Organisational culture for psychological health at work

Kate Bone & Dianne Gardner

Organisational culture reflects what is rewarded, supported, and expected of managers and staff. This chapter defines culture and climate in organisations, outlines their relevance to psychologically healthy work, and presents suggestions about how cultures can support inclusive and unifying work environments, through leadership and engagement of staff at all organisational levels.

What is organisational culture?

Organisational culture is the set of beliefs, values, and assumptions that people within a workplace share and accept, their understanding of why they do what they do and what they think is important (Schneider, González-Romá, Ostroff, & West, 2017). It often exists without people being consciously aware of it, until something happens – a change, an incident – that highlights the way things are 'usually' done or understood within the organisation. The shared system of values, beliefs and assumptions that make up a culture can shape individuals' attitudes and behaviours, as they become accepted as the 'correct' or the 'only' way of doing things within the organisation. For these reasons, organisational culture has sometimes been defined simply as 'the way we do things around here', but it is important to remember that organisational cultures are dynamic and can be changed or managed un/intentionally (Smith & Bone, 2021).
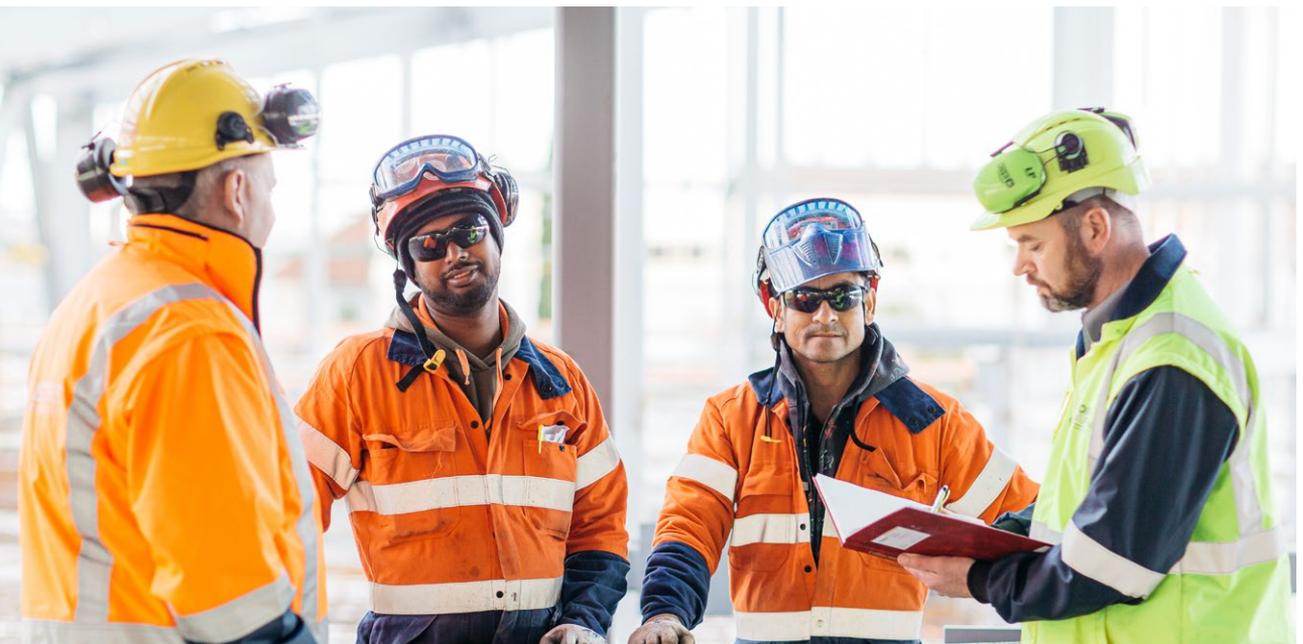
Where does culture come from?

