

The Handbook of
**Organizational
Culture and Climate**
Second Edition

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Contents

Acknowledgments	ix
Preface	xi
EDGAR H. SCHEIN	
PART I. CULTURE, CLIMATE, AND MULTILEVEL ANALYSIS	1
1. Introduction to <i>The Handbook of Organizational Culture and Climate</i> , Second Edition	3
NEAL M. ASHKANASY, CELESTE P. M. WILDEROM, & MARK F. PETERSON	
2. Organizational Culture: Meaning, Discourse, and Identity	11
MATS ALVESSON	
3. Organizational Climate Research: Achievements and the Road Ahead	29
BENJAMIN SCHNEIDER, MARK G. EHRHART, & WILLIAM H. MACEY	
4. Multilevel Issues in Organizational Culture and Climate Research	50
FRANCIS J. YAMMARINO & FRED DANSEREAU	
PART II. TOWARD POSITIVE WORK CULTURES AND CLIMATES	77
5. Toward Positive Work Cultures and Climates	79
CELESTE P. M. WILDEROM	
6. Healthy Human Cultures as Positive Work Environments	85
CHARMINE E. J. HÄRTEL & NEAL M. ASHKANASY	
7. Establishing a Positive Emotional Climate to Create 21st-Century Organizational Change	101
TANYA VACHARKULKSEMSUK, LESLIE E. SEKERKA, & BARBARA L. FREDRICKSON	
8. Fostering a Positive Organizational Culture and Climate in an Economic Downturn	119
PHILIP C. GIBBS & CARY L. COOPER	

9. Enhancing Firm Performance and Innovativeness Through Error Management Culture	137
NINA KEITH & MICHAEL FRESE	
10. Organizational Culture, Multiple Needs, and the Meaningfulness of Work	158
M. TERESA CARDADOR & DEBORAH E. RUPP	
PART III. STATE-OF-THE-ART REVIEWS ON SOCIAL-ORGANIZATIONAL PROCESSES	181
11. State-of-the-Art Reviews on Social-Organizational Processes	183
CELESTE P. M. WILDEROM	
12. Culture and Performance	188
SONJA A. SACKMANN	
13. Transformational Leadership and Organizational Culture: Toward Integrating a Multilevel Framework	225
CHAD A. HARTNELL & FRED O. WALUMBWA	
14. Team Climate and Effectiveness Outcomes	249
MICHAEL A. WEST & ANDREAS W. RICHTER	
15. Exploring the Link Between Organizational Culture and Work–Family Conflict	271
LINDA DUXBURY & LAURA GOVER	
16. Interorganizational Macrocultures: A Multilevel Critique	291
GERARD P. HODGKINSON & MARK P. HEALEY	
PART IV. ORGANIZATIONAL DYNAMICS AND IDENTITY: DEFINING THE NEW PARADIGM	317
17. Organizational Dynamics and Identity: Defining the New Paradigm	319
NEAL M. ASHKANASY	
18. Organizational Culture in a Wider Field: Is There a Post Post-Culture?	323
STEPHEN LINSTED	
19. Material and Meaning in the Dynamics of Organizational Culture and Identity With Implications for the Leadership of Organizational Change	341
MARY JO HATCH	

20. Three Dimensions of the Tip of the Iceberg: Designing the Work Environment	359
IRIS VILNAI-YAVETZ & ANAT RAFAELI	
21. Breaking the Silence: The Role of Gossip in Organizational Culture	375
AD VAN ITERSON, KATHRYN WADDINGTON, & GRANT MICHELSON	
22. Changing Organizational Culture for Sustainability	393
SALLY V. RUSSELL & MALCOLM MCINTOSH	
PART V. ORGANIZATIONAL CULTURE AND ORGANIZATION THEORY	413
23. Organizational Culture and Organization Theory	415
MARK F. PETERSON	
24. The Role of Organizational Culture in Strategic Human Resource Management	423
WENDY R. CARROLL, KELLY DYE, & TERRY H. WAGAR	
25. Links and Synchs: Organizations and Organizational Culture From a Network Point of View	441
MARK MECKLER	
26. Organizational Identity: Culture's Conceptual Cousin	463
GLEN E. KREINER	
PART VI. INTERNATIONAL THEMES IN ORGANIZATIONAL CULTURE RESEARCH	481
27. International Themes in Organizational Culture Research	483
MARK F. PETERSON	
28. Organizational Culture in a Societal Context: Lessons From GLOBE and Beyond	494
CATHERINE T. KWANTES & MARCUS W. DICKSON	
29. Personal Values, National Culture, and Organizations: Insights Applying the Schwartz Value Framework	515
LILACH SAGIV, SHALOM H. SCHWARTZ, & SHARON ARIELI	
30. The Role of Organizational Culture and Underlying Ideologies in the Success of Globally Distributed Teams	538
AYCAN KARA & MARY ZELLMER-BRUHN	

31. Corporate Culture in Chinese Organizations	561
DANIEL DENISON, KATHERINE XIN, ASHLEY M. GUIDROZ, & LILY ZHANG	
32. A Global Perspective on Gender and Organizational Culture	582
BETTY JANE PUNNETT	
33. An International Perspective on Ethical Climate	600
K. PRAVEEN PARBOTEEAH, KELLY D. MARTIN & JOHN B. CULLEN	
Index	617
About the Editors	635
About the Contributors	637

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Preface

EDGAR H. SCHEIN

This second edition of the *Handbook of Culture and Climate* is a testament to the viability of these two concepts. The amount of new research that is reviewed in chapter after chapter is mind-boggling. The search for further conceptual clarity also shows up in chapter after chapter, and the obsession with proving that climate and culture make a difference to human well-being and organizational performance is alive and well.

