



**Health care sector examined with
OCAI. Diagnosis: dissatisfied...**

A National Survey in the Netherlands

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Introduction

What's the diagnosis for the health care sector? The National Survey on Organizational Culture in Health Care in the Netherlands found that managers and professionals are dissatisfied with their organizational culture. This study, based on the Organizational Culture Assessment Instrument, was carried out among 1,613 doctors, nurses, caretakers, managers, and boards of directors. This makes the assessment representative for the Dutch health care sector.

It turns out that more focus on people, market orientation, and innovation is urgently needed.

From September 2007 to June 2008, OCAI Online conducted this survey in the Netherlands, Europe, regarding the Health Care Sector. We enjoyed the kind permission and cooperation of Professor Kim Cameron. He said,

"I can certainly endorse your work as being vitally important, enlightening, and seemingly very helpful in stimulating needed change in the Dutch health care sector. Defining and diagnosing culture is always a difficult and ambiguous task, and to produce a straightforward profile of culture, with clear directions about what kinds of change are needed, provides a vitally important input. You are certainly to be congratulated on your work, your insights, and for asking the right questions in the first place. This study should be taken seriously as an important source of information for guiding change."

We sorted the outcomes by seven subsections: Hospital activities, Visiting of the elderly and disabled, Residential care activities for mental retardation, Mental health and substance abuse, Residential nursing care facilities, Mental healthcare, Primary healthcare and Others.

The importance of organizational culture

Every organization develops a unique way of thinking, feeling, and doing. It's their culture, consisting of the collective assumptions, meanings, values, and norms that enhance certain typical behavior. Organization members are continuously correcting, copying, and conditioning each other. Organizational culture drives behavior, and that's why it influences, for instance, results, reputation, and customer contentment.

If you want to succeed when implementing change programs, it's also necessary to change organizational culture. Research by Cameron & Quinn (2006) found that 50 percent to 75 percent of change programs fail because of "cultural resistance." Culture is the biggest obstacle when it comes to successful, sustainable change.

That's why OCAI Online initiated this survey. The health care system was obliged to change. But were they ready for it?

The Dutch health care system

In 2007, the Dutch health care system had slowly started a major transition. Government had organized health care for decades, also providing health insurance for every citizen at a reasonable price, depending on income. But the system became too expensive, too slow, and too rigid.

Some elements of the health care sector had to change to a free market system. Other issues were the necessity of increased patient security and safety, staff shortage in nursing, and articulate patients, demanding better service than old-fashioned state hospitals could supply. Some disciplines in hospitals had to get ready for competition and had to respond better to the needs of patients, residents, and clients. The major task of management was to drive health care organizations toward better results and innovation.

The instrument OCAI

The instrument used for the survey was the OCAI. Professors Robert Quinn and Kim Cameron developed the model of the Competing Values Framework, which consists of four Competing Values that correspond with four types of organizational culture.

Clan culture is flexible, internal, and people oriented. Adhocracy culture is also flexible but externally oriented and focused on innovation and creativity. Market culture also has an external orientation but values stability and clear results, targets, and goals. Hierarchy culture highly values stability and is internally focused on efficiency, reliability, and clear structures and procedures.

Every organization has its own mix of these four culture types, which is determined by completing a questionnaire. This assessment is a valid method to examine organizational culture and the desire for change.

The test taker must divide 100 points over a number of statements. This way they assess the mix of the four culture types that dominate the present organizational or team culture.

By answering the questionnaire a second time, while keeping the future situation in mind, the preferred organizational culture and the desire for change can be measured.

Respondents assess the following six key aspects of their organizational culture:

- ◆ Dominant characteristics
- ◆ Organizational leadership
- ◆ Management of employees
- ◆ Organization glue
- ◆ Strategic emphasis
- ◆ Criteria of success

By averaging all individualOCAI scores, you can calculate a collective organization profile. In this survey, an average profile for the health care sector was calculated. A division in seven subsections was also made.