Culture arises from the organisation's history and traditions and the practices, policies and ways of doing things that have become normal over time (Schneider et al., 2017). It can also come from deliberate attempts to create a particular focus within the organisation. For example, some organisations pride themselves on family values and to show this they support work-life balance through flexible work practices that allow employees to pick their children up from school or take time off to care for their whānau when needed. These workplaces may also hold team-building days to create a close connection between workers and invite children and partners to staff events to support closer and more personal connections between workers. Culture can be understood (and changed) through practices of "everyday reframing" as subtle cultural norms and values communicate what leaders want (Alvesson & Sveningsson, 2016, p.45). The routines, rituals, stories, history, decisions, power structures, and behaviour of leaders all shape culture (Baek, Chang, & Kim, 2019). For example, if the manager of a call centre often stays an extra 30 minutes at work to finish off the paperwork from the day, then staff might come to understand that they are expected to do the same. Newcomers gather information from observing and talking to others, as well as from formal training and inductions, to learn the appropriate norms for workplace behaviour (He, Wang, & Payne, 2019). Workplace norms can be healthy (for example, supporting work-life balance) or unhealthy (for example, employees feeling pressured to work overtime without pay to complete their tasks). Once habits have been formed and normalised, it can be difficult to change them. Those who fit in become accepted as part of the team, and those who do not fit in may feel socially excluded.

Some organisations have strong cultures giving the organisation a distinctive identity and members a sense of belonging – for example, the emergency services and charitable organisations, both of which might attract workers driven by their desire to do good in the world. Others have multiple subcultures which differ between teams or divisions, like public service departments or schools. Even so, the subgroups should share the organisation's overall priorities and expectations – its culture, in other words (Baek et al., 2019). Strong cultures can create pressure for individuals to conform and comply with distinctive organisational norms; weaker or more fragmented cultures can be harder to identify (Nowak, 2020).

Within the context of Aotearoa New Zealand, organisational culture also reflects the broader bicultural context. For example, the Māori value of 'Tikanga' refers to customary practices, values and protocols which might underpin some organisational cultural norms and ideals. This could be reflected in the team singing a waiata/song each morning to start the day together, or somebody opening and closing meetings with a karakia/prayer. The Māori conceptualisation of 'whakakotahitanga' refers to the importance of consensus-building and respect for differences and participatory inclusion in relation to decision-making (Harmsworth & Awatere, 2013, p. 275). An organisation with this as a focus may hold regular hui/meetings to ensure that matters are thoroughly discussed with the team and all perspectives considered in decision-making. Recognition of Māori values provides unique ways of conceptualising how culture is informed, and practised, within the diverse context of Aotearoa New Zealand (Durie, 2011; Harmsworth & Awatere, 2013; Huria, Palmer, Pitama, Beckert, Lacey, Ewen, & Smith, 2019).

Organisational culture or organisational climate: Are they the same thing?

The terms organisational culture and organisational climate are often used interchangeably but they're not quite the same.

Culture is the 'deeper' and of the two: it rests on fundamental values, beliefs, assumptions, and norms and can be hard to pinpoint and describe, even though it shapes understandings about how people within the organisation should act and feel. For example, culture can shape the types of humour employees understand to be acceptable in the workplace, or the communication style (formal or informal, in-person or online) used to discuss matters concerning employees or customers/clients. Culture may be slow to change as it reflects established traditions, norms, experiences, and the organisation's history (Chatman & O'Reilly, 2016).

Climate is more visible: it is the perceptions and attitudes about the work environment, structures, and processes, rather than the underlying norms and behaviours (Chatman & O'Reilly, 2016). It is based on perceptions of policies, practices and procedures, and the behaviours that are rewarded, supported, or expected, in the everyday experience of work (Karanika-Murray, Michaelides, & Wood, 2017). It could influence, for example, whether employees use their sick leave to take a 'mental health' day off when needed or ask for workload support when under pressure.

