



The Influence of Organizational Culture on Planning as Perceived by Employee in The Hospital

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ABSTRACT

Planning is essential to healthcare institutions. The first important factor that indicates the effectiveness and efficiency of an organization is planning and the realization of how the vision and mission that have been set up are implemented. However, organizational culture plays a key role in setting a plan for hospitals. It is upon this premises that this study seeks to find the impact of organizational culture on planning as professed by employees in the hospital and the significant difference between sex and age when planning was considered. This was quantitative research which was designed as descriptive-correlational. The self-constructed instrument was conveniently administered to 108 hospital employees within Laguna in the Philippines to measure their hospital organizational culture and planning. The statistical study treatment was based on SPSS version 23, where Mean and Standard Deviation and Pearson Correlation and t-test were used to analyze the data. The results revealed that hospital planning was very high, and they strongly agree with the influence of their organizational culture. Furthermore, the study resulted that there is a high correlation between organizational culture and planning. There was a significant difference in sex, however, there was no significant difference in age. The implication is that hospitals must make sure that their firms' culture supports planning so that they can meet their objectives. The study recommends that hospitals must make sure that their cultural practices support planning. This is among the various ways to achieve hospitals success and make them effective and efficient.

Keywords: Organizational Culture, Planning, Hospital Employees

INTRODUCTION

Planning in organizations is essential. The first important factor that indicates the effectiveness and efficiency of an organization is planning and the realization of how the vision and mission that have been set up are implemented. Planning is a basic process by which management decides the goals and ways to achieve them. Every program or project formulated by the management in the organization either it is oriented to find the financial gain or that provide social services to the community will be carried out by efficient planning which includes strategic, tactical and operational. Terry (2018) has noted that planning predicts future events

accurately, may foresee the future and makes a provision for it and added strength to the business for its steady growth and continuity. Singh, (2016) postulates that planning is considered as one of management's important features that are used to achieve goals of the organization. Without planning there is no adequate organization and guidelines.

Chancellor (2015), has given many reasons why business fail. Failure can be rooted in bad management, misguided leadership, strategic failings, market changes, or often a combination of all these and more. Landry (2013) mentioned that in the United States of America (USA) 50 percent of businesses in the USA that failed was as a result of lack of planning. Further, Landry (2013) proclaim that bankruptcy of hospitals in the USA was because of the lack of planning financially. Cussen (2019) study that bankruptcy can lead from overspending or poor planning. Lack of planning may result in unfocused for business to attain corporate objective and create plans to move the business forward. Hospitals in the Philippines are currently focusing on planning in other to become successful and effective and efficient (La Vincente, et al., 2013).

Culture sets boundaries on acceptable and unacceptable habits and affects the ideas and expectations of employees (Peprah & Ganu, 2018). It forces staff to accept and follow their organizations ' prescribed normative behavior. It is the social energy that drives achievement or failure of the organization (Hitt, Ireland & Hoskisson, 2015).

There is limited literature that examines the influence of organizational culture on planning among hospitals in the Philippines especially Silang, Cavite, therefore, this study sought to examine organizational culture in the hospital around Laguna area in the Philippines and will predict probable impacts on planning due to organizational culture practices. This study will seek to answer the following questions

1. What is the extent of organizational culture in the hospital?
2. What is the extent of planning in the hospital?
3. Is there a significant relationship between organizational culture and planning?
4. Is there a significant difference in Planning when considering;
 - 1) Sex?
 - 2) Age?.

LITERATURE REVIEW

Planning has many definitions, and each person has their thinking on how to describe planning. Among most common definition, Henry Fayol (1841-1925) known as the father of management described that planning looks forward, looking the future and determine where your organization business wants to be in the future time frame. Berry (2018), defined planning as conducting a company, managing development, aiming at the correct future for the company. Each development period is engaged in future organizational and planning action (Jeseviciute-Ufartiene, 2014). It prepares an action step to achieve a specific goal.

If management does it effectively and efficiently, they can reduce much necessary time and effort in achieving the goal. This also supports the study of (Stanley, 2017) that a good plan is like a highway map; it indicates the final destination and generally the best way to get there. If we follow the plan, we can see how much we have progressed towards our project goal and how far we are from our destination.

Organizational Culture is hugely important for the business, people, and customers ' success and general health. According to Price (2017), Culture is the hospitals' character and personality. It will make a hospital unique and summarizes its values, traditions, beliefs, relationships, behaviors, and attitudes.