A culture profile shows the following:

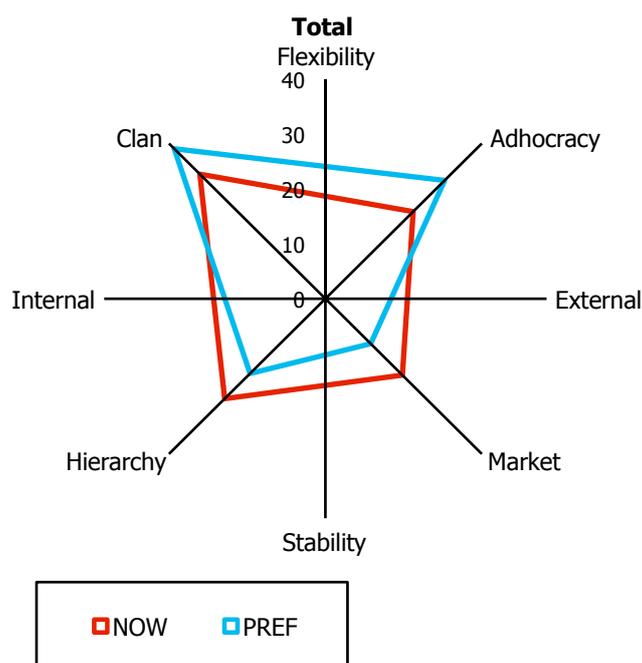
1. The dominant culture
2. Discrepancy between present and preferred culture
3. The strength of the dominant culture (the number of points awarded)
4. The congruency of the six aspects (cultural incongruence often leads to a desire to change, because different values and goals can take a lot of time and discussion)
5. Comparison of the culture profile with the average for the sector or industry group
6. Comparison with average trends; in what phase of development is the organization?

The current culture in health care

The current organizational culture emphasizes internal orientation: the health care sector appears preoccupied with issues of internal governance and organization, as well as professional matters. It's the red-colored profile in the image.

The friendly “clan culture” and the structured “hierarchy culture” score high marks on this survey. This is shown on the left-hand side of the quadrant.

But, as you can see, the red-colored profile also looks a bit square, which means that the health care culture is pretty well balanced. It's a bit of everything.



Dominant is Clan culture (32,1 points): A friendly environment where colleagues have a lot in common and share commitment.

Secondly, we see Hierarchy culture (25,8 points) with its focus on structure, procedures, efficiency, and reliability. Respondents voted for Adhocracy culture as the third element at work (22,5 points): A dynamic workplace that is focused on innovation, learning, experimentation if possible, and also the freedom to make their own professional decisions.

Market culture with its focus on results and production counts the least, with 19,7 points.

Exact scores are shown in the table below.

	current	preferred
Clan	32.10	38.65
Adhocracy	22.45	30.49
Market	19.69	11.59
Hierarchy	25.76	19.27
Total	100	100

The strength of the dominant culture

The strength of a cultural type is shown by the number of points its been given. The dominant culture in this sector is Clan culture with 32,1 out of 100 points.

The higher this number, the stronger the culture type. Cameron & Quinn found that strong cultures are connected with homogeneity of endeavors, a clear strategy, and products or services. It depends on the market, the system, or the context of whether or not a strong dominant culture is necessary. As you can imagine, it's harder to change a strong culture.

The 32-point clan culture is somewhat but not extremely strong when you compare it with other profiles of industry groups (as shown in Cameron & Quinn, * page 77). The mining sector, for instance, shows a dominant Market culture of more than 40 points.

Clan culture is what you would expect in health care. It may be a very convenient and properly fitting culture type when you cooperate with colleagues trying to heal or look after people. It's based on strongly shared values, and health practitioners want even more of it! (see further below)

Discrepancy between current and preferred culture

Looking at the difference between the red (current) and the blue (preferred) culture, what do we see? Differences of more than 10 points are represent a call to action, as Cameron & Quinn discovered. But a discrepancy of 5–9 points also needs to be dealt with, especially in populations that are this big (1,613 respondents).

Let's explain this a bit more. The more participants you have, the fewer extremes you are likely to see in the profile. That's because quantitative numbers tend toward extremes—they tend to draw the profile to a square form.

Compare this with only three people taking the assessment. If one of them likes to answer in extreme ways ("it's black or white" kind of thinking), they count for one-third of the total scores. They have a substantial impact on the profile. If 30 people or 300 people or 3,000 people participate, these extreme respondents have less effect, and you will see the average of the majority.

