



2017

# ABC of Governance



*Towards informed and transparent societies*

**Medical Research Institute  
Alexandria University**

## Organizational Culture

Organizational culture is the way in which members of an organization relate to each other, to their work and to the outside world. It is formed by the organization members' values, beliefs and assumptions that guide their practices and behavior. Organizational culture affects all aspects of the organization at all levels and therefore can hinder or facilitate its success. Organizational culture takes time to form and so is difficult to change; however, it can be reshaped through leadership and good governance. Organizational culture is complex and is formed by many traits (values, customs, language, etc) which may not be uniformly present within an

organization. Therefore, especially large organizations like hospitals have different micro cultures depending on the nature of the working environment of its subunits. These micro cultures contribute to the formation of the general organization culture. Consequently, if the various subunits' working environment are in harmony, their micro cultures will synergistically and positively influence the overall organization culture, which in turn will improve organization performance. It is the duty of governance and leadership to work towards the harmonization of these micro cultures towards a positive prevailing organizational culture.

### ABC of Governance

#### AIMS AT

creating an awareness of issues related to health governance

providing a core of knowledge that is practice-based

encouraging communication between advocates of governance

## Organizational Alignment

Health organizations are created to fulfill a certain purpose, usually expressed in a mission statement, to produce desired effects in relation to the communities they serve. To reach such ends with maximum confidence and minimum risks, health organizations have to make sure that their internal systems are aligned and working together in harmony. To reach such a state, alignment between organization strategy (the "what" path) should be aligned with organization culture (the "how" path). In doing so, organization goals and values have to fit together. For example; goals that are related to patient and community engagement should be supported by a culture that values participation and collaboration. Goals related to patient safety should be supported by a culture that values openness and learning. As objectives are

developed and activities implemented by the various organization units to achieve the desired ends so also should the organization members' practices and behaviors change to fit with the organization objectives and activities.

internal assessment of the organization including the measurement of its culture. If alignment is found, it is important to preserve the prevailing culture especially if it is unique as it may be difficult to rebuild if left to decay. On the other hand, if internal assessment shows a mismatch between strategy and culture, all efforts should be directed towards changing the organization culture. Failing to do so, will hinder the organization in fulfilling its purpose and may even compromise it. Ensuring organizational alignment is the responsibility of leadership and governance. Declaring organization strategy and desired related culture is the starting point. Role modeling and empowering individuals to adopt desired values, practices and behaviors is the way forward in ensuring organizational alignment and success.



The alignment or matching of strategy with culture requires an

## Reading Material

- **Organizational Culture**

Organizational culture and leadership. Schein EH. Jossey-Bass. 2016.

- **Organizational Alignment**

Organizational alignment. Tosti and Jackson. iChange World Consulting. 2001-2003.

Strategic management of health care organizations. Ginger PM. Jossey-Bass. 2013

- **Profiling Organizational Culture**

Diagnosing and changing organizational culture. Cameron and Quinn. Jossey-Bass. 2006.

Denison organizational culture survey. Denison and Neale. Denison Consulting.

### Health Governance Diploma

Starting Academic Year 2017-2018

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### ABC of Governance

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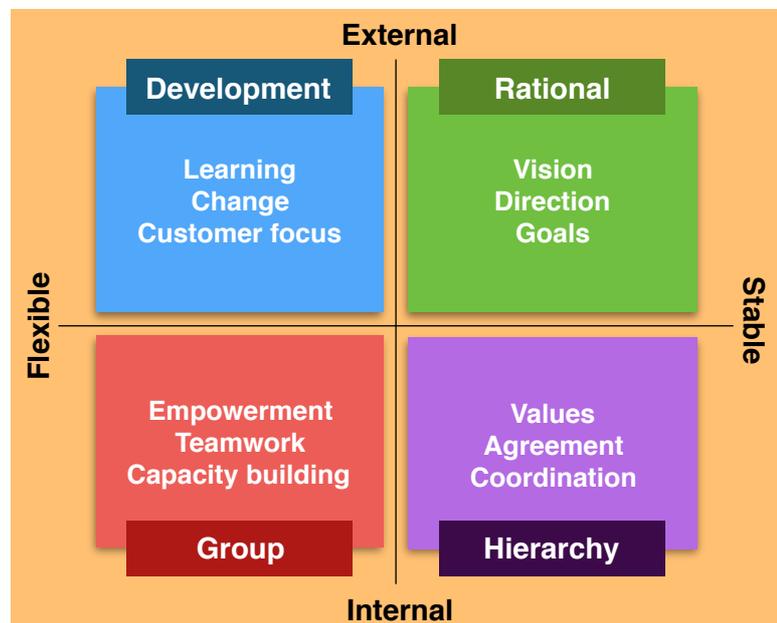
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## Profiling Organizational Culture

Organizational culture is usually measured or profiled when organizations start a new strategic initiative or when challenged by problems. It is also a good policy for new leaderships and governing bodies to measure, profile and analyze the culture of the organizations that they are about to start to lead.

There are many frameworks that help in measuring organizational culture. Here we present the Competing Value Framework which is based on practices associated with organization's effectiveness. The framework is based on the tension existing between two major dimensions: stability versus change and internal versus external focus, thus leading to a four cluster model. The first is that of the developmental culture and denotes an organization which promotes creativity, adaptation to the external environment, and dynamism. The second, that of the rational culture is more target-oriented within a competitive environment. The third is the hierarchical culture and is associated to the respect of rules and norms, control and adherence to the internal environment, and with stability. The last cluster, the group culture defines an environment where human relations are predominant and the orientation is towards the group maintenance and development.

All types of cultures are present in the health sector and are valuable and if equilibrium among them exists the organization is considered to be well-balanced. However, organizations must make sure that, if a dominant or prevailing culture exists, it is not in conflict with the organization purpose and strategies.



In order to facilitate its utilization, the framework has been further developed with new nomenclature based on managerial behavior. Each trait has been divided into three indices of managerial practices. The resultant 12 indices are measured through a 60-item questionnaire. The adaptability trait (developmental culture) assessed through capacity to learn, change, and customer focus. The mission trait (rational culture) through availability of vision, direction, and goals. The consistency trait (hierarchical culture) through adherence to values, participatory agreement, and coordination. The involvement trait (group culture) assessed through presence of staff empowerment, degree of teamwork, and capacity building.