

Organizational Culture

Overview

This section is based on the premise that a supportive organizational culture not only assists an individual's effort to live a healthy lifestyle, but can also directly impact an employee's level of stress and thereby her/his physical and emotional health. When employees experience a supportive work environment costs related to illness, disability, and absenteeism are diminished and employee satisfaction and productivity are increased. Organizational culture includes both formal organizational policies and processes relating to hours of work, such as employee benefits and job descriptions, as well as informal structures such as leadership modeling and patterns of information sharing.

Although Project Health is not directly providing consultation and services related to Organizational Culture, the importance of this key component to employee and workplace health is recognized.

Topics Addressed in this Section:

- Setting the Context;
- The Role of Organizational Environment in Health;
- Stress in the Workplace;
- Work-life Balance;
- Management Practices;
- What Can be Done by Workplaces?; and,
- Other Resources and Supports.

Setting the Context

For many Canadian organizations strategies to enhance employee health and well-being are key to attracting and retaining workers, and to containing the costs related to employee illness and absenteeism. Numerous research studies over the past few decades have shown that healthy workplaces benefit both organizations and individuals.

Most workplaces, however, have focused their employee health programs on employee safety with less emphasis on healthy lifestyle promotion initiatives. Evidence now shows that comprehensive workplace health promotion programs are much more effective (Refer to Section 1 of the Handbook). A comprehensive approach includes elements that address the organizational environment, in combination with lifestyle, and health and safety. Elements of the organizational environment include leadership style, management practices, the way work is organized, employee autonomy and control, and social support. These factors have been shown to have a dramatic impact on employee health outcomes.¹

These factors are also known as psychosocial factors or part of a psychosocial work environment. When employees perceive the organizational environment as negative, high levels of employee stress are reported. It is employee stress that has the largest impact on employee health and productivity. In fact, research shows that workers stressed due to “high effort - low reward” situations experience much higher rates of cardiovascular disease, depression, and certain cancers. Stressed workers are also at risk for two to three times the number of mishaps compared to their peers without these particular stressors.²

Unfortunately, workplace stress-related illnesses are on the rise in Canada and cost organizations dearly in terms of absenteeism, higher insurance claims, lost efficiency and lost productivity.³ Evidence shows, however, that when organizations improve their working environments by organizing work in ways that promote health, all related adverse health outcomes, including injury rates and absenteeism, decrease.⁴ Organizations can do this by keeping demands on time and energy within reasonable boundaries, maximizing the degree to which employees participate in the governance of their own work, and providing adequate recognition for work well done.⁵ Changing the organizational environment and influencing the culture and personal working styles of managers takes time and commitment from an organization, and is no easy task.

The Role of the Organizational Environment in Health

The organizational environment of a workplace can be defined as all the organizational and job factors that affect the interaction between people, their work and the organization. The organizational environment has a major impact on employee health and productivity and is influenced by many factors including:

- Leadership style - belief in and commitment to employee health and satisfaction and the link between employee health and the organizations business objectives;
- Management practices - how work is distributed, directed, and designed; how employees are involved and how they participate in decisions as well as fairness, communication, feedback and rewards, and support for work-life balance;
- Social support - interpersonal relationships and communication between peers and supervisors; and
- Pervading culture - unconscious beliefs values and norms shared by members of the organization; how employees think, act and feel; and what management pays attention to and rewards.

A healthy organization is one “...whose culture, climate and practices create an environment that promotes employee health and safety as well as organizational effectiveness.”²¹.

This next section will review three main themes discussed in the literature as they impact the organizational environment and the influencing factors:

- stress in the workplace;
- work-life balance; and,
- management practices.

These issues overlap and this section is meant only as an introduction to these complex issues. As well, several terms are used interchangeably in the literature when discussing the organizational working environment. For a list of some terms and their definitions please see the Definitions section at the end of this section.

Stress in the Workplace

Workplace stress today is linked to working more hours, an increased intensity of job demands, a lack of control over the pace of work or a lack of understanding of how to carry out duties, poor communication with supervisors and an imbalance between work and personal responsibilities.⁷

In the 2002 Aventis Healthcare Survey, 51 per cent of Canadian employees said they experienced a great deal of stress at work. Roughly 25 per cent of these employees said that their workplace stress had been so overwhelming that it made them physically ill at times. More than half of the employees surveyed said they worried that the stress they experienced at work could cause serious long-term illness. When asked if their employer was doing enough to help them manage their stress at work, 44 per cent of respondents said “no”²⁶.

Dr. Martin Shain, from the Centre for Addiction and Mental Health and the University of Toronto’s Centre for Health Promotion, summarized much of the research in this area. He describes the key factors behind the development of strain in the workplace⁸.

- high job demand, where there is too much to do and constant deadlines;
- low job control, where the person has too little influence over the organization of his or her work;
- high effort or energy needed to achieve goals; and
- low reward compensation, or acknowledgement of effort.

