Factors Affecting Organizational Effectiveness of Nursing Institutes in Thailand*

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Abstract

This study investigates the effects of factors related to organizational effectiveness of administrators and faculty members in nursing institutes under the jurisdiction of the Ministry of University Affairs. The survey instruments were distributed to six public and seven private nursing institutes. The response rate was 77.92%. The sample groups were divided according to the roles of administrators and faculty members. Eight factors: environment, technology, leadership style, culture, strategic planning, human resource development, structural design, and power control were selected as important independent variables affecting organizational effectiveness. The hypotheses proposed in this study were that all eight independent variables significantly explained and predicted organizational effectiveness. Factor analysis was employed to help grouping of 90 items of the eight independent variables. The analysis yielded eight factors that confirmed the intuitive grouping of the factors affecting organizational effectiveness. Multiple regression analysis was employed to test the research hypotheses of these eight factors.

The results of this study showed that only four independent variables (leadership style, technology, strategic planning, and human resource development) significantly explained and predicted organizational effectiveness. In addition, it was found that leadership style is the best predictor of the perceived organizational effectiveness, because of the importance of leadership in all kinds of group action in the organizations. Examined in this study are several conclusions to support some previous researches and studies. Promoting group cohesiveness and team effort thus increasing opportunities for personal satisfaction in work performance and reducing stresses, and external control seems to indicate that leadership style is a very important factor in combining other significant factors to determine organizational effectiveness.

Keywords: Organizational effectiveness, environment, technology, leadership style, culture, strategic planning, human resource development, structural design.

Introduction

The increased complexity and uncertainty of today’s environment will confront nurse leaders and managers during the next decade. Forces and trends such as changing organizational structures, increased knowledge and technology, increased specialization and interdisciplinary collaboration, consumerism, shifting health problems, health-care policy, women in the work force, and trends in higher education and in nursing education have a part to play. They affect the nursing profession and the roles, functions, and skill requirements of nurse leaders, managers, and supervisors. In addition, nurse employees in both health-care and educational systems are requesting more conducive work environment along with

opportunities for continued professional growth and self actualization. This should improve the delivery of quality patient care and the provision of quality educational programs. At the same time, economic, political, and professional changes are serving as driving forces for cost containment and productivity, as well as accountability and quality control.

A growing number of colleges and universities are undergoing fundamental changes in their structure, strategy, technology, design and management practices to cope better with the following conditions: increased use of technology, collaboration, competition for scarce resources, internal conflict, and power struggles. Problems needing creative solutions are increasingly predicted to characterize cultural organizational systems in which nurse leaders or managers find themselves. Effectively managing a system’s input through output processes in such a surrounding demands competence in a number of processes and strategies, as well as a theoretical foundation. A human resource management atmosphere, blended with an emphasis on methods to improve productivity, is essential for effective organizational performance and goal achievement.

**Scope of the Study**

This research was focused on trying to discover the relationship between organizational effectiveness of nursing institutes in Thailand and key variables. Variables in this study were divided into two groups:

**Independent Variables:** These are:
- Environment
- Technology
- Leadership style
- Culture
- Strategic planning
- Human resources
- Structural design
- Power control

**Dependent Variables:** Dependent variables are related to the organizational effectiveness. In this study, organizational effectiveness is determined by:
- Student education satisfaction
- Student academic development
- Student personnel development
- Faculty and administrator employment satisfaction
- Professional development and quality of faculty
- System openness and community interaction
- Ability to acquire resources
- Organizational health

**Determinant of Organizational Effectiveness**

From a research perspective, the importance of defining and measuring organizational effectiveness remains understandable because organizational effectiveness is a significant indicator to show the direction, position, and future of the organization. Whether or not an organization can be defined, the fact is that, there have been trials and measuring definitions of organizational effectiveness. Administrators and managers also make regular determinations on the organizational effectiveness when they appraise and compare units. The point is that evaluating the effectiveness of an organization is a widespread and ongoing activity. Most researchers and practitioners have agreed that a necessary condition for an organization’s success is survival.

The government of Thailand in recent years has recognized and accepted the importance of assessing organizational effectiveness within the private and public sectors. However, there are still conflicts in the existing evaluation process. Concepts, working strategies, time and effort are required in order to reach mutual understanding. Thus, realizing the importance of organizational effectiveness will result in effective cooperation in the future.

Nursing institutes are challenged today to expose the human impact on Thailand’s ‘economic crisis’. Nursing institutes are also challenged to adopt more professional strategic planning. Their development work must be in keeping with the increasing sophistication of organizational performance within the new economic and social order of the region. In the past, nursing institutes have also faced many challenges including demands for
accountability, reform and restructure. These internal and external pressures have created uncertainty. The evidence showed that nursing institutions have made little response to an uncertain future through planning, technology, culture, human resource development, structural design, power control, and so on.