Organisations can have different climates for different aspects of work: safety climate (including psychosocial safety climate, the topic of another chapter in this book); or climates for customer service, productivity, competition, sales, and so on. These are all underpinned by the deeper layer of values and beliefs that make up culture. Culture is prescriptive: it describes what 'should' be; climate is descriptive: it describes what 'is' (Chatman & O'Reilly, 2016) .

It follows, then, that climate is easier to change than culture, although the principles for changing both are similar and start with leadership. As an example, a strong climate for organisational health reflects employee perceptions that there is active support from management for employees' wellbeing, that the organisation makes employee health a priority, and that it provides appropriate resources to help staff remain healthy (Kaluza, Schuh, Kern, Xin, & van Dick, 2020). This climate would rest on an organisational culture that values employee wellbeing as well as performance, and that accepts rather than stigmatises those who need support. In turn, the positive climate would affect leaders' awareness and sensitivity towards health issues, and would foster behaviours that support wellbeing such as designing healthy working conditions, being a positive role model for healthy lifestyles at work, and responding positively to employees who report feeling stressed or overworked (Kaluza et al., 2020).

Why does culture matter?

Culture underpins decision-making, responses to change, goal-setting, responsibilities, and rewards (Baek et al., 2019). Culture might, for instance, shape the way an organisation prioritises innovation or stability, collaboration or competition, respect or aggression, outcomes or process, attention to detail or speed of delivery, teamwork or individual achievement, and so on (Baek et al., 2019). Building a positive workplace culture means recognising that context matters, and that culture can change over time, and that multiple people and processes are involved in shaping, maintaining, and changing workplace culture. Factors that can affect culture range from individual differences to cultural, economic and political influences (Bone, 2015).

In terms of managing employee wellbeing and psychological health, some workplace cultures may need to adjust to reflect changing expectations – for example, as staff increasingly expect that their psychological health will be supported at work. Positive cultures which support wellbeing can improve engagement, recruitment, and retention and reduce the outdated and damaging stigma around mental health (Greenwood et al., 2019). A stigmatising culture means that people won't come forward to seek support for their mental health or argue for change if they are finding work harmful, so people don't receive help and working conditions are not improved. Understandably, perhaps, many people feel that disclosing their mental health concerns to managers or human resources personnel could affect their future opportunities in the organisation – or in other organisations if confidentiality is not respected (Greenwood et al., 2019). A positive culture reduces stigma and empowers staff to use programmes and processes that support their wellbeing.

Building a healthy workplace culture

Culture change starts with leadership. What leaders pay attention to, reward, monitor and discuss will focus everyone's attention and efforts (Schein, 2004; Smith & Bone, 2021). Leaders' perceptions of the organisation's culture for psychological health depends on their awareness of health issues in the workplace (Kaluza et al., 2020). Frontline staff and senior leaders may see the workplace culture differently and are likely to have various levels of knowledge about how the organisation supports psychological health.

Leaders need to take a hands-on approach to changing organisational culture. This means modelling mentally healthy work behaviours and being held accountable for staff wellbeing (Kaluza et al., 2020). Executive teams, managers and senior staff might, for example, be prepared to share their experiences or those of friends or family members who have experienced psychological health challenges. Leaders and managers can act to normalise actions and behaviours that reflect the desired culture and ensure that existing staff and newcomers know what the expectations are.

Starting to build a positive workplace culture can be as simple as taking the opportunity to have deliberate and action-backed conversations at work:

> Having a simple conversation between an individual and someone in their line management team to just say: 'How are you doing? What can we change? How can we better support you?' And to genuinely mean that because that simple conversation can go a very long way if we actually follow-up on that. (Teoh, 2020)

Leaders may be reluctant to ask about mental health or wellbeing issues if they do not know what to do with the answers they receive (Nguyen, Reinert, Hellebuyck, & Fritze, 2019). All senior staff should undertake training in how to name, normalise, and navigate psychological health at work (Greenwood et al., 2019). This does *not* mean becoming counsellors! It means knowing how to have difficult conversations, identify actions which can reduce stigma, understand mental health conditions, their prevalence and impact at work, and knowing how to recognize and respond to employees who may be struggling (Greenwood et al., 2019). A culture which supports psychological health is one which genuinely values diversity and fairness, and which respects people's potential and wellbeing as well as their performance. A positive culture values positive mental health, and provides respect and support without stigmatising or creating disadvantages for those who need support (Staglin, 2019).

