy for healthcare organisations can also be found in the work of Short and others [45] who examined strategic group approaches to achieving superior performance and found that resources and distinctive competencies were

important to a hospital's financial performance and efficiency. That study found that strategic group membership influences performance variation, beyond that, accounted for by resources. Therefore, it seems plausible that effective public healthcare strategic and performance management should take distinctive competencies into their planning efforts.

Additionally, healthcare organisations investing in technological innovations can enhance resource value by improving clinical decision-making, patient care, financial performance, and administrative processes. [31,10,34,46] However, the adoption of new technologies is slow and there is often a failure to apply a systematic approach for developing timely organisational gap analysis. [24] Financial and competing priorities provide the biggest challenges for implementation. [10] The ever-increasing need and use of modern technologies in healthcare requires timely evaluations of their impact on the overall performance of the organisation. [34] Additionally, the adoption of tangible resources has been shown to enhance and build intangible VRIN resources. For example, Upadhyay [46] found the adoption of the Electronic Health Record (EHR) built on the hospitals safety culture which is typically characterised as a VRIN resource. This is because culture characteristically has a set of robust core values, is valuable, rare, inimitable and non-substitutable. As such the safety culture of an organisation is a VRIN resource because it is inherently complex, specific to an organisation, difficult to replicate, and has the ability to create superior performance and competitive advantage for the healthcare organisation. Given the need for modern healthcare settings to develop these distinctive competencies and capabilities, implementing the logic of RBV in the strategic management of healthcare organisations is appropriate.

Smith [47] identifies three distinctive resources competencies that are critical to an organisations competitive advantage: reputation; employee know-how; and organisational culture. Recently, emphasis has been placed on the need to change organisational culture to improve performance. [48] Smith [47] and Lee and others [37] recognise the role of organisational culture in building a competitive advantage by enabling organisations to develop unique abilities and processes which result in the development of leadership skills and overall well-being of the organisation. Strategic planning efforts often miss these key components in effective strategising and planning. However, whether these distinctive competencies will lead

to sustained success within the Australian healthcare context remains to be seen, and further empirical research is needed to explore this in more depth.

Some of the studies focused on analysing the impact on competitive advantage of a particular resource. [24,32,34,35,37] Three of the studies focused on strategic management orientation adopted by healthcare organisations and the impact of that on the organisation's performance as a whole. [38,3,5] Szymaniec-Mlicka [5] found in her study of public healthcare entities in Poland, that adopting RBV theory to public healthcare organisational management is beneficial, particularly in turbulent environments, as "...resource based strategic thinking has a positive impact on an organisation's performance" (p.287). Additionally, organisations valuing the importance of stakeholder engagement within their strategy resulted in a positive impact on the organisation's performance. [5]

These studies provide operationalised and conceptualised views of resources within the healthcare settings using RBV theory to focus on resources the organisation should build and enhance to create value. The primary objective of public healthcare organisations is to fulfil their mandate by providing healthcare to the community, hence creating stakeholder value. Thus, it can be assumed that to build a competitive advantage from public healthcare resources, organisations must develop resources through the recognition and management of distinctive competencies and capabilities relevant to their stakeholder interests. [49] Therefore, adopting RBV theory for determining resource value in public healthcare organisations appears to be relevant and potentially useful for health service managers to identify and use resources effectively and efficiently.

HOW CAN THE RESOURCE-BASED VIEW THEORY APPLY TO PUBLIC HEALTHCARE ORGANISATIONS?

