Special Article

Organizational Culture, Transformational Leadership and Emotional Intelligence

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Abstract

Introduction: Organizational culture is a key issue to improve organizations' effectiveness. Several studies stress the importance of the organizational culture in the health care sector, as it is focusing on the quality of care and patient safety.

Aim: This special article explores the relationships between organizational culture, transformational leadership and emotional intelligence.

Methods: A review was conducted through databases such as PubMed, ProQuest and Scopus.

Results: Organizational culture and transformational leadership are linked to the organizational effectiveness. Transformational leaders are responsible for shaping the organizational culture, as the values adopted by the transformational leader will be more easily adopted by employees, as a positive correlation exists between transformational leadership and organizational culture. Emotional intelligence could play an important role for the development and the improvement of the organizational culture in organizations. Given the positive relationship that exists between emotional intelligence and transformational leadership as well as their positive impact on organizational culture, this can help organizations' ability to change in order to remain competitive. Leaders should evaluate their personal leadership behaviors and adopt transformative elements of leadership and emotional intelligence. The management organization that invests in human capital derives a good organizational culture.

Conclusions: Organizational culture, transformational leadership and emotional intelligence may have an important influence to the development of a positive organizational culture in organizations. Leaders have to make frequent evaluations of their leadership style to help their staff to achieve the desired results on organizational culture, transformational leadership and emotional intelligence.

Keywords: organizational culture, transformational leadership, emotional intelligence

Introduction

Organizational culture is very important for the management as it contributes on the improvement of the working conditions of the employees of the organization, contributing thus to the organizational effectiveness. It must be stressed that quality improvement is related to organizational culture. Flexible organizational cultures influence the adoption of a participatory management model and improves quality (Bernardes, et al.,2020). An emphasis on organizational culture started from the early 1980s, as various authors recognized its importance (Cameron &, Quinn, 2011). Moreover, the interest on organizational culture spread also the disciplines and sociology and anthropology and many scientists from those disciplines started working on the topic (Brazil, et al., 2010). Although the interest on organizational culture started from the 1980s, the emphasis on the organizational culture in the healthcare sector started quite later, in the 1990s. Studies emphasizing the importance of the organizational culture in the health sector stressed that organizational culture focuses on the quality of care and patient safety. Several studies argue that organizational culture is influencing positively the job satisfaction of the employees, the provision of quality care to patients and patient satisfaction (Brazil, et al., 2010, Barbera 2014).).

Background

Organizational culture in health care is defined as the norms, values, and basic assumptions of a given organization, which drive both the quality of work life and the quality of care (Gershon, et al., 2004). However, organizational culture is also referred by various authors as "the values, beliefs, customs, and norms shared by the members of that organization, and can be classified into several types such as hierarchy-oriented, innovation-oriented, task-oriented, relation-oriented culture, and more" (Tambur & Vadi, 2012).

Nevertheless, the Schein's definition of organizational culture as "…refers to a shared value system derived over time that guides members as they solve problems, adapt to the external environment, and manage relationships" it is argued is the most

complete definition of organizational culture (Shein, 1992). Moreover, according to Schein organizational culture is defined as "… the pattern of shared basic assumptions – invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration – that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems" (Schein 2010). Although an increasing interest in health services outcomes, it is noticed that information on the reliability and validity of the instruments measuring these constructs is almost lacking.

An important information is stated that the concepts of organizational culture and organizational climate were developed in the early 1930s, they were not widely known in the healthcare sector until the 1990s. The development of organizational culture is important managerial tool for improving the work environment and it is necessary both for individual and organizational effectiveness. By a careful observation of organizations, we can arrive to the conclusion that organizations are like micro societies produced by the same peculiarities that characterize the social interactions in micro societies (Hofstede, Hofstede & Minkov, 2020, Schein 2010).

Hofstede (2010) was one of the first authors who discussed the influence of national culture on the organizational culture and he identified four dimensions of values of national cultures: power distance, collectivism versus individualism, femininity versus masculinity, and uncertainty avoidance. Moreover, the author proposed six dimensions of organizational culture: "culture focused on the process *versus* culture focused on results; culture focused on the worker *versus* culture focused on work; parochial culture *versus* professional culture; open system *versus* closed system; rigid control *versus* flexible control; normative culture *versus* pragmatic culture". Therefore, the development of an understanding of the cultural aspects of a country is critical for analyzing the organizational culture (Barbera, 2014, Cameron & Quinn, 2011). High professional satisfaction contributes in the improvement of the quality of health care and patient. Therefore, organizational aspects

should be used as instruments for the improvement of the quality of health care services (Tyagi,et al., 2013).