How leaders can enable mentally healthy work

Improvements can start with a realistic assessment of the organisation's current performance, priorities, and available resources in relation to psychological health, as well as the identification of current needs and opportunities. Starting conversations around psychological health can be difficult if the organisation has traditionally not encouraged discussion of these topics.

People at different levels in the organisation, or at different sites or divisions, may see the culture in diverse ways, for example senior leaders may be more positive than frontline staff about the organisation's support for psychological health (Webber, 2019). Promoting good health/hauora means recognising that there are many different views of what 'health' means, how to achieve it, how well the organisation is currently performing and what improvements need to be made (Durie, 2011).

One of the most simple, but often overlooked, ways to identify whether a culture is positive or not is to encourage managers and employees within an organisation to participate in the development of cultural values, and to be involved in the assessment of how these are working for individuals, teams and the organisation as a whole. Context-specific conceptualisations of healthy leadership (Rudolph et al., 2020), Psychosocial Safety Climate (PSC; Dollard et al., 2018) and the potential need for interventions to improve organisational culture (Nielsen & Miraglia, 2017) are starting points. There are various questions one might ask to ascertain whether or not the workplace culture is positive at present (see Table 1).

Table 1

Example questions for exploring workplace culture

KEY PROBE	ORGANISATIONAL CULTURE CONSIDERATIONS AND QUESTIONS
Is there 'healthy leadership' within the organisation?	Leaders can prioritise psychological health, develop and communicate policies and procedures, and act as role models. What does 'healthy leadership' mean within the organisation? What does 'healthy leadership' within your organisation look like at present? How are organisational leadership practices seen by senior leadership and management teams? By employees?
Is there a strong psychosocial safety climate?	An organisation's psychosocial safety climate reflects the culture of an organisation and the value placed on healthy work experiences through policies, practices and procedures. Questions to consider are: Do employees sense that senior leaders and managers are committed to, and give priority to, a positive culture to support all employees in their workplaces? Do employees have an opportunity to participate in aspects of culture change that are important to them? Are they able to respond to negative aspects of workplace culture? How are the organisation's values communicated and enacted within the organisation? Does the organisational culture reflect an environment where people feel psychologically safe to raise concerns?

KEY PROBE	ORGANISATIONAL CULTURE CONSIDERATIONS AND QUESTIONS
Is an intervention required to nurture a positive culture?	If the workplace culture is in a less-than-desirable state, an intervention to improve workplace conditions (however big or small) may be required. Interventions should be participatory, i.e., they should involve joint decision-making so that staff as well as leaders have a sense of ownership and can use their expertise. It is important to consider the buy-in of people who will be affected by change, how the change will be implemented, the context in which it will take place, and how it will be evaluated and monitored over time.

Would the organisation benefit from an intervention?

How might people at multiple layers in the organisation contribute and participate in intervention processes and initiatives?

How will the effectiveness of an intervention be meaningfully evaluated? |

Information to answer these questions could come from anonymous online surveys or focus groups with experienced facilitators who can create a safe place for discussion around sensitive topics (Staglin, 2019). Factors which could be explored when discussing wellbeing at work include work pressure (having too many priorities at once); not taking leave due to workload; and not feeling supported at work (Webber, 2019). Other important factors include whether employees feel they have a say in decisions that affect their working lives; whether they have the resources they need to meet their work goals, and whether they have supportive meaningful connections with colleagues and leaders (Karanika-Murray et al., 2017). For instance:

- Are there unwritten expectations about long working hours?