Organizational culture defines the proper way to behave within the hospital (Alvesson & Sveningsson, 2015). This culture consists of shared beliefs and values established by leaders and then communicated and reinforced through various methods, ultimately shaping employee perceptions, behaviors, and understanding.

Each organization has its own separate organizational culture, which is essential to employee's organizational identity and organizational picture perception and how the employees face or react to a problem or bad situation in the workplace. Serpa (2016) declares organizational culture as a manner of being, a shared manner of being, individuals acting and thinking collectively and in a coordinated manner with mutual expectations. Another study (KPMG, 2017; Maseko, 2017) Organizational culture is intended to affect the choices, decisions, and relationships of staff with others.

Agwu (2014) asserts organizational culture as a collection of shared values, standards, and beliefs that affect the way staff feels and act in the workplace. Further, Mehrtak (2017) study show that the establishment and institutionalization of succession planning are deeply affected by the components of organizational culture. Accordingly, unprofessional organization culture can deprive the organization of numerous advantages in multiple-succession planning.

Perrin (2013) said that organizational culture is the sum of values and rituals that are used as a glue to integrate the organization's employee. The culture in the workplace regulates the behavior of staff among themselves and with the individual even outside the organization.

Schein (2015) described that organizational culture is how things are done in this place.

If all definitions of organizational culture are taken to the core, the results are dimensions of organizational culture. There are dimensions that can be seen easily, and some are not. Edgar H. Schein (2015) describes an organizational culture in 3 levels namely artifacts, values, and basic underlying assumption. Artifacts label the organization's surface, easily viewed, heard and felt by the employee. They are the organization's visible aspects such as logos, dress code or employee's uniform, office furniture, facilities, architecture, structure, procedures, and corporate apparel. These are noticeable not only to staff but also to external parties. Values apply to norms, values and behavioral guidelines. How does the organization communicate policies, goals, philosophies, how the employees face or react to a problem or bad situation in the workplace? Problems may occur if the managers' thoughts are not in line with the organization's fundamental assumptions. Individual's attitude to any specific organization affects the workplace culture. The basic underlying assumption, the fundamental assumptions are deeply integrated into the culture of the organization and are experienced as self-evident and unconscious conduct. Hypotheses are difficult to acknowledge from within.

Each organization has certain goals, and its management works hard to achieve these objectives. Planning helps to attain the goals of the organization and also prevents certain random operations. Planning has been described in different ways, ranging from thinking about the future to specifying who will do what, when, in advance. According to Henri Fayol, which called the Father of Management, he described that planning is foreseen the future of the business. Concerning time and implementation, planning must be connected and coordinated on different levels.

Nickolas (2016) studied planning is the activity of preparing a plan and as a set of intended outcomes (ends) coupled with the actions by which those outcomes are to be achieved. Planning is a crucial first step to open a business. It is the roadmap to your business' success (Ward, 2018). It summarizes the company's operational and financial goals and includes comprehensive plans and budgets to show how the goals are to be achieved.

The theory ideas for this study are based on organizational culture and planning. The theory of organizational culture was developed by Edgar Schein in 1988. When analyzing, at this stage lies the core of organizational culture; Artifacts - are hard to assess and cope with