In general, organizations survive to the extent that they are effective (Pfeffer and Salancik 1978) and they are effective to the extent that environmental information and resource dependencies are managed successfully. Environmental characteristics and uncertainty have been important factors in explaining organizational structure, strategy, and performance. Colleges and universities now have a total technology strategy in place. It is integrated with the overall business strategy, and goes way beyond traditional information technology and research and development in its focus on the use of technology for value-added and cost-competitive advantage (Goodman and Penning 1983). The intent of the leadership theorists was to isolate a set of characteristics that would describe all effective leaders. By 1950, the list had grown to over a hundred characteristics identified as being essential to successful leadership. A more constructive approach is to look closely at personal characteristics that influence a leader’s ability to perform the role of a manager effectively. To do this the factors of organization structure, design, size, and strategic planning need to be considered. Taken together, there is good evidence that certain structure and design and strategic planning favor success in the leadership role. The point is that outcomes are often attributed to the actions of leaders toward organizational effectiveness. The analysis of organizational effectiveness requires investigating accepted leadership styles and measurement of practices.

The effectiveness of an organization is also influenced by the organizational culture, which affects the way the managerial functions of planning, organizing, staffing, leading, and controlling are carried out (Peters and Waterman 1982). They found that the dominance of a coherent culture influenced these organizations. Nurse executives today are increasingly concerned with the culture of their organizations. Several conditions in the late 1970s contributed to this interest in organizational culture.

However, management theorists began to value understanding, in addition to control, as a goal of management research. They began to study organizational culture in an attempt to understand what was happening as people interacted together within an organization. This new path of inquiry allowed them to ask radically different questions about the environment in which people worked. It allowed management theorists to study some of the more expressive aspects of organizational life. Organizational effectiveness also requires a focus on human resources, and organizations must help people gain the skills and self-reliance to master the new environment, to find security and support. To compete effectively organizations must attract, retain, motivate, and utilize effectively the most talented people they can find. The concept of organization design implies the process of developing the relationships and creating the structure to accomplish organizational purposes. Structure is therefore the result of the design process. Organization design has a prescriptive and action orientation. It is geared to solving problems and improving performance to organizational effectiveness. Fayol (1977) proposed an organization design that is independent of the nature of the organization and its environment. These approaches contributed to an understanding of the organizing process and the practice of management. Several contingency designs that attempt to specify the conditions of contingency factors are likely to be most effective. These contingency factors include such things as the technology, the environment, the organization’s size, and the social system within which the organization operates.

According to Robbins (1992) power-control is one of the most important factors that lead to organizational effectiveness. Organizations occasionally have the power to manipulate and control their environments. Environment, technology, leadership, culture, strategic planning, structure, and design can explain the diagnostic approach and its link to organizational effectiveness. A substantial
portion of the residual variance may be explained by the power-control.

The early approach to organizational effectiveness which probably lasted through the 1950 was innocently simple (Robbins 1992). The definition of organizational effectiveness has been widely accepted. From a research perspective, it may be true that organizational effectiveness requires multiple criteria. Different organization functions have to be evaluated using different characteristics, and that organizational effectiveness must consider both means (process) and ends (outcomes). The point is that evaluating the effectiveness of an organization is a widespread and ongoing activity. As the central theme is organizational theory, its meaning and measurement must be confronted. Four approaches such as: (i) the goal attainment approach, (ii) the system resources approach, (iii) the internal process approach, and (iv) the strategic constituency’s approach are offered as guides of the organizational effectiveness.

Organizational effectiveness has been a focus of attention for organizational researchers for more than 50 years. Cameron (1983) noted the increased interest in the subject of organizational effectiveness from the past, following his compilation of a review of related literature (Cameron 1982). At that time, at least seven books and several hundred articles and book chapters had been written on the topic. There were a number of popular books published in the past related to organizational effectiveness, such as “In Search of Excellence” (Peters and Weatherman 1982), which indicate the significance of determining effectiveness in organizational life. Problems in measuring and assessing organizational effectiveness have been related to a lack of general consensus on what constituted a theory of organizational effectiveness.

Cameron (1978b) identified the problem of determining the organizational effectiveness of institutions of higher education. Colleges and universities had unique characteristics that made application of previous organizational effectiveness models problematic. He developed a conceptual framework that incorporated three different levels of analysis and three aspects of organization. The levels of analysis included individuals, communities and organizations. The organizational aspects include inputs, processes, and outputs.

This study has shown that the overall impact on organizational effectiveness that was caused by four independent variables (leadership style, technology, strategic planning and human resource development) was accepted. As unexpected, environment, culture, structural design, and power control showed insignificance in explaining and predicting organizational effectiveness. In considering the insignificant factors, there were significant differences in institutional application of these factors as perceived by administrators and faculty members. It is needed to further confirm the findings of this study. More research will be required to illuminate these findings.

**Conclusion**

The result of the analysis illustrates that organizational effectiveness in nursing institutes is crucial to the business of nursing. The emphasis on the development of human potential and creating responses to health care delivery is vital. Leadership style, human resource development, technology, and strategic planning are the primary means for the effectiveness of nursing institutes. There are a number of factors affecting organizational effectiveness in nursing institutes. Secondly, a re-thought and re-evaluation of the determination of several factors toward organizational effectiveness are considered to be helpful to provide a new dimension to the analysis.

**References**