So do we declare success? Are these concepts now a firm part of organizational theory and practice? Yes and no. On the yes side, I doubt that there is a manager or scholar alive who does not take the concepts of climate and culture seriously. One may choose not to study them, one may regard them as too vague or abstract, but no one would question today that in some form or another, there are palpable phenomena in groups, organizations, and industries that are best described as climate and/or culture.

The confusion between culture and climate is gradually being reduced by the multitude of research approaches that are exemplified in this second edition. Although conceptual confusion may reign for a while yet, when the researcher makes a concrete decision about how to measure a phenomenon

and, in that process, defines the concept empirically, he or she is adding a bit of clarity that others can then incorporate into their thinking. Although we academics may continue to argue about definitions, a growing pile of survey instruments, interview protocols, group diagnostic exercises, dialogue formats, and observational schemes will evolve that will make these concepts concrete and more usable by practitioners. In the end, it will make more sense to argue about whether to use measurement approach A, B, or C than to argue about how culture or climate should be defined in the abstract.

The connection of culture and climate to other important concepts such as group development and identity formation is yet another positive trend that informs both theory and practice. Culture can be thought of as a series of layers of personality formation resulting from the various groups into which a person has been socialized, and climate can be thought of as the result of the various processes of reward and punishment that parents and other authorities provided in the person's environment. In this sense, both cultural and climatic experiences provide the raw material out of which identity, personality, and character are shaped.

The growing recognition that culture is a concept that can be applied to larger units such as ethnic groups, industries, and countries is yet another positive development. Applying culture to larger units also clarifies one of the important essences of climate, namely that it tends to be associated more with a physical setting or a set of relationships which may or may not be colocated, while culture as a residue of prior learning may be applicable to whole sets of people who transcend time and space. It is in this context that I find the two concepts most clearly distinguishable. A climate can be locally created by what leaders do, what circumstances apply, and what the environment affords. A culture can only evolve out of mutual experience and shared learning. It is for this reason that the notion of creating a culture continues to be nonsensical. Leaders can create climates and dictate behavior changes, but only a shared learning process of what works over some period of time for a given set of people will create culture.

Now for some issues. One persistent problem is that a researcher takes one or two dimensions of culture or climate, relates them to some other variable such as productivity or turnover, finds a correlation, and now claims that this proves that culture and/or climate have been shown to be important correlates of other important things. The irony in this search for a provable relationship between culture and performance is that anyone who has done any field research or analyzed cases of organizations already knows very well that these effects exist. Most researchers who have done fieldwork also know how these processes work by observing them over time. But for some reason, there continues to be a huge bias in the literature cited in many articles in this *Handbook* in favor of cross-sectional and correlational studies reported in journals. Field studies, cases, and longitudinal studies do not make it in, the most notable

examples being the omission of studies of Digital Equipment Corporation and IBM (e.g., Gerstner, 2002; Kunda, 1992; Schein, 2003). For some reason, we do not respect clinical field studies as empirically valid even when they show clearly how climate, culture, and organizational performance are linked in organizations.

Evidently, there is still confusion about just how to conceptualize climate, culture, and the relationship between these two ideas—this shows up in many papers. One reason why this confusion persists is that we are dealing with two abstractions that are operationally defined differently by practically every researcher who touches them. Worse, having defined them once in some idiosyncratic manner, we then use the words as if we now understood them. In other words, to say that culture and/or climate influence organizational effectiveness is a meaningless statement unless each of these abstractions is defined more concretely. By staying at this high level of abstractness, we then fall into the trap of not only advocating culture change or climate improvement, but also of convincing ourselves and managers that we now know how to do this and have “proof” that it works.

If we are to make progress in this murky domain, we need to become more concrete. In my own research and practice, I find myself increasingly avoiding the word *culture* altogether. What the cultural perspective does for us, however, is to become alert to the taken-for-granted aspects of social life and human affairs. Just as a “good climate” is only a useful construct if we begin to specify temperature and humidity ranges (the variables that actually we can feel and that influence us), so culture as a construct is only useful if it leads us to find some shared taken-for-granted dimensions of behavior, thought, or feeling that have some relevance to the conceptual or practical problem we are trying to solve.

For example, the growing concern with positive psychology and positive climates and cultures only begins to make sense if we can specify just what kind of behavior we are looking for that can be defined as “positive.” If we specify that the climate has to be one in which supervisors “encourage people” and advocate “openness and transparency,” then the culture variable comes into play in raising the very interesting question of whether the tacit assumptions of the macroculture in which this is to be done supports such behavior. Before we can launch successful transparency programs, we have to examine the specific deep assumptions in the culture that legitimize certain kinds of communication and forbid others. For instance, to admit fault or criticize another person might be considered totally inappropriate in some macrocultures. Other relevant dimensions for advocating positive programs might be the nature of human nature, how relationships are defined, and how one deals with authority and intimacy. Culture as a concept is useful only insofar as it leads us to examine the shared and deeper dimensions of human

consciousness. Climate is only useful insofar as it leads us to look for the characteristics of social and work situations that make us more or less comfortable or productive.

At a theoretical level, the confusion over what culture is and how best to think about it can be very useful in guiding us empirically. What should the culture scholar look for—overt behavioral regularities; rituals; patterns of discourse; use of symbols; how identity is constructed in groups, organizations, and societies; and taken-for-granted assumptions about time, space, authority, human nature? All can be relevant and can come to play a key part in understanding why some changes that are advocated might or might not work.

Having said all this, my advice to readers is to view both climate and culture as abstractions that lead them to taking a useful perspective toward human behavior in complex systems. It is the perspective that is important, not a particular research result nor a broad generalization about how important climate or culture is to some practical phenomenon.

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