

Relationship between Organizational Culture and Performance in a Health Organization: Conceptual Review

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Abstract— Based on a review of some of the organizational culture models and the interrelationship between organizational culture and performance in organizations. Important findings show that there is a mutual relationship between organizational culture and performance. That hospital organizational culture influences organizational commitment is an assumption implicitly held by many researchers; Also, relatively few empirical studies have provided detailed insight into organizational performance by hospital executives. The ideas garnered from the study may help nursing executives to develop specific policies to create a more positive hospital organizational culture.

Index Terms— Organizational Culture, Performance, Health Organization

I. INTRODUCTION

Culture, with its many definitions and meanings, has always been difficult to pin down (Braithwaite, Hyde, & Pope, 2010; Martin, 2002). Anthropological and sociological approaches tend to define culture as a set of attitudes, beliefs, customs, values, and practices that are shared by a group (Alvesson, 2002; Ashkanasy, Wilderom, & Peterson, 2000). The set may be defined in terms of politics, geography, ethnicity, religion, or some other affiliation. Health services are suffering epidemics of cultural shortcomings. Extensive inquiries into failures and scandals in the NHS in several countries over several decades have indicated aspects of hospital culture as leading to those failings. Widespread and fundamental cultural change is typically prescribed as the remedy. Ideas of culture are also central to quality improvement methods. The need for cultural reorientation is part of the challenge. Yet although the language of organizational culture—sometimes culprit, sometimes remedy, and always part of the underlying substrate at which change is directed—has some immediate appeal, we should ask deeper questions. What actually is the culture in health services? How does culture link to healthcare quality, safety, and performance? And can changing culture lead to improvements in care and organizational performance? A 1999 Institute of Medicine (IOM) report, “To Err is Human,” rocked the public by revealing that the very institutions dedicated to healing patients were, in some cases, injuring or even killing them (Kohn, Corrigan, & Donaldson, 1999). The IOM pursued another landmark book, “Crossing the Quality Chasm,” outlining a national strategy for dealing with medical errors (Institute of Medicine, 2001). The main recommendation from these reports is the creation and maintenance of organizational cultures that support patient safety. Although the organizational literature on

culture is vast, the health care literature assessing the relationship between culture and patient safety is scant (Hoff, Jameson, Hannan, & Flink, 2004) and inconsistent (Hickam et al., 2003). Also, the inconsistent results may be due to a lack of consideration for the process variables that mediate (or moderate) the link between culture and outcomes. According to (Kralewski, Wingert, & Barbouche, 1996; Schein, 1992) culture powerfully shapes the behavior of care providers. Also, care providers play an important role in providing quality care (DeVoe, Fryer, Hargraves, Phillips, & Green, 2002), it makes sense to examine the role of care providers as a mediator of the workplace culture–patient relationship. The main purposes of this study were to determine how employees perceive organizational culture in hospitals and to examine the association between an organizational culture of the hospital and performance.

II. AIMS

Several issues are emphasized in this paper. The first is the relationship between organizational culture and performance in hospitals. The second is to explain the concepts of organizational culture, organizational performance, measure perceptions of organizational culture among employees of public hospitals and to determine whether perceptions are associated with performance. The effect of organizational culture on commitment.

III. CONCEPT OF ORGANIZATIONAL CULTURE

While unanimity does not exist on how to define organizational culture (Cooke and Rousseau 1988; King and Byers 2007; Zhang, Li, and Pan 2009). According to (Kreitner and Kinicki 2008) a commonly used definition is the set of shared, taken-for-granted, implicit assumptions that a group holds and that determine how it perceives, thinks about and reacts to its various environments. Thus, the essence of culture is the core of basic assumptions. Also, Behavioral norms and values are a manifestation of these assumptions, and values and norms, in turn, encourage activities that represent the expression of organizational culture (Hatch and Cunliffe 2006). Organizational climate, in contrast, is defined as employees’ shared perceptions regarding an organization’s policies, procedures, and practices, which in turn serve as indicators of the types of behavior that are rewarded and supported in work settings (Schneider, Gunnarson, and Niles-Jolly 1994; Zohar and Luria 2010). Culture may impact upon efficiency, via embedding shared values, beliefs and norms within the organization, which in turn help shape the ways in which organizational members interact and engage with each other. Specific cultural values may be more or less conducive to (for example): effective decision-making; reporting, responding to and learning from errors; team-based working; and

inter-departmental synergies and creativity. culture may influence the overall economic and social objectives that an organization pursues. Thus, the corporate culture may be one of concern for employees and the quality of their working lives and such considerations may mitigate the importance of profit maximization or other economic goals in the organization's objective function. where interaction and exchange between parties are complex and difficult to monitor, corporate culture may encourage cooperation and relationship building among agents (intra- and inter-organizational partnership working).

