

Evaluation of Power Distance and Its Consequences on Hospitals of Tehran University of Medical Sciences

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Received December 22, 2012; Revised April 15, 2013; Accepted April 16, 2013

Abstract Many organizations have realized the importance of human resources for their competitive advantage. Empowering employees is therefore a principle necessity for organizational effectiveness. This study aimed to investigate hospital employees' attitude toward existing power distance in their organization and examine its effects. This was a cross sectional study with a descriptive-analytical research design conducted in Tehran University of Medical Sciences hospitals, Tehran, Iran. A sample of 306 managers and employees has been participated in the study according to the sample size. Separate questionnaires which were developed by Francesco and Chen (2000) were used to collect data from each group of them. Data were analyzed using SPSS 16 software. In confidence interval of 95%, there was a statistically significant relationship between employees' attitude towards power distance and their job satisfaction, organizational commitment, perception of discriminatory in organization, and readiness to accept working responsibilities ($p < 0.05$). Also, there was a statistically significant relationship between managers' attitude toward power distance and the way of dealing with their employees, considering employees' competency and qualification, giving them work independence also providing them with necessary supports. Disseminating the culture of low power distance in the organization makes employees perceive justice and equality in their organization and consequently be engaged more effectively in the work responsibilities in line with organizational goals.

Keywords: power distance, managers, employees, hospital, organizational variables

1. Introduction

The basis of progress and advancement in health care organizations is management foresight, gaining a clear insight into the guidelines, and reaching a common agreement on achieving the goals. In this regard, the human dimension and considering human factors are the most important issues forming the organizations and the core elements of management [12]. The role of human resource management (HRM) in organizations is critical. Prevailing organizational culture in organizations is a manifestation of human resource management performance [5]. Organizational culture is defined by four dimensions: individualism vs. collectivism, low power distance against high power distance, low risk-taking versus high risk-taking, and patriarchy vs. feminism [1]. One of these four dimensions is power distance. In all societies there has been inequality among people with different degrees which power distance is an indicator to assess this inequality. In organizations, this index shows how organizational values are related to maintain justice and distribute it properly among the members [9]. The manner of power distribution is important in the organization and in any organization including hospital, many problems of employees' motivation can be resolved by dealing with it. Equity or justice in the distribution of

power can affect the satisfaction, motivation, behavior, job commitment and involvement, work effectiveness in organization, and potential conflicts that arise among employees [15]. If there is democracy in organization and work-centered spirit governs it rather than power centralization or bureaucracy is valued, it will lead to prevent from employee discouragement and dissatisfaction [14]. Studies have shown that justice-oriented processes are important in the organization and how to deal with employees in an organization can affect their beliefs, feelings, attitudes and behaviors [17]. Fair treatment by the organization typically leads to higher employee commitment to the organization; on the other hand, those who feel injustice are more likely to leave organization or exhibit lower levels of organizational commitment [23]. Therefore, understanding how people make judgments about the justice in organization and how they respond to perceived justice or injustice is one of fundamental issues particularly in understanding organizational behavior [20]. In recent years, the desire to do research in the area of power distance and study its effects has increased. This considering justice is due to the important results related to work that is associated with employees' perception of fairness and justice in the workplace [20]. In a study, "the relationship between power assumption and employee commitment and performance" in 2007 which is aimed to recognize organizational power and study employees' response to it

shows that power distance assumption in organization has a negative relationship with organizational commitment and employee performance [19]. Seyed Javadin et al. study on "relationship between organizational justice and employee job satisfaction" showed that there was a significant positive correlation between organizational justice and job satisfaction [21]. So as expected, the less power distance among employees is the more their job satisfaction is and will bring positive results for the organization. In Cropanzano's study (2010) also results show that the perception of inequality and power distance acts as toxin in organization and job and will poison organization's atmosphere. When people see injustice in the system, they will proceed with reducing energy, idleness, and pastime in order to give them the sense of justice [4].

Greenberg (1990) stated that for being effective, managers must act in a fair manner and must ensure that their subordinates interpret their activities equitably. He also expressed that the perception of inequality and power distance in organization makes people feel injustice and consequently they have less productivity for organization, they are less satisfied and eventually they tend to abandon job [7]. Tang, Sarsfield-Baldwin (1996) stated that employee's perceptions of justice and low power distance in organization are associated with various aspects of job satisfaction and organizational commitment [23].

This study has been conducted to study selected hospitals of Tehran Medical Science University's employee attitudes about power distance in organization and investigate its effects on variables like job satisfaction, organizational commitment, readiness to assume job responsibilities, and employee involvement in decisions and affairs of unit under their activities.

