

The Relationship of Organizational Factors to Employee Health and Overall Effectiveness

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INTRODUCTION

A healthy work organization is defined as one whose culture, climate and practices create an environment that promotes both employee health and safety as well as organizational effectiveness. An ongoing program of research at NIOSH on healthy work organizations, builds upon the work of several authors who have suggested a shift in focus from individual worker health to a broader construct of organizational health [Pelletier, 1984; Pfeiffer, 1987; Cox, 1988; Rosen, 1991; Lindström, 1994]. In this new paradigm, organizational characteristics that foster both worker health and well-being, and, organizational effectiveness, are targeted as key components of a healthy work organization.

The initial report on this research program [Sauter et al., 1996] identified three key dimensions associated with both employee health and organizational effectiveness: 1) commitment to company values, 2) an organizational climate in which employees feel valued, and resolve group conflicts, and 3) management practices such as rewarding workers for quality work, supportive supervisors, and strong leadership. The present paper extends these results by analyzing survey data obtained from the same organization for the years 1995 and 1996. The results highlighted common organizational characteristics that influence employee health as well as organizational effectiveness.

METHODS

Data were obtained from an ongoing organizational climate survey of a northeastern manufacturing company. This paper attempted to replicate the results from the prior report [Sauter et al., 1996], and used data from the same company that were collected in 1995 and 1996. As the survey was changed somewhat in 1995 and 1996 from the original 1993 survey, only those sites, which answered the same questions (or which answered questions measuring the same constructs) as the 1993 sample, were retained for analyses. Thus, the 1995 data set contained 1,189 employees from one site, and the 1996 data set contained 2,680 employees from two sites.

The questionnaire contained measures of numerous organizational characteristics, which could be grouped into four major categories: management practices (e.g., supervisory style, career development, recognition/rewards, and communication); organizational climate (e.g., innovation, workplace diversity, cooperation, and worker empowerment); commitment to organizational values (e.g., total quality, integrity, the individual worker, and technological innovation); and organizational outcomes (e.g., organizational effectiveness, job satisfaction, employer satisfaction, and stress/coping).

A separate regression was run for each of the organizational dimensions (one for management practices, one for climate, and one for values) for 1995 and 1996 separately. In each analysis, the objective was to identify those organizational dimensions which were associated with both employee well-being (i.e., perceived stress and satisfaction) and performance (overall organizational effectiveness). Consistent predictors of employee well-being and effectiveness across the three years of data would be taken as evidence that these are reliable characteristics of organizational health.

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RESULTS

Across the three years of data, five factors were consistent predictors of all organizational outcomes. Two of these were management practices (employee development and communication), two were organizational climate variables (innovation and conflict-free working environment), and one was commitment to organizational values. The R^2 for the stress and satisfaction models was small (e.g., $R^2 = 0.20$) compared to the models organizational effectiveness (e.g., $R^2 = 0.56$). Of the five factors, commitment to values had the largest regressions coefficient in all of the regression models, and was highly correlated with the management practice and organizational climate variables (e.g., $r = 0.46$).

CONCLUSIONS

Certain organizational factors appear to play a crucial role in promoting both employee health and well-being, and organizational effectiveness. The consistent predictors of health and performance outcomes from this study form the core of a model of healthy work organiza-

tions. Future work will consist of validating the healthy work organization model using objective measures of health and performance (e.g., health care costs, safety performance, product quality, inventory turns) and testing the model using data from other organizations. Preventive interventions based on this model will be designed and implemented at multiple field sites.

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