As we discussed with Kim Cameron (please listen to our podcast with him), a discrepancy of 5 points in a large population like this means that something needs to be done. In other words, people are either dissatisfied or ready for change. You can label this as negative or very positive.

In health care, people wanted more Adhocracy culture (+8 points). Executives and staff would like a more vital and dynamic working environment! They prefer a health care sector that encourages more personal freedom in their field of specialization, as well as more personal responsibility and individual initiative.

The market culture, however, with its stronger emphasis on productivity and driven by customer focus is, according to this survey, voted down (-8 points).

Instead, the health care sector wishes for more focus on aspects such as concern for people and collegiality.

So, people preferred 6,5 points more Clan culture than they had right now. At the same time, they wanted 6,5 points less Hierarchy culture.

In this large population, those scores are pretty extreme, but people recognized them. The profiles illustrated exactly how they felt at that time, according to the feedback we asked and received.

Professor Kim Cameron called the discrepancy dramatic:

"Of course, no ideal or correct culture exists, and this profile seems to indicate that the care and nurturing of patients and employees is a very high priority in the Dutch health care system. Taking care of people is what is most highly valued and considered to be right and best."

Low scores in the market quadrant may indicate that respondents care much less about competitive strategies, profitability, or succeeding economically than the people side of the enterprise.

I have seen profiles similar to this in other organizations, and it may not indicate that winning is not important so much as the fact that there is a need to focus more energy and resources in the upper two quadrants of the framework. 'We are doing well, but we can do a lot better in areas we care about.'

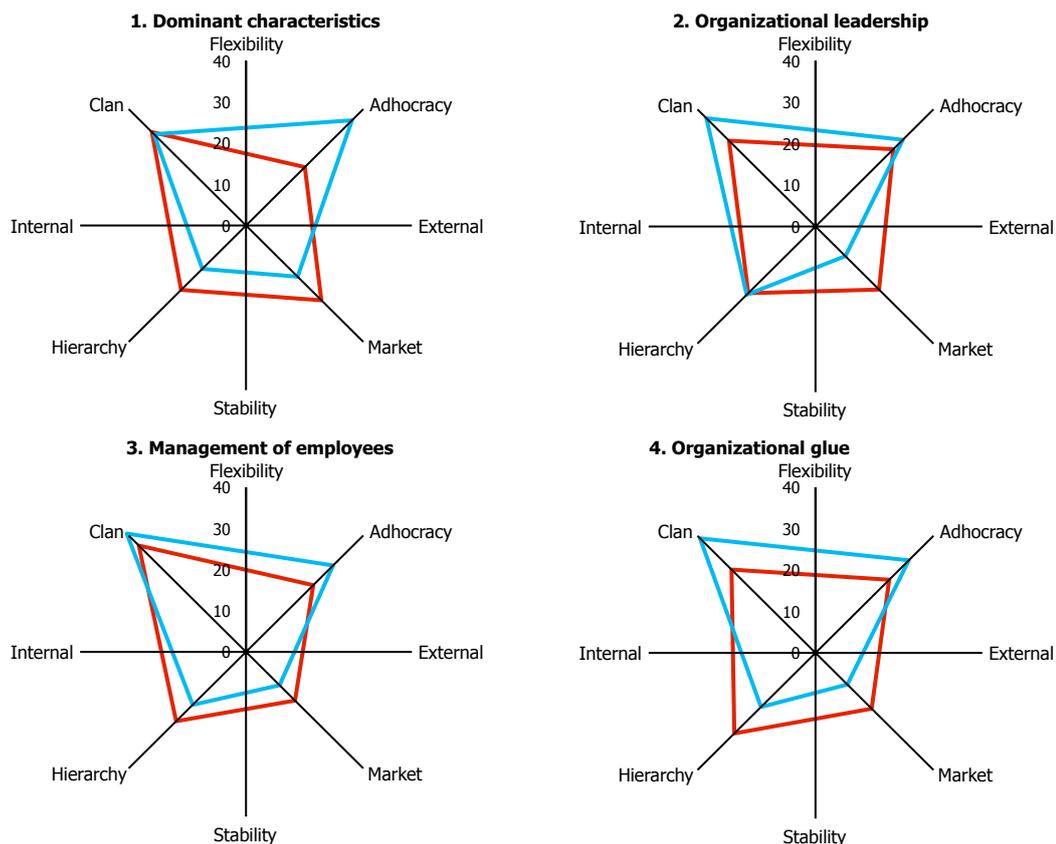
I agree with you that this is a call for action. The implementation of culture change is always difficult and often complex, but this data should be compelling. The differences in the current and the preferred culture profiles are substantial given the number of respondents.