2. Method

This study is a cross-sectional descriptive-analytical research in which employee's attitudes of different levels in selected hospitals of Tehran Medical Science University about power distance in organization and its effects on employee's job satisfaction and commitment, their readiness to assume job responsibilities, and participation in decisions and affairs of unit in which they operate have been studied. Employees who participated in this study including clinical, service and support, administration and training staff, heads of clinical, paraclinic, administrative and support departments, president and CEO of the hospital. For heads and managers of departments and on the other hand low level employees without supervision position, separate questionnaires were used which developed by Francesco and Chen (2000) and their reliabilities were measured by 0.85 Cronbach's alpha coefficient. Questionnaire related to high level employees was distributed among 120 managers and heads of studied hospitals' departments and low level employees' questionnaire also was distributed among 360 employed staff who were selected as sample; such a way that among each unit both head and employees completed questionnaires. Sample size was obtained by calculating the correlation coefficient. Thus, if the correlation coefficient of attitude scores with each of outcomes became 0.3 or higher, it would be statistically

significant in 0.95 confidence level and 80% test power. Questionnaire related to regular employees (without supervision position) includes items about employee involvement in department's affairs and decisions, employee commitment to the organization, job satisfaction, their tendency to job retention and employee's demographic variables. Questionnaire of divisions' heads also includes items about how managers deal with employees, considering their competency, supporting them in carrying out assigned tasks, and considering their latitude and independence. Items were measured on a 5 point Likert scale ranged from very agree (5) to very disagree (1). In this study, the reliability of the questionnaires was measured using Cronbach's alpha; meanwhile content validity method was used to assess the validity of both instruments and questionnaires were approved by several faculty members of Tehran University of Medical Sciences. Collected data were analyzed using descriptive and inferential statistics and Pearson correlation coefficient through SPSS16 software. Ethical considerations were also observed throughout the research.

3. Results

In this study, a total of 306 personnel of Shariati, Mirza KouchakKhan, Imam Khomeini, Madaen and Milad hospitals participated (90% response rate) who formed 79.1% employees without supervision position and remaining 20.9% divisions' managers and supervisors.

These people were studied from different parts of hospital (including treasury, revenue, accounting, admission, clinics, medical equipment, discharge, laboratory, radiology, office, endoscopy, bureau of public affairs, administration, CCU, nutrition, guarding, CSR, nursing, medical records, attendance unit, personnel welfare, inpatient units, facilities, and pharmacies) who their average age was 36.71 year, their average working experience in the hospital was 12.87 year, and their average working experience in the unit was 5.58 year. Also, most cases were in diagnostic medical job group (43.13%) and 48.7% had bachelor degree and in terms of marital status 69.9% were married.

To test research hypotheses, at the first step, mean and standard deviation scores obtained from employees and administrators' questionnaires have been calculated using descriptive statistics in accordance with Table 1.

Regarding the first variable (how employees deal with units' administrators or supervisors), maximum score which administrators could obtain was 12 while mean score of studied administrators is 10.6 with 1.4 S.D which shows a slight distance from maximum score. Survey results with other study variables are shown in the following table.

In second step, the correlation between employees and managers' attitudes towards power distance in organizations and studied variables has been examined using statistical analysis.

1. Relationship between employees' attitude towards power distance in organization and employees' questionnaire variables: as Table 2 shows, in 95% confidence level there is a statistically significant relationship between employees' attitude towards power

distance in organization and job satisfaction, organizational commitment, Perception of discriminatory organizational relationships, and their readiness to accept working responsibilities ($p < 0.05$).

2. Relationship between managers' attitude towards power distance in organization and managers' questionnaire variables: this relationship is significant in

95% confidence level ($p < 0.05$) and shows that managers who believe in low power distance in organization, deal better with employees, they are concerned with employees' competency and also their latitude and autonomy, provide them with necessary supports, and assess optimally how employees deal with them (Table 3).

Table 1. mean and standard deviation of scores obtained from the questionnaires

Variables	Max	Mean	S.D
Employees' dealing with divisions' managers or supervisors	12	10.6	1.4
Managers or supervisors' dealing with employees	36	29.8	3.16
Managers' consideration to employees' competency and qualification	12	9.9	1.6
Managers' consideration to the importance of employees' latitude and independence	24	17.6	2.46
Management's support from employees	16	14.06	1.6
Employees' involvement in affairs of their unit	12	7.7	1.9
Employee satisfaction	44	19.64	4.3
Employee commitment to organization and job retention	28	14.45	2.26
Employee's perception of discriminatory relationships in the organization	24	10.3	1.7
Employees' readiness to do assigned tasks	12	8.8	1.5

Table 2. relationship between employee attitude towards existing power distance in organization and employees' questionnaire variables

Employee's attitude towards existing power distance in organization	Employee involvement		Job satisfaction		Organizational commitment		Perception of discriminatory organizational relationships		Employee's readiness	
	Sig.	R	Sig.	R	Sig.	R	Sig.	R	Sig.	R
	0.00	0.7	0.00	0.8	0.00	0.6	0.00	0.4	0.00	0.4