Stress can result when there is high job pressure combined with low job control, and high effort combined with low reward, particularly when there is also home stress and a lack of social support.⁸

Work Life Balance

A leading issue causing stress for many Canadians is the challenge of balancing work and personal responsibilities (work-life balance). Duxbury and Higgins (2004) state that work-life conflict occurs when time and energy demands imposed by our many roles become incompatible with one another⁹.

In the Duxbury and Higgins Status Report on Work-Life Balance, they found employees in Ontario fare slightly worse than the rest of Canada⁹. For example, they found that Ontarians:

- have heavy demands at work and at home;
- have difficulties balancing work and family;
- are in poorer mental health;
- view their work environment as non-supportive;
- work for a non-supportive manager;
- are not satisfied with either their jobs or their organization;
- have lower job satisfaction;
- have higher belief (especially in the professional group) that the culture in their organization is one of hours that emphasizes work or family rather than balance;
- do not seem to have supportive policies in place in many organizations; and,
- have lower use of flexible work arrangements and lower perceived flexibility.

Management Practices

Canadian organizations are not addressing the real issue affecting employees' mental health and stress: the organizational environment. A survey by Statistics Canada in 1999 of over 6,000 workplaces found that roughly half (49.5 per cent) had adopted an organizational practice of sharing information about the organization with employees. Other organizational practices supporting employee well-being were limited. For example, only about one third (31.9 per cent) had instituted flexible job designs, 31 per cent had employee suggestion programs, 25.7 per cent had problem-solving teams and 10.3 per cent had self-directed workgroups.¹⁰

The Association for Professional Executives of the Public Service of Canada (APEX)'s study of federal public service executives demonstrated that executives continue to have low levels of decision latitude, significant increases in work demands and deteriorating health status. In fact, 53 per cent of executives interviewed reported high levels of stress – almost twice the rate for the average Canadian of the same gender and age.¹¹ As APEX points out, “**put a healthy person in an unhealthy environment, and eventually they will become ill.**”¹²

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Recent research shows that many of the organizational initiatives designed to increase productivity are closely linked to health. Organizations that understand the impact of employee satisfaction and health on business outcomes are strategically better placed at being successful.¹³ Leadership is key to making this happen and good leaders realize that “workplace well-being is a business strategy.”¹⁴

The National Quality Institute (NQi) asserts that leadership is key because a healthy workplace can only be sustained when the organization’s leaders believe in and are committed to that goal. Leadership means aligning workplace health with organizational goals. Leadership also means that the executive management team provides direction and resources while at the same time, sharing the leadership, responsibility and accountability for healthy workplace issues throughout the organization.

Although the workplace is an environment that can have adverse effects on health, it simultaneously offers great potential for improving overall employee health and well-being. Management can improve the workplace organizational environment by organizing work in ways that promote health. They can do this by keeping demands on time and energy within reasonable boundaries, maximizing the degree to which employees participate in the governance of their own work, and by providing adequate recognition for work well done.¹⁵

Shain (2002) argues that organizational change is a key ingredient in workplace health promotion. He states that health promotion programs will be effective only under conducive managerial conditions (primarily those that stimulate employee job satisfaction).¹⁶ Shain defines what he calls the key social skills of managers and common set of practices¹⁶ as:

- self-awareness - how do I affect others?;
- willingness and ability to balance demand and control/effort and reward;
- challenges and skills - at an individual and group level;
- perceptiveness about others’ legitimate needs, interests, strengths, and limitations;
- ability to negotiate an equitable division of labour in a work group;
- ability to mediate disputes; and,
- fairness (to be fair and to be seen as fair).

Although these social skills may sound simple, Shain notes that their simplicity conceals some of the real difficulties in achievement. These skills often require personal transformation for managers and a change in workplace culture. Encouraging managers to identify and take action on areas they have control over is a key strategy to improving the working conditions for employees. When this happens, managers can also identify problems they do not have control over and then can work with senior management to make the necessary changes.

Management practices in organizations are influenced by the workplace culture and vice versa.¹⁷ The culture in a workplace is made up of the assumptions, values, beliefs and attitudes that employees learn in the organization about how to work together and manage organizational life.¹⁸ These beliefs and values are often unconscious. The behaviour modeled by the leader and management shapes the culture and practices.¹⁹

According to Linda Duxbury (2004) culture is demonstrated by¹⁷:

- what leaders pay attention to, measure and control on a regular basis;
- the reactions of leaders to critical incidents and organizational crisis;
- observed criteria by which leaders allocate scarce resources;
- deliberate role modeling, teaching and coaching;
- criteria for allocating rewards; and,
- criteria for recruitment, selection, promotion, retirement and exiting.

The Treasury Board of Canada (2002) list a number of common characteristics found in the literature of “what makes a good place to work.”²⁰ These include:

- people are engaged in their work;
- there is mutual respect and trust between employees and manager;
- people feel they are treated fairly;
- there is a clear sense of purpose;
- employees are able to balance their work and personal responsibilities; and,
- employees feel safe (i.e. free from harassment and/or discrimination).

