



## The Relation Between Organizational Culture and Strategy in Hospitals: Mini-Review

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### Abstract

Regardless of how people define culture, most experts believe that having a strong culture is beneficial to any organization. Hospital X devised and executed a new organizational strategy in order to become prospective. During this procedure, hospitals' management paid less attention to organizational culture, leading to the assumption that hospital's culture is incompatible with the strategy. However, in order to make a successful transformation and implement a strategy, a suitable culture must be established. Based on a comparison of the strategic enablers with the cultural dimensions, it appears that the six cultural dimensions proposed by Cameron and Quinn should contain the necessary cultural circumstances. In order for the intended hospital's strategy to be more successful and efficient, it must be implemented in accordance with the intended organizational culture. To assess the impact of culture on hospital's strategy, it must concentrate on strategic enablers. It is predicted that focusing on strategic enablers will suffice in identifying a comprehensive strategy concept. The cultural circumstances of the factors that drive each strategic enabler possibly will be added to each strategic dimension. In order to attain the strategic enabler, these conditions must be met. As a result, a more culturally aware hospital's strategy will emerge.

## Introduction

Organizational culture is a set of common beliefs shared by its members that sets it apart from other industries. When individuals, groups, and organizations are represented as passive parties who should be subjected to behavioral factors context to be established, the transformation process in the organization will fail (Dopson et al., 2008). This will aid in comprehending and explaining the actions of hospital's personnel. Schein (2010) definition of organizational culture focuses mostly on the intangible aspects. It is about a set of norms and values, as well as a set of fundamental assumptions, that a group invents, discovers, or develops to deal with difficulties of outward adaptation and internal integration.

All of the explanations are partially overlapping and complementary. To begin with, culture is firmly ingrained in many aspects of the organization. Aside from that, organizational members' ideas are implicitly imbued with culture. All components are considered relevant by Quinn (2011). Strong or weak organizational cultures may occur which is dependent on the degree to which group members share common values and beliefs, as well as a clear overall focus. Employees understand the importance of caring and safe practice if an organization's values of compassion and security are strong, according to (West et al., 2014). As a result, they propose that if the corporations plan to provide better care, they should focus on cultivating the proper cultures (Alsaqqa, 2021). Various subcultures embrace different priorities in a weak culture. This is not conducive to professional effectiveness.

Although a strong culture is required to implement hospital's strategy, it is not sufficient. Human behavior exemplifies and is characterized by a particular culture (Quinn, 2011). People interact based on the type of relationship they have, which is determined by the culture they live in. There is no one-size-fits-all culture, but it should be consistent, which signifies that the culture type should be stressed throughout the organization.

The major qualities are concerned with the organization's orientation. The leadership style and approach refer to how the leader provides direction to employees and what the employees' primary emphasis should be. The workplace conditions and employee empowerment are characterized by the management style. This has influenced and will continue to influence how individuals act and believe. In instance, the mechanism that ties the organization together is referred to as organizational glue. The components that drive the organization's strategy are emphasized through strategic emphasis. The way the organization defines success and achievement is the final factor that can reveal the culture. This is about what the organization aspires to achieve and what they value. These beliefs and assumptions demonstrate how the organization operates (Quinn, 2011). Each dimension is made up of four boundaries that all shape the type of the culture.

### **Theoretical perspective of Cameron and Quinn**

Cameron and Quinn make a well-known distinction between different forms of culture (2006). They created a Competing Values Framework in which they categorized and incorporated numerous aspects of culture. There are so many possible cultural vital values that it is hard to cover them all. Cameron and Quinn concentrate on two factors of effectiveness as a result. Each of these factors has two opposing underlying values; stability vs flexibility, and internal focus versus external focus. As a result, four separate cultures emerge, each representing a unique set of organizational performance measures. These four culture types include a clan, an adhocracy, a hierarchy and a market culture. Each kind is made up of congruent categorization schemes reflecting ideals, assumptions, members' thinking, and information flow inside the organization.

A clan culture is similar to a family-type organization in that it emphasizes interpersonal relationships. Collaboration, which is founded on loyalty and tradition, is highly valued. Mentors and facilitators are the managers' roles. They should be team builders who prioritize openness, dedication, and growth. Internal emphasis and flexible processes enhance efficiency; an organization with a clan culture prioritizes human growth and engagement. As a result, the organization's focus on human development may yield longstanding benefits (Quinn, 2011).

The focus of an adhocracy culture is on innovation. The processes like those in a clan culture, are adaptable. This culture, on the other hand, is concerned with external positioning. Innovation and pioneering activities lead to success in an adhocracy culture; the development of new items and planning for the future. As a result, leaders should be entrepreneurs and innovators. They should have a vision and be willing to take risks. Employees should be given autonomy and encouraged to take initiative. The companies are looking for new resources and strategies in order to achieve long-term growth.