Table 3. relationship between managers' attitude towards existing power distance in organization and managers and supervisors' questionnaire variables

Managers' attitude towards existing power distance in organization	Employees' dealing with managers		Managers' dealing with employees		Managers' consideration to employees' competency and qualification		Managers' consideration to the need for employee latitude and independence		Managers' support from employees	
	Sig.	R	Sig.	R	Sig.	R	Sig.	R	Sig.	R
	0.00	0.5	0.00	0.7	0.001	0.4	0.00	0.5	0.001	0.4

3. Relationship between employees' demographic variables and their attitude towards power distance in organization: As can be observed in the following table, there is a statistically significant relationship between employees' age, education, and marital status and their attitude towards power distance in the organization ($p < 0.05$). In other words, employees who have higher age and education, consider power distance in organization in low and acceptable level. In addition, married employees compared to people who are single, consider power distance in the organization in low and acceptable level (Table 4).

Table 4. relationship between employees' demographic variables and their attitudes about existing power distance in organization

Demographic variables	S.D	T	Sig.
Age	0.08	2.19	0.02
Working experience	0.09	1.73	0.08
Education	0.46	8.3	0.00
Marital status	1.26	2.114	0.03
Number of children	0.602	0.42	0.67

4. Relationship between managers' demographic variables and their attitude towards power distance in organization: as Table 5 shows, there is no statistically significant relationship between managers' age, working experience, education, marital status, and number of children and their attitude towards power distance in the organization ($p > 0.05$) (Table 5).

Table 5. relationship between managers' demographic variables and their attitudes about existing power distance in organization

Demographic variables	S.D	T	Sig.
Age	0.284	1.9	0.06
Working experience	0.268	-0.259	0.79
Education	1.33	-0.313	0.75
Marital status	4.04	0.394	0.69
Number of children	0.98	-1.238	0.22

4. Discussion

In examining this issue how employees and managers' assumption about power distance in the organization affects their work attitudes and job consequences, a study was conducted titled by "evaluation of power distance and its consequences on hospitals of Tehran University of Medical Sciences". According to the findings of this study, there is a statistically significant relationship between employees' attitude towards power distance in organization and job satisfaction and their work commitment ($p < 0.05$) for example employees who consider low power distance in organization, have more job satisfaction and also exhibit higher work commitment. These employees are also more prepared to accept heavier organizational tasks and will have more participation in affairs of their unit or division in which they operate. On the other hand, they exhibit greater sensitivity to the

discrimination in organizational relationships. By studying managers' attitudes about the power distance in organization, we also found that there is a statistically significant relationship between their attitude towards power distance in organization and their dealing with employees as well as employees' dealing with them and other variables such as considering employees' competency and qualification, employees' latitude and independence and providing them with necessary supports ($p < 0.05$). In other words, the more managers believe in low power distance in organization, the better and more proper they'll deal with their employees, participate them in their unit or division in which they operate, consider employees' competency, emphasize the need to give them freedom and work independence and when they assign them organizational tasks, they provide them with necessary supports. These results are similar to results from other studies which have been carried out in other countries and cultures. On the other hand, since employees' job satisfaction, their organizational commitment and readiness to accept heavier responsibilities bring organization with valuable outcomes, therefore, factors that are involved in the realization of the above elements must be considered including employees' perception and attitude towards power distance in the organization in which operate. Hence, establishing justice in organization and reducing existing power distance, as much as possible, is essential for any organization.

Another point of this study was to investigate the relationship between employees and managers' demographic factors and variables in the questionnaires of studying their attitudes about the existing power distance in organization. According to the results, employees with higher work experience and older age have more work commitment and at older ages they not only show more commitment to their work, but also they will have more participation in their unit or division in which they operate. Likewise, the more employees' education is improved, the more their participation, satisfaction, organizational commitment, and readiness to accept heavier responsibilities becomes and perceive discrimination in organizational relationships. The relationship between employees' marital status and studied variables is only statistically significant in relation to their involvement in their own unit ($p < 0.05$). In other words, married people are more involved in the affairs related to their unit. As stated, in this study, employees with higher age and education have viewed organization's atmosphere more political and they are more sensitive to power distance in organization. These results are in contrast to the studies in other countries. In those researches, people with higher working experience, age, and education have perceived organization's atmosphere less political. The reason for this is also related to strengthen individuals' position in the job and organization and accept political behavior as a part of organizational life. It isn't apparently observed within Iranian organizations. Among these variables, the strongest relationship is established between education and perceived power. It seems that educated people's position hasn't been yet strengthened in Iranian organizations and these people consider other elements as effective and influential apart from competence and performance over their personal achievement. Certainly, this assumption and perception in employees with higher

education regarding its effect on the organizational commitment and performance doesn't seem interesting. It is therefore important that for educated people with high academic degrees, competency and performance should be the basis for their promotion. There are some discussions about working experience and age.