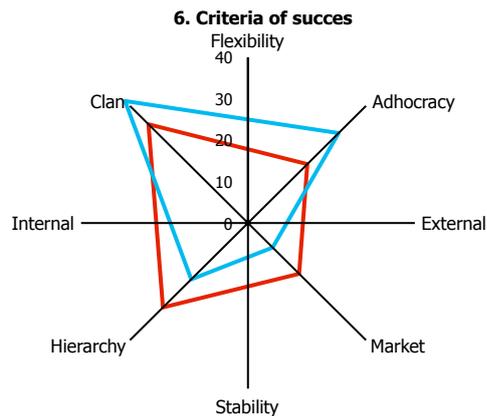
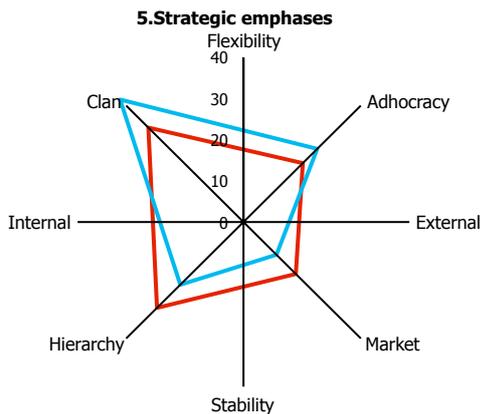
A clear message is being sent that change is needed. The system is doing well, but these differences in profiles are quite dramatic compared to other large system profiles I have observed."

Congruence?

Congruence means that the six key dimensions of organizational culture that are assessed have profiles in the same shapes, more or less. For instance, all six separate profiles on the cultural dimensions (dominant characteristics, organizational leadership, and so on) score highest on clan culture.

Cultural incongruence often leads to a desire for change, because different values and goals can take a lot of time and discussion.





Current culture

Looking at the separate profiles above, you can see that they are fairly congruent. All six aspects have clan culture as number one. Adhocracy and hierarchy culture battle for the second and third places. Market culture comes last.

Exceptions are seen in the following:

- ◆ Dominant characteristics. Results-focused Market culture comes second, and Adhocracy scores lowest. It's more production than innovation.
- ◆ Organization glue: Hierarchy culture is second, close to Clan culture. People don't only share loyalty, trust, and a sense of community. They are bound together by procedures and rules.

Preferred culture

The preferred profiles look very congruent. You can see there's an upward shift. As you can imagine, health care is bound by regulations and safety procedures. You don't want to experiment with patients. You're careful with clients. Also, because health care was organized and financed by the state, hospitals and caring homes operate in a very stable environment. They are large, mature organizations that focus on stability, efficiency, and reliability.

The preferred culture shows that health care practitioners want more flexibility, a more people-oriented environment, more innovation, and professional freedom. It's a clearly visible trend.

You can see this especially at:

- ◆ Dominant characteristics. People vote 16 points more Adhocracy culture here. They really want some freedom, creativity, and dynamic activity in the overall characteristics.
- ◆ This shift is also strongly recommended at Criteria of success: +10,4 points.

Also:

- ◆ Organization glue shows plus 10,5 points Clan culture. So people seem to crave for loyalty, trust, and community at work.

Two comparisons: industry average and general trends

It can be very interesting to compare a cultural profile with the industry group or sector. This is a national sector profile. We haven't seen average profiles of health care sectors abroad, so we can't compare this one.

We can compare with the industry groups that Cameron & Quinn investigated though. You can see here that the health care sector has the highest scores on Clan culture so far.

What's the developmental phase of the sector or organization? Cameron & Quinn found a connection with the culture types.

Organizations tend to develop from Adhocracy culture (pioneering, trying out what works, and experimenting with products in new markets) to Clan culture (community, and creating a feeling of working together). Then, when they grow bigger, more procedures and structure are needed. So they develop Hierarchy culture. Next, we need to focus on production and results again. We set goals and strive for targets, fight competition, and demand results in Market culture.