IV. CULTURE AND ORGANIZATIONAL PERFORMANCE

Culture, in short, a reflection of how society adapts to its environment. Culture may be learned or it maybe goes by from generation to generation. Many researchers, such as Kotter and Heskett (1992) have concluded that corporate culture may hurt or help a firm's performance. Also, for example, in Fortune's all-star ranking, General Electric earned the highest honor in 1998 since it has spent years developing a corporate culture in which executives have the autonomy to run in and take advantage of sudden shifts in markets (Kahn, 1998). A powerful organizational culture enables the smooth flow of information and nurtures harmony among its members (Karathanos, 1998). Improvements in work culture and internal communication thus improve customer (internal and external) satisfaction, which is essential for market growth and profitability in the long term (Lakhe and Mohanty, 1994). A powerful corporate culture will help members of a diverse workforce in establishing a super-ordinate organizational identity, and in identifying shared super-ordinate goals. noticeable, however, Schneider and Northcraft (1999) suggest that such cultures may be difficult to cultivate. according to (Elashmawi, 2000) successfully reacting to changes in the global marketplace requires a flexible and adaptable corporate culture. Yet, advocates of organizational excellence tend to obscure the problems associated with achieving a flexible, adaptable and committed workforce in organizations. Also, human relations theory gave rise to studies on organizational behavior, and this field has been broadened through focuses on organizational culture; according to Denison, Nieminen, and Kotrba (2014), the first to use and describe the term "cultural organization" was Elliott Jaques in 1951, who regarded it as an informal social structure that explains the failure of formal policies. managers should periodically analyze the relevance of corporate values within their organizations to examine how adaptive it is to environmental changes Karathanos (1998). With this in mind, managers need to gain an understanding of how they can promote a culture that is adept at learning how to change through participation, teamwork, and empowerment of workers—all of which are considered necessary for effective quality management In a study undertaken by Sluti et al. (1995), it was shown that a strong corporate culture could improve quality, and operational and business performance. Organizational culture influences people's actions and behaviors. Schein's (1984) model is one of the best known in studies of organizational culture. It is based on three levels: artifacts, beliefs and values, and basic assumptions. This model tests culture according to the degree to which it is visible to the observer. also, Artifacts are the visible products of a set and involves language, technology, style, myths, and

stories; or, in the case of an organization, structure, processes, all that is easy to see but difficult to decipher. In turn, beliefs and values, as processes and ways of thinking and acting that have proven successful, draw heavily from artifacts. According to(Schein, 2004).They are adopted by existing members, transmitted to new ones, and established as the organization's philosophy, serving as a behavioral guide in certain situations.

V. RELATIONSHIP BETWEEN HOSPITAL CULTURE AND PERFORMANCE

whilst both managers and academic researchers believe that organizational culture can influence performance (Kreitner and Kinicki 2008), studies of the correlation between organizational culture and organizational performance do not produce consistent results (Damanpour 1992; Denison, Haaland, and Goelzer 2004; Kreitner and Kinicki 2008). Also, In the health care field, studies have analyzed different indicators of performance, such as quality improvement activities, patient-care quality, and efficiency, effectiveness of provider teams, health care provider job satisfaction, and patient satisfaction doing it difficult to identify consistent relationships across studies (Coeling and Wilcox 1988; Platonova et al. 2006; Williams et al. Konrad 2007; Zazzali et al. 2007). Also, In addition, a vast majority of literature on the organizational culture of hospitals examines the United States or other high-income countries. Little is known about hospital organizational culture in countries with different socioeconomic and cultural environments. According to (Helfrich et al. 2007) One of the major differences between hospitals and other organizations is that the hospital environment is characterized by a heterogeneous mix of professional and non-professional staff (Green and Thorogood, 1998). A hospital is also characterized by its high professional level, it's the family atmosphere as well as its high level of employee engagement. According to(Chapman, 2002) Culture can be viewed as both dynamic and structural. Dynamic in the means that culture emerges in the complex interactions of human behavior, and structural in the sense that such interactions produce particular patterns (or structures) which, in turn, influence the interactions themselves According to (Schein, 1985) organizational culture influences its built environment that, in turn, affects individual behavior. According to (Summerill et al., 2010) Organizational culture can be thought of as the attitudes, experiences, norms, beliefs, and values of an organization. According to (Rashid et al., 2003) Organizational culture consists of shared meanings, beliefs, and values that ultimately shape employees' behaviors. avast and Schultz (2006) suggest that organizational culture is "a group of shared mental assumptions that guide interpretation and action in organizations by defining appropriate behavior for different situations".