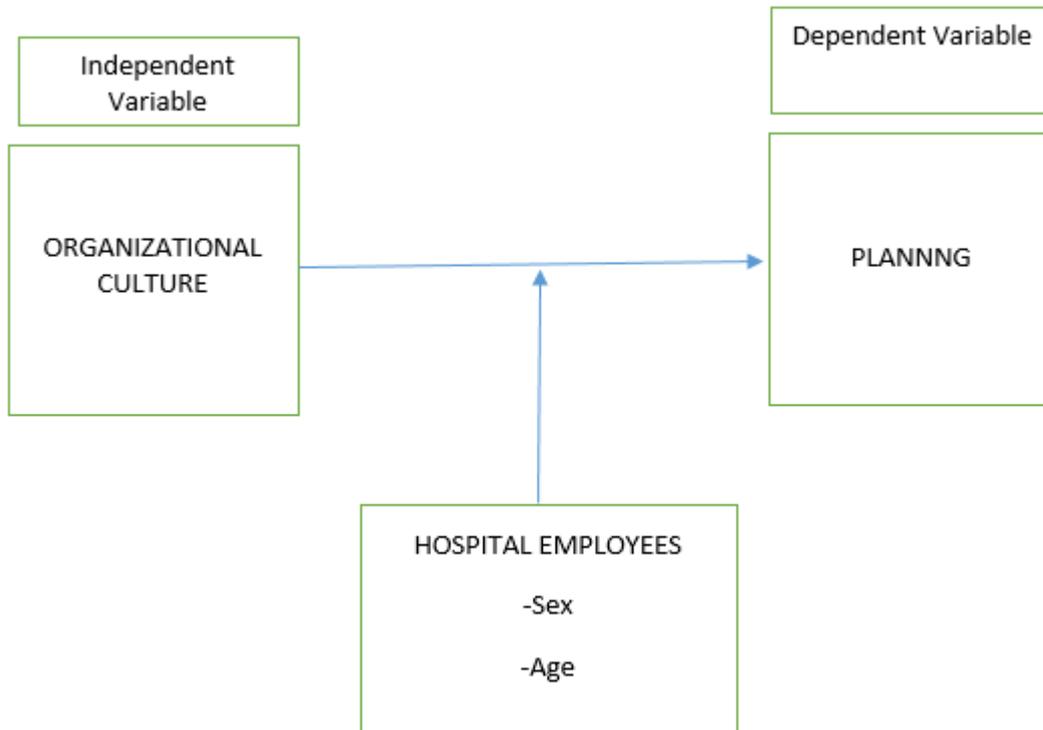
organizational characteristics which can be observed, felt and heard as a person enters the organization values. This level deals with the objectives, ideals, standards, and moral values that have been pursued; Underlying assumptions – This level addresses phenomena that stay unexplained when questioned by insiders about the values of the organizational culture. Information is collected at this stage by closely observing conduct to collect underlying assumption as they are sometimes taken for granted and not acknowledged.

Planning theory is generally called procedural because it generally concerns itself with the process through which planning occurs and whether or not that process is valid. Lane (2005) traces the intellectual history through its different procedural approaches, especially as they relate to public participation.

Mehrtak (2017) in his qualitative study about the role of organization culture on succession planning at the Ministry of Health and Medical Education. The aim of his study was to explore the role of organizational culture in creating a succession planning system as the Ministry of Health and Medical Education in 2014. He interviewed 23 director generals, administrative directors and deputies from the headquarter of the Iranian Ministry of Health and Medical Education in 2014 selected through snowball sampling. Data obtained analyzed in MAQDA-10 and code extracted in inductive techniques. The results of the study show the cultural factors affecting succession planning at the Ministry of Health and Medical Education were identified and classified under three main areas; the cultural factors (job security, constructive competition, transparency, trust development, and creating opportunities), the system (values, beliefs, politicization).

Jung (2016) studied on the gender differences in career planning and success. The purpose of their study was to examine how employees' carrier planning (CP) interacts to quality leader-member exchange (LMX) between male and female employees. The first study was tested to 144 Korean employees and second is to 140 Japanese employees. Both groups of employees worked for a private company. Result of the study is the authors found that positive relationship between quality of LMX and subjective career success was stronger for males with high CP, whereas for females was found for women with low CP. But this study was contradictive in relation to decision making.

Caprino (2016) in key decision-making teams, we need more females, because its better for our decisions. Lipman (2015) female executives have greater rates of private commitment, Gallup information shows that 41% of female executives are engaged in the workplace compared to 35% of male executives.



METHOD

This quantitative study employed a descriptive-correlational design, using a structured questionnaire, to conveniently collect a sample of 108 employees from hospitals to determine the influence of organizational culture on planning. The demographic characteristics of the 108 respondents were analyzed according to their sex and age.

The sex group of the respondents comprised 79 (73%) females and 29 (27%) males. The age group of the participants showed 58 (53.7%) aged between 18-32 years and 50 (46.3%) aged between 33-60 years.

In determining the strength of the relationship Cohen (1998) absolute correlation values where $r=.10$ to $.29$ meaning small or low, $r=.30$ to $.49$ is medium or moderate and larger $r=.50$ to 1.0 is large or high and interpreted were used. All these Likert scales are based on Vagias (2006) Likert scale recommendation. The survey questionnaire had ten items for the variable in Organizational Culture and nine for the variable in Planning. The questions were asked on a four Likert-scale where 1- Strongly Disagree, 2 – Disagree, 3- Agree and 4 – Strongly Agree. Below is the scoring system and the verbal interpretation table for Organizational Culture and Planning:

