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Organizational Culture, Team Climate, Workplace Bullying and Team Effectiveness

An Empirical Study on their Relationship

UTZ

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INTRODUCTION

The rise of international economic competition in the last few decades has made understanding cultural aspects in an organizational context increasingly important. The interest in culture was triggered first when the American car industry suffered losses on the international market while their Japanese competitors prospered in the 1980s (Dülfer, 1991). Furthermore, organizations recognised that culture plays an important role in the success of mergers and acquisitions (van Muijen, 1998; Hogan & Overmyer-Day, 1994; Lawson & Ventriss, 1992). Researchers started to compare organizations from different cultures (e.g., Japanese and American) with the aim of finding out to what extent success is determined by soft facts. Ouchi (1981), for example, formulated a theory ("Theory Z") which described distinct features of the Japanese working culture which he assigned to economic superiority. Peters and Waterman (1982) published the monograph "In Search of Excellence" which linked specific features of organizational culture to economic success in U.S. companies and made the concept popular in the management literature. In a similar manner, Deal and Kennedy (1982) suggested a categorisation which depicts different types of culture in organizations, for example, "tough-guy macho culture", "work hard - play hard culture".

The increased attention the concept of organizational culture has received within the last years demonstrates that psychological factors, or so-called "soft facts", have become more and more important in organizations. Technical advances alone do not seem to suffice for competition, instead employees' entrepreneurial thinking, a high degree of cooperation and commitment are called for. Therefore understanding interaction processes within work groups is essential for improving cooperation and performance. Assessing work group climate - which can be viewed as a manifestation of culture - helps to understand these processes. A number of studies have shown that climate is linked to innovation (e.g., West & Anderson, 1996) and performance (e.g., Agrell & Gustafson, 1994). Few studies have, however, investigated the relationship between work group climate and objective effectiveness criteria (West, Smith, Feng & Lawthom, 1998).

Despite the endeavours of organizational psychologists and progressive organizations to enhance the organizational climate, "a hostile work environment, in which insulting or offensive remarks, persistent criticism, personal abuse or even physical abuse and threats prevail, is a reality for many employees" (Einarsen, 1996, p. 8). This phenomenon is referred to as workplace bullying and has predominantly been researched

in Scandinavian countries (e.g., Leymann, 1993). Although quantitative research has indicated that the consequences of workplace bullying are detrimental for individuals (e.g., Groeblinghoff & Becker, 1996) and may affect organizational effectiveness adversely (Neuberger, 1999; Niedl, 1995) there is little research on organizational factors related to it.

The aim of this study is, firstly, to investigate how organizational culture and work group climate are related to effectiveness. Secondly, workplace bullying will be assessed with regard to culture, climate and effectiveness. Chapter one introduces the definition of organizational culture and looks at the origin of the concept. Since the culture construct is relatively young and has traditionally been measured qualitatively, the theoretical background and quantitative measurement of culture will be described in more detail. Examples of assessment tools used in previous research will be presented, before reviewing the literature on organizational culture and effectiveness. The chapter concludes with a discussion of the operationalization of culture in the present study.

Chapter two deals with the construct of organizational climate: its definition, measurement and relationship to effectiveness. Special attention will be paid to climate in groups with regard to effectiveness. Finally, a model operationalizing team climate will be introduced which is used in the present study.

In chapter three the relationship between organizational culture and climate will be illuminated by pointing out conceptual differences and similarities.

In chapter four the phenomenon of workplace bullying is presented. After defining the construct, the measurement of workplace bullying in previous research will be critically assessed. This is followed by a review of research examining workplace bullying with regard to organizational factors.

In chapter five team effectiveness will be conceptualized by describing the operationalization of effectiveness in previous research and introducing a model of team effectiveness. Two effectiveness criteria used in this study will be described in more detail with regard to culture and climate: work satisfaction and improvement suggestions. This is followed by chapter six in which the aims of the current study and the hypotheses are summarized and specified.

Chapter seven describes the pilot study which sets out to test the main hypotheses in a sample of 19 departments of a pharmaceutical company. In the method section, the sample, procedure and operationalization of the study variables are described including the reliability and validity of self-devised scales measuring culture and climate. This is followed by describing and interpreting the results which are briefly discussed: Are the main hypotheses corroborated?

Chapter eight presents the method of the main study, conducted in 29 teams of a bank. First, the sample, procedure and research design are described. Then the operationalization of the study variables is presented with special regard to the use of objective criteria. Organizational culture and team climate are measured by standardized instruments which are introduced. Evaluation methods - mainly correlational - are outlined for investigating the relationship of culture and climate with team effectiveness. For examining workplace bullying, groups are compared with regard to organizational factors. Effect size in correlational designs, the question of inferring causality and the use of multiple effectiveness criteria will be considered.

In chapter nine the results of the main study are described and interpreted. After presenting requirements for aggregation of individual responses, the results are displayed in two major parts. In the first one, organizational culture, team climate and their respective relationships to effectiveness are examined. Furthermore, the following two questions will be explored: To what extent are culture and climate related? Are there differences in the perception of culture and performance depending on the hierarchical level of the employees? In the second part, the prevalence of workplace bullying on the individual and group-level is described. Then analyses on the group-level are performed in order to compare teams with an incidence of workplace bullying to those with no such incidence with regard to culture, climate and effectiveness criteria.

Chapter 10 comprises the discussion of the results of the main study by integrating the findings of the pilot study. Are results consistent? Findings of these studies are discussed in the light of existing research.