VI. THE EFFECT ORGANIZATION CULTURE ON COMMITMENT

The culture of an organization has an impact on the degree of commitment shown by its members. however, Commitment is a condition in which members of a group give their efforts, abilities, and loyalties to the organization and the pursuit of its goals in return for satisfaction. In other words, the culture creates conditions in the organization whereby members are either willing or not willing to commit themselves to the

pursuit of the organization's goals in exchange for some general state of satisfaction. A powerful culture can enhance the likelihood that members will display a high degree of commitment. Culture aids the attainment of member commitment by laying out the mission and the values to be observed in pursuit of that mission. Culture may also be aided by spelling out to the member the value of the organization to the individual. By committing to an organization, the member is choosing one set of options over those offered by committing to other organizations. According to (Robbins and Judge, 2011) Commitment is a type of emotional (and perhaps financial) investment in the organization. Several factors, including salary and the physical environment, can reinforce employee commitment to the organization. Being accepted as a member of a desirable group gives an individual a strong incentive to adopt the culture as a way of life. desire to adopt an organization's rituals and way of life is essential to acculturation. Also, over time, the individual feels a sense of identity with the group and is even willing to make sacrifices for it. This, in turn, leads to a deeper feel of commitment. consequently, one of the prime requirements for, or conditions of, commitment is the sense of identification with the organization that culture provides. In this study, the hospital organizational culture is centered around the idea that "health care delivery systems must be concerned with understanding the implicit beliefs, values, and assumptions extant inwards the organization that ubiquitously motivate and shape the behavior of participating members" (Klinge et al., 1995). According to (Allen and Meyer, 1990) Organizational commitment could be defined as "a psychological state that binds the individual to the organization". According to (Jernigan et al., 2002) Organizational commitment is related to both the attitudes of employees toward an organization and certain behaviors exhibited by employees in that organization. It may also affect an employee's intention to continue to work in an organization or not. Meyer and Allen's (1991) classification of organizational commitment are three threefold: affective, continuance, and normative commitments. Meyer and Allen (1990) concluded that Affective commitment (AC) refers to an individual's positive emotional attachment to the organization. Hence, individuals who have high affective commitment are more likely to avoid being absent from their work. Continuance commitment (CC) is defined as where an individual perceives high costs with losing the current organizational membership. In general, an individual with high continuance commitment is less likely to leave the organization because of the very real costs involved in such a move (Paik et al., 2007). However, normative commitment (NC) involves an individual's feeling of moral obligation to continue working in the organization. According to (İpek, 2010) Some of the organizational culture and organizational commitment are measured as a whole. Therefore, organizational culture is positively associated with organizational commitment.

VII. LITERATURE REVIEW

There have been a number of empirical studies that have sought to identify a relationship between organizational culture and organizational performance. Sure a clutch of populist texts dating back to the 1980s proved influential in instilling the notion that 'strong cultures', defined as a set of

norms and values that are immensely shared and strongly held throughout the organization are related to high performance across a range of industries (Deal & Kennedy, 1982; Denison, 1990; Peters & Waterman, 1982). Also, this hypothesis is based on the idea that organizations benefit from having highly motivated employees dedicated to common goals. Within the literature, it is possible to identify several studies that have purported to show that 'strong cultures' outperform 'weak cultures' (Chatman & Cha, 2003) and evidence suggested that 'strong' corporate cultures improved organizational performance by facilitating internal behavioral consistency (Sørensen, 2002). A number of empirical studies have sought to identify culture performance relationships in healthcare settings. For example, studies have found associations between organizational culture and the implementation of quality systems in hospitals (Shortell et al., 1995), the quality of patient-care (Rondeau & Wagar, 1998). Two studies of senior management team culture in hospitals in the UK and Canada found evidence to support a contingent relationship between dominant management cultures and a range of performance domains (Gerowitz, 1998; Gerowitz, Lemieux-Charles, Heginbothan, & Johnson, 1996). Another cross-section study of employees in Chinese public hospitals examined the relationship between organizational culture and hospital performance and found a similar contingent relationship where factors embedded in the culture (e.g. cost control) were associated with hospital performance (e.g. profitability) (Zhou, Bundorf, Chang, Huang, & Xue, 2011).

CONCLUSION

In the era of health care reform, hospitals face strong pressure to be more sensitive to social responsibility. It is likely that public hospitals will experience dramatic changes in the future. Hospital managers and health policymakers should focus more on organizational culture and its implications for hospital performance. organizations should focus their efforts on generating a more advanced culture (e.g., creative culture). Furthermore, these recommend the organizations to focus on both exceeding the performance of expected standards and to emphasize surprising and delighting customers. The hospital administration must reform and continuously improve hospital organization through the effective use of leadership within teams and using improved communication skills. Also, much more attention has been paid to developing a hospital organizational culture in order to improve organizational commitment. This can be achieved by cultivating an environment in which nursing executives can continually build their knowledge and skills, and a commitment to continuous learning.

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