The older an organization becomes, the more its cultural profile will go down to the lower two quadrants. In the mature, stabilized health care sector in the Netherlands, the main current culture is to the left-hand side (internal focus and integration).

But, in the preferred culture, an upward trend is visible. It's time for renewal. A new cycle of development may start! Let's innovate, try some dynamic activities, and let's enjoy professional freedom again (instead of regulations and even more regulations, production targets, and prescriptions).

Also, a movement to the right-hand side of the quadrant is necessary. Now that competition is introduced and some disciplines operate in a free market system, health care organizations will need innovation and market-oriented focus to achieve results.

In short, big and radical changes are desired by the sector. It may be a challenge, however, to get the results-oriented market culture accepted as a significant, meaningful, and professional culture that will contribute to good health care. Most health care professionals strongly value people and have a strong aversion to values of the market culture.

In the years to come, successful health care organizations will be those that know how to integrate results orientation and innovation with care and concern for people.

Therefore, the health care sector will have to start working seriously on organizational culture. Innovative, effective, and inspiring leadership on all levels will be especially important. Good people skills greatly contribute to a healthy sector.

The seven subsections

All seven subsections show the same trends as the big picture that we presented above.

Among health care professionals, those working in domiciliary care and mental health care are the least satisfied with their organizational culture, followed by hospital staff, those who care for disabled people, nurses, and caretakers.

Those working in primary health care seem to be the most satisfied. People work in smaller units in primary health care (see below).

Management versus professionals

We also separated the data according to position. We calculated cultural profiles for those with a management position, leading a team or department, and those who are doing their job but not managing others.

Health care professionals think managers emphasize productivity too much. Managers, on the other hand, tend to have higher scores on Clan culture than professionals. They think they emphasize people, while their subjects feel pressure for productivity.

Managers, as well as professionals across all parts of the health care sector, crave innovation and really care for people.

Big organizations: big changes

Finally, we determined profiles for smaller and larger organizations. We found that the larger the organization, the more hierarchy and productivity are emphasized, with less focus on people.

People who are most satisfied work in small teams with 1–10 colleagues. Their current and preferred profiles are almost the same. The next two groups (10–100 and 100—1,000 people) had almost the same profiles. They want much more change than the extremely small organizations: +6 Clan culture and +8 Adhocracy culture.

Radical change is desired by respondents from organizations with more than 1,000 employees. They prefer +10 points Clan culture and +8,7 Adhocracy culture. Hierarchy culture (-8,8) and Market culture (-9,9) must diminish.

So it seems important to carefully assess the future impact of mergers. That's interesting, since many mergers are occurring in the Dutch health care sector as a reaction to increased competition and the free market system.

Also, if you work in a large organization, these results suggest that you organize your team or unit on a "human scale." Not too many team members and not too many managers. Organize in smaller units so that people know each other well enough to cooperate smoothly.

Finally

We hope that you have an impression of how we conducted the survey, how the OCAI can be used to examine an organization or a complete industry group, and what information it provides.

An extensive report with details of all seven subsections, various target groups, and small versus big organizations, including recommendations and statistical analysis, is only available in Dutch. This summary gives some information.

The Dutch health care sector, by the way, recognized the outcomes, but politicians didn't act. Some managers talked to their teams based on the profiles, and some organizations took it into account when making new plans, but that's all...

Anyway, we enjoyed working with this OCAI survey and seeing the profiles evolve and stabilize after some 100 respondents. From that point, no big changes occurred (with the next 1,500 participants), indicating that the profiles were really representative and people agreed on them.

We are planning to calculate profiles of various sectors. We have so far assessed the Financial sector in the Netherlands, and we will also produce North American outcomes once enough respondents have used the assessment on the website. So invite all your connections and send them the link to the free individual assessment OCAI One!

We're looking forward to hearing from you!

Recommended reading

*Diagnosing and Changing Organizational Culture
Based on the Competing Values Framework*

Kim S. Cameron & Robert E. Quinn, isbn 13-978-0-7879-8283-6

OCAI online Assess organizational culture

- ◆ Fully automated, secured, and validated assessment
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