They also suggest a number of common conditions that help create great places to work, such as:

- senior management is committed to the tasks;
- supportive middle managers are recognized and rewarded;
- open and honest communication is encouraged throughout the organization;
- employee participation in decision making is encouraged and facilitated; and,
- employees are given some control over their work. ²⁰

What can be done by Workplaces?

Research clearly shows that reducing employee health risks requires changes in job design, workplace culture, organizational systems and management practices; however, this change is not an easy process. Creating healthy and productive workplaces takes time and dedication at many levels including the individual manager, senior executives in organizations, and governments. In most cases, creating a healthy workplace requires a serious commitment from a company's leaders, a transformational leadership style to change the culture of the organization, and patience to make changes over the long-term.

Graham Lowe (2004) in his paper on Creating Change and Achieving Results, refers to creating a healthy organization through organizational and management change as Transformational Change.²¹ Transformational change requires a systemic change with clarity of vision, strong commitment, and a strong degree of cooperation and involvement of everyone in the organization.

Other Resources and Supports

Many groups offer a variety of tools to help organizations and managers foster an organizational culture supportive of employee health and well-being. Below is a list of some resources.

Canadian Centre for Occupational Safety and Health - www.ccohs.ca/ccohs.html

Canadian Mental Health Association - www.cmha.ca

Canadian Policy Research Networks - www.cprn.com

Centre for Families, Work and Well-Being -- www.worklifecanada.ca

- Work Life Practices and Flexibility in Small Business - A Canadian Report.

Graham Lowe Group, Research Associate with CPRN's Work Network paper prepared for Health Canada - Healthy Workplace Strategies: Creating Change and Achieving Results.

Public Health Agency of Canada http://www.phac-aspc.gc.ca/chn-rcs/wh-smt-eng.php?rd=work_travail_eng

Mental Health Works - www.mentalhealthworks.ca

National Quality Institute (NQI) - www.nqi.ca

Neighbour at Work Centre - www.neighbouratwork.com

The Health Communication Unit (THCU) - www.thcu.ca/Workplace/Workplace.html

- Comprehensive Workplace Health Promotion “Making Cents of a Good Idea” – Business Case (June 2003)
- An Introduction to Comprehensive Workplace Health Promotion – Info-pack (June 2004)
- Evaluating Comprehensive Workplace Health Promotion – Info-pack (June 2004)
- Organizational Culture – Info-pack (June 2004)

Workplace Health Strategies Bureau of Health Canadian - www.hc-sc.gc.ca/hecs-sesc/workplace/publications.html

- Shain, M. (2000). What Do We Know? Best Advice on Stress Risk Management in the Workplace.

Other Government Sources

- Statistics Canada - www.statcan.ca/english
- Treasury Board of Canada - www.tbs-sct.gc.ca/survey-sondage
- Canadian Management Development (CMDP) - www.tbs-sct.gc.ca/
- Human Resources and Skills Development Canada - www.hrsdc.gc.ca

Other Key Websites for Information on Workplace Organizational Health

- Canada's Healthy Workplace Week - www.healthyworkplaceweek.ca
- Canadian Workplace Research Network - www.reformmonitor.org
- Centre for Addiction & Mental Health - www.camh.net
- Centre for Families, Work & Wellbeing - www.worklifecanada.ca
- Global Business and Economic Roundtable on Addiction and Mental Health - www.mentalhealthroundtable.ca
- Health Canada, Workplace Health Strategies Bureau - www.hc-sc.gc.ca/whsb
- Human Resources and Skills Development Canada - Work-Life Balance in Canadian Workplaces - www.hrsdc.gc.ca

Definitions

Stress: the result of any emotional, physical, social, economic, or other factors that require a response or change. It is generally believed that some stress is okay (sometimes referred to as "challenge" or "positive stress") but when stress occurs in amounts that you cannot handle, or is prolonged, it has a negative affect both emotionally and physically. Chronic stress may lead to symptoms of anxiety, depression, heart palpitations, muscle aches or pain. The most common result is illness, due to the decreased effectiveness of the immune system. This depressed immune system is caused by stress hormones inhibiting the activity of the white blood cells.²²

Work stress: the relationship between stressors on the job and how the worker physically and emotionally reacts. Stress at work can also involve job security, unstimulating work, salary problems and other issues.

Psychosocial hazards: also known as workplace stressors, or issues related to the way work is organized that can threaten the mental and physical health and safety of employees.²³ Examples include:

- Work overload and time pressure;
- Lack of influence over day-to-day work;
- Lack of training or preparation to do the job;

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- Too little or too much responsibility;
- Ambiguity in job responsibility;
- Lack of status rewards (appreciation);
- Discrimination or harassment;
- Poor communication;
- Neglect of legal and safety obligations; and,
- Lack of respect or support for work-life balance.

Organizational culture: assumptions, values, beliefs and attitudes that employees learn in the organization about how to work together and manage organizational life.²⁴ These beliefs and values are often unconscious. The behaviour modeled by the leader and management shapes the culture and practices.²⁵

Psychosocial work environment: a set of organizational and job factors related to the interaction between people, their work and the organization.²⁶

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