Table 1. Scoring System table for organizational culture

Numeric Scale	Numerical Likert scale average weight	Scaled response
4	>3.3-4	Strongly Agree
3	>2.5-3.2	Agree
2	>1.7-2.4	Disagree
1	>1-1.6	Strongly Disagree

Table 2. Scoring System table for planning

Numeric Scale	Numerical Likert scale average weight	Scaled response	Verbal Interpretation
4	>3.3-4	Strongly Agree	Very High
3	>2.5-3.2	Agree	High
2	>1.7-2.4	Disagree	Low
1	>1-1.6	Strongly Disagree	Very low

The study used the Statistical Package for Social Sciences (SPSS) version 22 to analyze the data. Descriptive statistics such as mean and standard deviation were used for the question one and two and Pearson Correlation Coefficients were used to determine the relationship based on their strength and direction of organizational culture and planning of hospital employees. The t-test was used to assess the differences between hospital employee demographics when considering planning.

RESULTS

There were 8 items which were asked on the organizational culture of the hospital employees. In general, the hospital employees responded *strongly agree* (M=3.50, SD=.4452). All the items scored strongly agree.

Table 3. Organizational Culture (N=108)

	Mean	Std. Deviation	Response scaled
I know the goals of the department	3.67	.4736	Strongly Agree
My immediate supervisor respects me as an individual	3.66	.5145	Strongly Agree
The department values its employees	3.56	.6011	Strongly Agree

My supervisor has done a good job of translating the organization's goals and objectives into meaningful assignments for their employees	3.50	.5553	Strongly Agree
I can trust our management	3.46	.5707	Strongly Agree
The current management team is highly respected	3.45	.6019	Strongly Agree
There is a continues improvement project in our organization	3.45	.5700	Strongly Agree
Employees work well in this organization	3.45	.6019	Strongly Agree
There is an employee development program in our organization	3.40	.6548	Strongly Agree
Communication channels very open among management and workers in our organization	3.39	.5933	Strongly Agree
Organizational Culture	3.50	.4452	Strongly Agree

Scoring System: >3.3-4=Strongly Agree, >2.5-3.2=Agree, >1.7-2.4=Disagree, >1-1.6=Strongly Disagree.

This indicates that the hospital employee prefers the organizational culture of their hospital. On detailed scrutiny of the items, *I know the goals of the department* (M=3.67, SD=.4736) scored the highest as *positively strongly agree*. This indicates that the employees are much aware of the goals of the department they are working. The second highest priority of the respondents was *my immediate supervisor respects me as an individual* (M=3.66, SD=.5145) with *strongly agree* as a scaled response.

This indicates that the employee receives the necessary respect they need from their supervisors. The least of the items were *there is an employee development program in our organization* (M=3.40, SD=.6548) and *Communication channels very open among management and workers in our organization* (M=3.39, SD=.5933). A study by Goerg (2015) supports this finding that employers want people who are productive. One instrument that has shown promise in the latest decades to improve employee work performance is Setting Goals, whether self-chosen or assigned by management.

In examining the planning of the employees, there were nine items. In general, the employees responded *strongly agree* which is verbally interpreted as *very high* (M=3.54, SD=.4781). All the items scored *strongly agree* and verbally interpreted as *very high*. This indicates that the hospital employees plan has high planning strategies for their work. On detailed scrutiny of the items, *budget allocation is important in my organization* (M=3.67, SD=.5469) scored the highest as *strongly agree* and verbal interpretation as *very high*. This indicates that the

employees cherish their budget allocation. The second highest of the planning item was *management provides strategic plan effort for the success of this organization* (M= 3.61, SD=.5440) with a scaled response as *strongly agree* and verbal interpretation as *very high*. This indicates that strategic planning is essential for every organization. The least on the items were *management determines the activity procedures for its employee* (M=3.49, SD=.5880) with a scaled response as *strongly agree* and verbal interpretation as *very high* and *Job descriptions have been understood by all employee* (M=3.37, SD=.6780) with a scaled response of *Strongly Agree* and verbal interpretation as *Very High*. This indicates that the job description of the employees should be reinforced. Budget is one of the main instruments used in planning and controlling. A budget is a key management instrument for an organization's financial planning, tracking, and control (Bufan, 2013).