For managers, there was no statistically significant relationship between age, working experience in hospital, number of employees under their supervision, and their marital status and their dealing with employees, giving them latitude and work independence, considering their competency, and supporting them in assigned tasks. However, results implied that the higher managers' education is the more positive their attitude will be about employees' dealing with them and they treat employees' relationships with themselves as good and with respect and collaboration. Moreover, some results are evident in researcher dealing with the issue of power and its assumption in Iranian organizations. Unfortunately, Iranian managers and employees not only don't have a positive attitude towards organizational power issues, but also they are afraid of being introduced them. It seems regarding the importance of the issue and its impact on the organizational behavior and performance parameters, further research should be done in this field to familiarize managers and employees. In addition, since culture is an important factor in shaping employee behavior in the workplace, long-term studies need to be conducted with regard to the culture.

The results of a study, "the effect of organizational justice on the tendency to job abandonment through job satisfaction" show that justice and low power distance affect job satisfaction [18]. In their research, Nadiri and Tanowa (2010) have concluded that there is a positive relationship between organizational justice and job satisfaction and even has a strong effect on it [16]. Jordan (2001) also stated that a positive relationship exists between organizational justice and job satisfaction [13]. Yaghubi et al (2009) have noted the same results. Therefore, as expected, the less power distance is between employees, the more their job satisfaction becomes and will yield positive consequences for the organization [24]. In the discussion of employees' demographic variables and their relationship with how to deal with employees, job satisfaction, job involvement and organizational commitment, a study, "the relationship between organizational commitment, job satisfaction and demographic factors in hospital nurses of Shahid Beheshti University of Medical Science" was conducted. Results show that there is no significant relationship between employees' working experience in hospital and their affective commitment, continuous commitment, and normative commitment [10]. In a study conducted by Tallman and Bruning (2005) also found that there was no statistically significant relationship between working experience in hospital and studied units' affective commitment while there was a statistically significant relationship between working experience in hospital and continuous commitment of studied units by increasing employees' working experience, their continuous commitment is also increased [22]. In a survey conducted in 2000 by Chen and Francesco, there wasn't any statistically significant relationship between employees' organizational commitment and working experience in

organization [2]. Our results compared to the findings of other studies indicate that there is a statistically significant relationship between individual's age and working experience in the unit and his/her work commitment by increasing his/her age and working experience, he/she shows more commitment to organizational and assigned tasks. In Heffner's study (2001), there was no statistically significant relationship between age and organizational commitment [8]. In our research which has studied power distance attitude in view of managers and heads of units, similar results have been achieved. In other words, in managers, there was no statistically significant relationship between employees' age, working experience, number of subordinates and marital status and their organizational commitment. A study conducted in one of Chinese organizations that is known for high power distance has also shown that there is a statistically significant relationship between power distance and employees' organizational commitment, job satisfaction, and their tendency to stay in the organization and low power distance in organization is associated with higher employees' job satisfaction and organizational commitment [3]. Our results have also confirmed these findings.

5. Conclusion

The prevalence of inequality and high power distance has been reached to the extent that justice discourse can be heard anywhere in the world. Organizations have spread throughout the world and have under taken all life activities from birth to the death. Hence, justice establishment in organizations and reducing power distance between different organizational hierarchies is predisposed to build equality in other arenas [11,20].

In this study, we found that perceiving inequality and high power distance by employees in organizations would be followed by unpleasant consequences including employees might lose their motivation to participate in the organization; they would be reluctant to job retention and lose organizational commitment and job satisfaction. Aspects which are considered in establishing the equality include the manner of distributing resources, justice in formulation and implementation of rules and instructions as well as the distribution of information in the organization. Therefore, managers can increase their employees' satisfaction and commitment to work by considering these aspects in order to provide justice in the work environment. Also we found that high power distance in organization will cause undesirable behaviors, corporate identity is tarnished, job satisfaction is undermined, absenteeism is intensified, it leads to job alienation and decreases job performance and finally it disappears loyalty and commitment to the organization. Equality observance is therefore a key to the survival and stability of the development and progress of organization and its employees.

Obviously, the spread of equality may be increased in more democratic structures and the opportunity of exercising power is distributed among more people and groups. These aspects are very critical for managers, since disseminating the culture of low power distance in the organization causes employees to perceive justice and

equality in their organization and more effectively engaged in the organization and in line with organizational goals; thus job satisfaction increases, loyalty and commitment to the organization will be enhanced, due to damages which are associated with inequality and perception of power distance, disseminating the culture of low power distance is deserved to become an example for managers and in addition to organizational benefits it is predisposed to humanity's ethic and integrity.

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