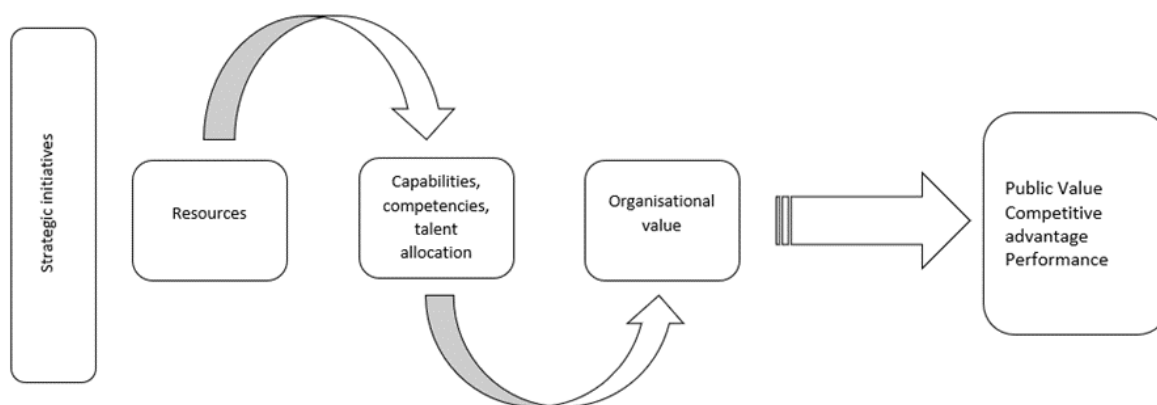
This review identified several gaps in the knowledge base regarding the use of resource-based theory within the public healthcare setting. Evident in the literature was the limited use of RBV in public health sector organisations with only thirteen (13) articles published over the last three (3) decades and more than half of those within the last ten (10) years. This may indicate that RBV as a theory is not valued or is too vague. However, given its acceptance within the strategic management field and the benefits identified in studies that have adopted this theory this assessment is unlikely.

Public healthcare organisations have been slow to adopt a more fiscal approach to healthcare delivery with only relatively recent changes in public dollar scrutiny and capping of funding allocations. The adoption of policies focusing on competition, contestability, and choice has compelled some organisations to look towards strategic management approaches that enhance value and performance in healthcare organisations.

PRACTICAL IMPLICATIONS

In order to clearly define strategic resource and the value that such resources add to an organisation's competitive advantage requires health service managers to be able to map the relationships between resources, capability and public value in order to understand how public value is created see figure 2. This was highlighted in a number of studies that identified particular resource capabilities and core competencies and their impact on organisational performance and competitive advantage. [24,31,35,34,37,32]

FIGURE 2 STRATEGIC RESOURCE MAPPING



Many strategic management researchers have focused on finding answers as to why some organisations outperform others. [6,20,50,49] Strategic decision-making in healthcare organisations tends to hold the resources that are critical for its operation (e.g., medical consultants) as having the greatest value. [5] In the same way that private organisations compete for resources, public organisations also face acquiring resources competitively. The competition between public organisations is based on achieving a competitive advantage that attracts a large portion of limited public resources. [50] This strategic management focus could be particularly important during times of fiscal restraint and political pressures within the environment. A competitive advantage may assist an organisation to survive and develop high quality efficient public health services. [50,8,49,38]

In the Australian public healthcare context, it may be beneficial to use RBV methodology in strategic management planning, but this requires further empirical study. Public healthcare organisations may want to explore this theory to understand how to develop resource capabilities and build public value that facilitates a competitive advantage for finite public resources. To maintain efficiency and performance whilst striving to strategically align the management of healthcare demands, while being adaptive and responsive to changes in the environment remains challenging. The funding restrictions and performance expectations increasingly demanded within the Australian public healthcare sector make it important for hospitals to leverage relevant resources in the identification of a competitive advantage and the effective application of strategic objectives that build public value. [38]

The trend towards examining capabilities and competencies hint at the possibility of the importance of these in determining an organisation's competitive position and performance capability. For the Australian healthcare industry, a conceptual-level approach to attaining competitive advantage and performance seems appropriate and will enhance the understanding of how and to what degree resources, competencies, and capabilities facilitate public healthcare organisations to build public value and achieve a competitive advantage and high performance.

In conclusion, further research is necessary to improve the understanding of the impact of the relationship between distinctive resource competencies controlled by public

healthcare organisations and their performance. Understanding these relationships will be necessary for health service managers in developing strategic management plans that enhance organisational livelihood.

LIMITATIONS

This review used the same search terms for each of the databases used and did not use database-specific subject headings. The search performed was sensitive enough to cover all publications and technical searching strategies and these were checked by the other researchers. Scoping reviews are often considered a rapid review of the literature, and it would be incorrect to assume that this review method was less than thorough. To ensure the rigor of this review three academic professionals checked both information obtained and the literature searches.

CONFLICT OF INTEREST.

The Authors declare that there is no conflict of interest. Ethical clearance was not required for this review.

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