Formalization and structure are key elements in a hierarchy culture. There is an emphasis on written rules and policy documents within the organization. They make decisions on what people must do. Long-term stability and control are the goals of a hierarchical organization. As a result, a leader's role should include those of a monitor, coordinator, and organizer. Employees should have a sense of security and predictability in their jobs. Efficiency, consistency in action, and uniformity can all be attained in this way. When a dependable

delivery procedure is combined with effective planning and the lowest feasible expenses, an organization is successful.

A market culture is externally focused. It is concerned with the outside environment. The importance of external contacts and competition cannot be overstated. Profitability and market share expansion are the most crucial goals of the results-driven organization. The principles of reputation and success are fundamental. As a result, there is a requirement for consistency and control. Leaders are competitors, producers, and hard drives. Employees are competitive and goal-oriented, with a desire to increase market share. Effectiveness can be achieved through intense market competition and a customer-centric approach.

### **Organizational strategy**

A strategy directs an organization's goals and objectives. The scope of an organization's objectives includes the people, it serves as well as the actual processes it undertakes. To be more explicit, the enterprise must supply specific capabilities to meet the goals within the scope (Gitman et al., 2015). In the case of hospital, in terms of culture, strategic decisions come before subsequent capability requirements.

The setting of long-term goals and their realization followed by the adoption of action by allocating the needed resources is known as strategy. It is about the organization's long-term approach (Gitman et al., 2015). These definitions underline the need of focusing on the long-term direction, goals, and methods for achieving those goals. The strategy is made up of a series of stages that are taken one by one throughout time (Porter, 2009). The attainment of the hospital's mission requires a well-coordinated and precise strategy. According to these definitions, strategy is a set of guidelines for making judgments that are in sync with one another. To see how much hospital's culture supports its strategy, hospital's strategy must be defined as the social mission that they carry with them. To provide the finest care and keep healthcare expenses under control, the attention should be on quality.

### **Relationship between strategy formation and health organizational culture types**

The relationship between culture and strategy may prime to accomplishment, but it can also cause hitches (Scholes et al., 2002). In effect, culture is an unintentional driver of strategy when presented with a stimulus for action, such as falling performance. This could be accomplished by attempting to reduce costs, improve efficiency, increase regulations, or improve established methods of operation. If this fails, a change in strategy, but one that is consistent with the existing culture, may be necessary. Even when managers see the need for change intellectually and technologically, they are hampered by path-dependent organizational routines and assumptions, as well as political procedures (Verhoeff, 2019).

As a result, if hospital's culture fosters behaviors that support its stated strategy, it will be a valuable asset. Of course, this assumes that the chosen strategy is appropriate for success in the hospital's competitive context. The following options are available, depending on the strategy chosen: (1) disregard the culture; (2) do around the culture by altering the execution plan; (3) attempt to change the culture to appropriate the strategy; and (4) change the strategy to appropriate the culture, possibly by lowering performance prospects (Schwartz & Davis, 1981). When culture provisions the organizational strategy, it may stimulate a better performance success. A hospital can only be fruitful if the culture cares about the goals of the service and the accompanying strategy. Hence, the culture should be congruent with the strategy.

The fact that culture is taken for granted is what makes it so significant in terms of strategy and approach management. This is due to two key factors: it is tough to manage since it is difficult to watch, identify, and control what is accepted as the norm. This is why it is critical to have a

method for analyzing culture in order to make it more visible. There is a way for identifying the effects of culture and tolerating management to better arrangement with it. Step 1: assess the hospital's pertinent culture and subcultures. Make use of one-on-one and small-group summits. Make a list of clearly expressed ideas about "the way things are" in the professional, as well as present behavioral imperatives. Recall these until there is a consensus on the culture's basic norms. Step 2: arrange these statements regarding the organization's culture according to managers' responsibilities and critical relationships. Step 3: evaluate the risk that the organization's culture poses to the successful implementation of the strategic initiative. This is accomplished by first establishing the significance of the desired organizational techniques, and then determining their compatibility with the desired strategy. Step 4: determine and concentrate on those components of the organization's culture that are both critical to strategic accomplishment and unsuited with the intended organizational techniques.

Regarding the Organizational Culture Assessment Instrument (OCAI) tool which consists of six areas, and each area had four substitutes that institute the four culture types. When you search for hospital's strategy, the strategy enablers have to match with the direction of the hospital culture type in its diagonal dimensions.

The six areas are: (1) Dominant characteristics: the degree of support and understanding of fitting, the level of modernization and dynamism, the focus on goals and attractiveness, the necessity of processes and the prominence on invention; (2) Organizational leadership: the position of leadership is established as a mentor, facilitator, visionary, provider, developer, owner and director; (3) Management of employees: replicates how personnel are held by the corporation, the grade of consultation, engagement and harmony and the work environment; (4) Organization glue: mechanism that hold the hospital together, such as support and cohesion, trustworthiness and commitment, entrepreneurship and flexibility, guidelines and procedures, target orientation and competitiveness; (5) Strategic emphasis: explains what drives the hospital approach (human capital's longstanding production, sustainability and competitive advantage, inspiration, evolution and attainment or the triumph of aims; (6) Criteria for success: embodies how hospital designates its proficiency and how it rewards it.