Healthcare organizations are traditionally authoritarian, but this model has become ineffective, healthcare organizations change into organizations emphasizing on a shared vision, on collaboration, and patient participation and empowerment has begun.

Organizational structure is defining the way in which functions are organized, and power and authority are assigned to individuals and groups within the organizations. Organizational culture helps people to behave in an expected manner in their organization, and organizational culture helps for developing a better understanding of employees' behavior within the organizations (Janićijević, 2013, Lunenburg, 2012).

Nurses and midwives represent over 50% of the health workforce in healthcare organizations (WHO, 2016), an essential question arise: What is the nurses' role in healthcare organizations? Modern leadership found that it positively affecting nurses' job satisfaction, and there is evidence that nurse leaders have a positive impact on increasing patient safety as well as satisfaction and the quality of patient care. The findings of Arundell et al., (2017) suggest that students' learning in clinical practice is affected by the workplace culture. In addition, organizational culture has been found to affect implementation of evidence-based practice (Li et al., 2018). Nursing staff and other professionals working in hospitals realized that the power centralization and the strict hierarchical structures of organizations such as hospitals tend to the formalization of the social and working relationships. Moreover, the staff realizes the presence of a control in the work processes and staff is facing pressures from managers on completed their appointed tasks, they don't participate in decision-making (Hofstede, Hofstede & Minkov, 2010).

Hospitals are considered as complex hierarchical organizations that are characterized by relationships among professionals from different fields in the provision of care resulting in a variety of cultures within the hospital, as everyone brings their own individual culture. It has to

be stressed that healthcare organizations such as hospitals have to understand and to respond to the societal changes and to the population's healthcare needs (WHO, 2020). It has to be argued that the nation's cultural background affects the culture and structure of organizations and how they are managed and led (Strychalska-Rudzewicz, 2016). The hospital accreditation process has possibilities to change employees' perceptions in organizational culture of the under-accreditation hospital leading them away from the traditional hierarchical culture for stepping towards developmental cultures. It is argued that that job gratification links with components includes both organizational culture and interprofessional teamwork (Andres et al., 2019).

When organizational culture is compatible and united however, this can beneficial to patient care. Organizational culture that is strong in teamwork culture gives a freedom to team members to collaborate on patient care. Although sometimes it can be difficult to accomplish it, it is a challenge that should be taken into account the health professionals' limited time (Walton, et al., 2019).

Organizational culture is a fundamental component of an organization. It can be stressed that organizational culture is something like a social reality that created by the unique interactions of staff of an organization. Developing an organizational culture contributes to the development of a sense of identity and commitment that promotes the function of the organization (Cheung, Wong & Wu, 2011). A creative organizational culture influence positively the employees̓ satisfaction and   creates a favorable work environment through the increasing interactions between the colleagues. In such an environment, tasks are organized in   a way that assists the staff to obtain a high job satisfaction and make them to have a desire contribute to organizational purposes (Meterko, Mohr and Young, 2004).

Transformational leadership and organizational culture

Oι Bass & Avolio (1993) argued that leadership and culture are very well interconnected and it is possible to describe an organizational culture characterized by transformative qualities. According to Bass

(1985), transformational leaders are primarily concerned with changing organizational culture, while Block (2003) found that employees who rated their direct leader and transformational leaders higher up the organization's hierarchical ladder, were more likely to perceive their organizational culture as adaptive. Transformational leaders have a great responsibility for shaping organizational culture, as values will be more easily adopted by employees (Aydogdu & Asikgil, 2011 During the 90s a series of studies on the crop-yield relationship showed that certain orientations favour yield (Denison & Mishra, 1995). Research has shown that there is a relationship between transformative qualities and organizational measures (Howell & Avolio, 1993; Waldman et al., 2001). Organizational culture and transformational leadership are theoretically and empirically linked to organizational effectiveness. During the 1990s a number of comparative studies on the crop-yield relationship showed that certain orientations favour yield (Calori and Sarnin, 1991; Denison and Mishra, 1995).

Aydogdu & Asikgil (2011) argued that transformational leaders have a great responsibility for shaping organizational culture, as the values adopted by the transformational leader will be relatively more easily adopted by employees. According to Anwar et al. (2017), transformational leadership is more likely to try to change the governing organization, if it becomes better through knowledge transfer between teachers of educational institutions. Transformational leaders are considered effective as they demonstrate characteristics of encouraging and motivating their employees towards a common goal. Transformational leaders who also possess emotional intelligence have an added advantage for their organizations to pave the way for the development of organizational culture that emphasizes the importance of emotional intelligence and transformational qualities. Transformational leaders who exhibit positive leadership behaviors achieve better performance, deliberate efforts, employee satisfaction, and effectiveness. Transformational leaders help their subordinates grow by responding to their individual needs, empowering them, and aligning the goals of the individual, leader, team, and larger organization. So, it seems

that transformational leadership is associated in a relatively complex way with organizational culture, because it is leadership that can produce cultural change or simply one that can reinforce existing norms. Among organizational culture researchers, it emerged that transformational leadership is what has been seen as an important aspect that can shape the characteristics of an organizational culture (Bass & Riggio, 2006).