Table 4. **Planning (N=108)**

	Mean	Std. Deviation	Scaled Response	Verbal Interpretation
Budget allocation is important in my organization	3.67	.5469	strongly Agree	Very High
Management provides strategic plan effort for the success of this organization	3.61	.5440	strongly Agree	Very High
Strategic planning is implemented for all functions in this organization	3.56	.5343	strongly Agree	Very High
This company was built with the foundation of honesty and integrity	3.56	.6165	strongly Agree	Very High
Management defines strategic goals to its employee	3.55	.5700	strongly Agree	Very High
Management sets the direction for the entire organization	3.52	.5877	strongly Agree	Very High
Employees follow the rules and work procedures specified in job description prepared by the organization	3.51	.5553	strongly Agree	Very High
Management determines the activity procedures for its employee	3.49	.5880	strongly Agree	Very High
Job descriptions have been understood by all employee	3.37	.6780	strongly Agree	Very High
Planning	3.54	.4781	Agree	Very High

Scoring System:>3.3-4=Strongly Agree=Very High, >2.5-3.2=Agree=High, >1.7
2.4=Disagree=Low, >1-1.6=Strongly Disagree=Very low

Pearson correlation coefficient was used to examine the third research question to determine the relationship between organizational culture and planning. The relationship between organizational culture and planning showed a *large significant positive relationship* ($r=.840$ $p=0.000$) at a 95% confidence interval. This means that as the organizational culture increases the planning also increases. This implies that good organizational culture helps the hospital employees in developing good strategic planning. The study *rejects* the null hypothesis that there is no significant relationship between organizational culture and planning.

This is support by the resulting study of Ahmadi (2012) clarifying the main role of cultures' flexibility in the execution of strategies. Furthermore, results confirm that flexible organization culture is better in policy formation and implementation of structural variables. Also, findings show the important correlation between strategic emphasis between culture and strategic implementation

Table 5. Relationship Between Organizational Culture and Planning

		Organizational Culture	Planning
Organizational Culture	Pearson Correlation	1	.840**
	Sig. (2-tailed)		.000
	N	108	108

** . Correlation is significant at the 0.01 level (2-tailed).

An independent-samples t-test was conducted to compare the planning scores for female and male. There was *significant* difference in scores for Males ($M =2.2635$, $SD = .26547$) and females ($M = .2285$, $SD = .56882$; $t(88.90) = -.392$, $p = .001$, two-tailed). The magnitude of the differences in the means (mean difference =, $-.03494$, 95% CI: $.14236$ to $-.21223$) at equal not variance assumed. This study *rejects* the null hypothesis that there is no significant difference in planning on hospital employees when considering their sex. The results contradict the finding of Jung and Takeuchi (2016) which states that males have good planning and females. Another study was contradictive. Caprino (2016) in key decision-making teams, we need more females, because its better for our decisions. Lipman (2015) female have greater rates of planning than males, Gallup information shows that 41% of female executives are engaged in the workplace compared to 35% of male executives.

Table 6. A T-Test on planning when considering Sex

		Independent Samples Test								
		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Planning	Equal variances assumed	4.392	.038	-.419	162	.101	-.03494	.08335	-.19953	.12966
	Equal variances not assumed			-.392	88.901	.001	-.03494	.08923	-.21223	.14236

An independent-samples t-test was conducted to compare the planning scores on the ages of the respondents 18-32 years and 33-60years on job performance. There was *no significant* difference in scores for 18-32 years (M =3.2546, SD = .49870) and 33-60 years (M = 3.2501, SD = .50415. $t(145.382) = .056, p = .955$, two-tailed). The magnitude of the differences in the means (mean difference =, .00445, 95% CI: -.15264 to .16155) at equal variance assumed. This study *fails to reject* the null hypothesis that there is no significant difference in planning when considering their age. Weiner (2018), age distinction will affect your financial plan, age can change greatly when it comes to financial planning. Also supported by the study of Worthy (2011) that Decisions making is an overwhelming component of our life. The significance and effect of our choices can only improve with age. Although aging can lead to some cognitive decreases, it can also lead to gains in insight and wisdom used to create the best choices.

Table 7. A T-Test on Planning When Considering Age Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Planning	Equal variances assumed	.209	.648	.056	162	.955	.00445	.07955	-.15264	.16155
	Equal variances not assumed			.056	145.382	.955	.00445	.07940	-.15248	.16139

DISCUSSION

The results revealed that hospital planning was very high, and they strongly agree with the influence of their organizational culture. Furthermore, the study resulted that there is a high correlation between organizational culture and planning. The implication is that hospitals must make sure that their firms’ culture supports planning so that they can meet their objectives. The study recommends that hospitals must make sure that their cultural practices support planning. This is among the various ways to achieve hospitals success and make them effective and efficient.

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