Clan culture and strategy the clan culture promotes efficiency through flexible processes that can be adapted to meet the needs of the client. In a clan culture, separating care into several new service models is likely to be effective. There is a high emphasis on teambuilding, interpersonal relationships, strong communication, dedication, and development. As a result, powerful hospital units will emerge, with closely knit and well-developed teams. The clan culture and professional model innovation are pretty well aligned. Nevertheless, there is an inward concentration and members will most likely concentrate on their own occupational models, which will prevent the formation of hospitals' organizational models.

Adhocracy culture and strategy entrepreneurs and inventors should be the leaders of an adhocracy. This could be important for distinguishing low-cost, innovative organization models, because each one should seek to make a unique contribution. As a result, in an adhocracy, creative hospital models can be developed and people will be more motivated to work in a value network. They will look for fresh initiatives and resources. Consequently, they will be able to consider various integrated models and organizations with whom to engage, resulting in a substantial positive influence of the hospital culture type on the formation of hospital organizational models.

Hierarchy culture and strategy because of the formal norms and policy documents, the hospital model will not be able to be innovative. Interrelationships between the models and other

institutions will be hampered as a result of the hierarchy and formalization. As a result, there is a misalignment between a hierarchy culture and the development of organizational models. Policy documents and formal norms are crucial in hospitals, and personnel should obey them. On the other hand, the hospital emphasizes flexibility above assurance and predictability. Efficiency, reliability, and homogeneity are not enough to achieve the hospital's plan. Therefore, the hospital wishes to accomplish the most efficient planning and lowest expenses, but not in the way that a hierarchy would.

Market culture and strategy the organization's culture emphasizes expanding its market segment and being competitive. The strategy, on the other hand, is centered on acting explicit category of handling inside a corporate archetype. Each business model should have a distinct focus, and a hospital should pick which business models to implement. People in a market culture want to acquire market share, but the strategy aims to build a value network based on collaboration across many institutions to increase healthcare availability and quality. As a result, there is a lack of alignment between market philosophy and typical modernization, as well as the development of the hospital organizational models.

Employees should aim to provide the best service possible. The market culture, on the other hand, is centered on profitability and expanding market share and the competition is crucial. The hospital desires to provide less care and collaborate with other institutions in order to improve the quality of healthcare.

### **Cultural dynamics as a driver of strategy implementation**

The impact of cultural dynamics on the execution of strategic plans becomes more fascinating in the context of public organizations, such as health organizations where the emphasis is on providing public service value. Tushman & O'Reilly (2017) have conducted recent research that emphasizes the significance of cultural congruence in attaining successful plan execution. The Balanced Scorecard framework and its function in coordinating strategic objectives with cultural values are covered by Kaplan & Norton (1996).

According to Schneider et al. (2013), cultural factors inside an organization have the capacity to jeopardize performance and the accomplishment of organizational strategy since culture acts as a bridge between strategic leadership and strategy implementation. The powerful, deeply ingrained, and frequently unseen ideas that bind people together are the reason why cultural dynamics have an impact on how strategies are implemented in hospitals. In order to support effective strategy implementation, they unite performance, ethics, leadership, and strategy (Sharma & Manikuti, 2005).

However, an effective strategy has been proven by outstanding or very good hospital performance. Given that cultural dynamics act as an interface between strategic leadership and strategy implementation, they can jeopardize the success of this hospital. Organizational control, strategic direction, strategic leadership, and strategy implementation are all influenced by the hospital culture. Perfection, excellence, integration, issue solving, and a steady development in the standards of decisions are all made possible by the two-way interactive process (Ndegwa, 2018). According to Trompenaars & Woolliams (2002), cultural dynamics supports excellence, integration, problem solving, and a steady development in the quality of decisions made inside the organization.

## Conclusion

However, in recent decades, healthcare has undergone significant changes as a result of complex combination of interconnected political, economic and social forces. Hospital cultures are made up of a variety of subcultures, including diverse units, interest bodies, and functional groupings. Hospitals and healthcare organizations, unlike other organizations, have weaker or more fractured cultures by nature (Alsaqqa, 2021).

The research question should be answered grounded on the interpretation of the resemblance between the strategic enablers and the four culture types of Cameron & Quinn, and to identify the degree the culture of hospital is congruent with the strategy: “To what extent does the organizational culture of hospital X provide the conditions to achieve its strategy?” hospital should be able to attain the strategic enablers in order to accomplish its strategy. The cultural scopes will offer the required circumstances to reach these strategy enablers if the dimensions are considered by a culture type. As the required state of the strategic prominence is met and the culture does deliver the needed settings, the needed service archetype appears to be possible.

Managers, with the support of strategic development and employees, can produce baseline metaphors of the critical parts of hospital culture, especially in large occupational units likely to undertake significant strategic transformations. Then, new organizational strategies that well suitable for the existing culture can be developed, as well as planned initiatives to change the components of culture that are causing the problem. These stages can be carried out in a formal or informal manner, depending on management preferences.

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