Ledimo (2014) argued that a positive correlation was found between transformational leadership and organizational culture. Thus, findings of this study provide empirical evidence that there is a significant relationship between transformational leadership and a constructive organizational culture. According to Flevy & Rassel, (2020), the positive impact of transformational leadership on organizational culture and work performance, was studied in various industries. Moreover, Obeidat et al., (2017), found that this positive effect was not limited to large organizations, but also included small and medium-sized enterprises, while, Boamah et al., (2018), argue that transformational leadership is directly trying for creating a patient safety culture, and thus, the characteristics of charismatic leaders are linked to creating and strengthening a safety culture and making improvements. Leaders can improve their leadership style through training and mentoring, both of which have proven effective in improving transformational leadership skills. According to Cheng et al., (2016), organizational culture in hospitals is mostly transformative, with most followers evaluating their leader and organizational culture as transformative. However, being a transformational leader is not enough, as leaders need to improve their transformational behavior to maximize the benefits of this effective leadership style (Crede et al., 2019).

Emotional intelligence and organizational culture

Organizational culture is a social phenomenon structured by the interaction between employees and an administrative organization. Organizational culture cannot exist without characteristics such as subjectivity, irrationality, and emotionality,

which could be used to explain it (Tolmats and Reino, 2006). In this case, the importance of the resulting emotional intelligence should be used to enable the management organization to shape its organizational culture and activities of all levels in the organization (Langhorn, 2004).

Research conducted by Danaeefard et al., (2012), which aimed to examine the relationship between emotional intelligence and organizational culture, showed that emotional intelligence has direct effects on organizational culture. In this way, emotional intelligence could pave the way for the development of organizational culture in the management organization. Given the positive relationship between emotional intelligence and transformational leadership, as well as their impact on organizational culture, this will ultimately enhance the organization's ability to change and thus improve its prospects to remain competitive. Today's leaders should evaluate their personal leadership behaviors to learn to adopt transformative elements of leadership and emotional intelligence. Desai's (2017) study found strong relationships between organizational culture leadership style, as well as emotional intelligence and organizational culture. Relationships are based on the primary positive relationship between organizational culture and organizational performance.

People working in administrative organizations have understood and now recognize that technology alone will not allow them to move forward, but they believe that employee competence and performance can have a big impact on the progress of an administrative organization. In several workplaces is emphasized the importance and the contribution of emotional intelligence to the progress of the organization's management. Many authors also stress that emotional skills are needed for leaders to exercise effective management, such as showing sensitivity to others and empathy (Goleman, 1998; Gabriel and Griffiths, 2002).

Both emotional intelligence and transformational leadership involve emotions, and emotional intelligence has been proposed as the fundamental theory for supporting transformational leadership. Emotional intelligence has been thought to contribute greatly to effective leadership, using specific skills to create and maintain positive moods in subordinates and to maintain a meaningful identity for an administrative organization (George, 2000). Apore & & Asamoah (2018) argues that when leaders are trained in emotional intelligence and their skills are enhanced, they are more likely to exhibit better transformational leadership behaviors, which will further lead to employee effectiveness and satisfaction. Hospitals need to focus on this area, which is also about understanding the emotions of others. The findings of this study suggest that one of the factors to be considered when choosing nurse leadership should be the level of emotional intelligence rather than relying on seniority as is often the case in emerging economies.

Lee & Yazdanifard (2013) found that given the positive relationship between emotional intelligence and transformational leadership they have an effect on organizational culture. Transformational leaders with high emotional intelligence could create an organizational culture where high emotional intelligence and transformational leadership qualities are implicit, thus enhancing the resilience and strength of the organization in competition. For transformation to emerge in organizational culture, it is important for decision-makers to know that leaders with a high level of emotional intelligence can lead the behavior of their subordinates and positively influence people to create a successful work culture. The results of the study showed that the management organization that invests in human capital derives a good organizational culture.

Conclusions: For the improvement of an organizational culture, it is important to know that managers with a high level of emotional intelligence can lead their staff to a successful story regarding the organizational culture of their work place. Organizational culture and transformational leadership are linked to organizational effectiveness. Effective transformational leaders encourage their staff towards a common goal and transformational leaders who have also a good amount of emotional intelligence, have a greater advantage for their organizations in the way of developing an organizational culture that emphasizes the importance of emotional

intelligence and of the transformational leadership.

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