- Is there evidence of sustained high workloads?

- Do people report frequent last-minute decisions needing action?

- How do Human Resources, peers, and supervisors react when staff members request parental leave or tangi leave or study leave?

- Are there parts of the organisation where morale is particularly low or particularly high, or where conflict is evident?

- Are staff aware of existing resources available to support psychological health, e.g., Employee Assistance Programmes, leave arrangements, work-family balance initiatives?

- What are the perceived barriers to using these resources?

- What terminology do people prefer to use when discussing health issues, e.g., 'resilience' or 'wellbeing' rather than 'mental health'?

- Is communication about mental health issues clear and consistent?

- Do people feel safe in reporting their challenges, and do they receive appropriate support and resources when they do?

People who are the most stressed are likely to be those who are most reluctant to report that they are having problems. Collecting information is only the start and enthusiasm will quickly fade if nothing is seen to be happening. The findings from the information-seeking stage should be quickly communicated to all staff, along with information about programmes and resources already available and plans for the future. In reference back to the notion of 'whakakotahi' it is important to include diverse perspectives in organisational decision-making, so that a process of consolidation and unification can begin to reflect and embed employee values (Te Aka Online Māori Dictionary, 2021).

Where to from here?

Addressing existing cultures will take time but initial changes do not need to be vast and costly. To improve the culture for psychological health, it may be appropriate to start by improving work practices and working conditions. Observable changes can start to improve the climate (observable priorities) for psychological health, and the underlying beliefs and values (culture) will follow. Culture can seem abstract while everyday work practices and working conditions are visible but the two are closely tied and healthy leadership matters.

To reflect the bicultural context of Aotearoa New Zealand, an organisation might choose to focus on creating an inclusive and unifying environment that can affirm positive organisational values reflecting the input of all concerned (Durie, 2011; Harmsworth & Awatere, 2013; Huria et al., 2019). Some approaches can be quite simple: building support networks; opening discussion among managers about how to foster healthy work behaviour; replacing stigma with positive affirmation; starting the conversation around mental health; and leading by example. Other requirements may be to address work design: reducing psychological and physical demands of work; increasing employees' control over their work; creating a supportive and trusting environment; training leaders on building a positive organisational culture; designing and implementing relevant policies; providing support and resources; and encouraging communication (He et al., 2019). If leaders engage in health-promoting leadership by providing healthy work conditions and motivating employees to engage in healthy work behaviours, this improves wellbeing and, ultimately, climate and culture in the workplace.

References

Alvesson, M., & Sveningsson, S. (2016). *Changing organizational culture: Cultural change work in progress* (2nd ed.). Routledge.

Baek, P., Chang, J., & Kim, T. (2019). Organizational culture now and going forward. *Journal of Organizational Change Management, 32*(6), 650–668. doi: 10.1108/JOCM-05-2018-0121

Bone, K. D. (2015). The Bioecological Model: Applications in holistic workplace wellbeing management. *International Journal of Workplace Health Management, 8*(4), 256–271. doi: 10.1108/IJWHM-04-2014-0010

Chatman, J. A., & O'Reilly, C. A. (2016). Paradigm lost: Reinvigorating the study of organizational culture. *Research in Organizational Behavior, 36*, 199–224. doi: 10.1016/j.riob.2016.11.004

Dollard, M., Opie, T., Lenthall, S., Wakerman, J., Knight, S., Dunn, S., MacLeod, M. (2012). Psychosocial safety climate as an antecedent of work characteristics and psychological strain: A multilevel model. *Work & Stress, 26*(4), 385–404. doi: 10.1080/02678373.2012.734154

Dollard, M., Dormann, C., & Idris, M. A. (Eds.). (2018). *Psychosocial Safety Climate: A New Work stress theory.* Springer.

Durie, M. (2011). *Nga tini whetu: Navigating Māori futures*: Huia Publishers (Ebook).

