

IMPROVING HOSPITAL PERFORMANCE THROUGH ORGANIZATIONAL CULTURE

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ABSTRACT

In the current environment of shifting demographics, escalating costs and regulatory activism, hospitals increasingly need to harness the power of their employees' effort, knowledge and talents. A key determinant of their ability to do so is their organizational culture, which is derived from their vision and mission, as well as systems and practices.

This study reports survey findings from managers at fifteen hospitals which show significant differences between higher and lower performing hospitals on eight dimensions of organizational culture. As compared to their lower performing counterparts, the higher performing hospitals exhibit higher levels of integration, vitality, clarity of purpose, and performance orientation. They also have different practices in the areas of human resource development, management style, decision making, and compensation. These findings suggest potential directions for hospitals to improve their organizational cultures through changes in their systems and practices.