Greenwood, K., Bapat, V., & Maughan, M. (2019). Research: People want their employers to talk about mental health. *Harvard Business Review, October 07, 2019*, 1–7.

Harmsworth, G. R., & Awatere, S. (2013). Indigenous Māori knowledge and perspectives of ecosystems. In J. R. Dymond (Ed.), *Ecosystem services in New Zealand—conditions and trends.* (pp. 274–286). Manaaki Whenua Press.

He, Y., Wang, Y., & Payne, S. C. (2019). How is safety climate formed? A meta-analysis of the antecedents of safety climate. *Organizational Psychology Review, 9*(2–3), 124–156. doi: 10.1177/2041386619874870

Huria, T., Palmer, S. C., Pitama, S., Beckert, L., Lacey, C., Ewen, S., & Smith, L. T. (2019). Consolidated criteria for strengthening reporting of health research involving indigenous peoples: The CONSIDER statement. *BMC Medical Research Methodology, 19*(1), 1–9. doi: 10.1186/s12874-019-0815-8

Huria, T., Palmer, S. C., Pitama, S., Beckert, L., Lacey, C., Ewen, S., & Smith, L. T. (2019). Consolidated criteria for strengthening reporting of health research involving indigenous peoples: The CONSIDER statement. *BMC Medical Research Methodology, 19*(1), 1–9. doi: 10.1186/s12874-019-0815-8

Kaluza, A. J., Schuh, S. C., Kern, M., Xin, K., & van Dick, R. (2020). How do leaders' perceptions of organizational health climate shape employee exhaustion and engagement? Toward a cascading-effects model. *Human Resource Management, 59*(4), 359–377. doi: 10.1002/hrm.22000

Karanika-Murray, M., Michaelides, G., & Wood, S. J. (2017). Job demands, job control, psychological climate, and job satisfaction. *Journal of Organizational Effectiveness: People and Performance, 4*(3), 248–255. doi: 10.1108/JOEPP-02-2017-0012

Mental Health America. (2019). *2019 Mind the Workplace*. Mental Health America.

Nielsen, K., & Miraglia, M. (2017). What works for whom in which circumstances? On the need to move beyond the 'what works?' question in organizational intervention research. *Human Relations, 70*(1), 40–62. doi: 10.1177/0018726716670226

Nguyen, T., Reinert, M., Hellebuyck, M., & Fritze, D. (2019). *2019 Mind the Workplace*. Alexandria, VA, USA: Mental Health America

Nowak, R. (2020). Does employee understanding of strategic objectives matter? Effects on culture and performance. *Journal of Strategy and Management, 13*(4), 477–493. doi: 10.1108/JSMA-02-2020-0027

Rudolph, C. W., Murphy, L. D., & Zacher, H. (2020). A systematic review and critique of research on "healthy leadership". *The Leadership Quarterly, 31*(1), 1–21. doi: 10.1016/j.leaqua.2019.101335

Schein, E. H. (2004). *Organisational culture and leadership*. John Wiley and Sons.

Schneider, B., González-Romá, V., Ostroff, C., & West, M. A. (2017). Organizational climate and culture: Reflections on the history of the constructs in JAP. *Journal of Applied Psychology*. doi: 10.1037/apl0000090

Smith, L. M., & Bone, K. (2021). Improving the wellbeing of frequent business travellers: An organisational culture approach. *New Zealand Journal of Human Resource Management, 21*(2), 3–15.

Staglin, G. (2019). Creating a workplace culture that values mental health. *Forbes, May 6, 2019*, 1–2.

Te Aka Online Māori Dictionary (2021). Whakakotahi.

Teoh, K. (2020). Healthy Workplaces (No. 88) [Audio Podcast Episode], *The World of Work podcast 2018–2020*.

Webber, A. (2019). Workplace culture contributing to 'psychological harm'. *Personnel Today, 23 September 2019*, 1–2.