

## INSIGHT PAPER

# ORGANIZATIONAL CULTURE AND EMPLOYEE HEALTH: A CIRCUMPLEX MODEL INSIGHT

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# Executive Summary

Organizational culture affects employee health and performance. The Circumplex Model by Cooke & Lafferty categorizes cultures into Constructive, Passive/Defensive, and Aggressive/Defensive. Constructive cultures enhance collaboration and well-being, reducing stress and health issues, while the other two types lead to increased chronic stress and burnout. To ensure sustainable success, organizations should develop a constructive culture focused on open communication, wellness, and employee growth.

## The Circumplex Model of Organizational Culture

### CONSTRUCTIVE CULTURES

Focus on growth, collaboration, and achieving high-level goals. These cultures promote satisfaction, innovation, and healthy work-life balance.

### PASSIVE/DEFENSIVE CULTURES

Prioritize job security and approval-seeking behaviors, often stifling creativity and causing anxiety.

### AGGRESSIVE/DEFENSIVE CULTURES

Driven by competition, perfectionism, and power, leading to pressure, stress, and burnout.

This model helps organizations identify the cultural behaviors affecting employee health outcomes.

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Visara Partners offers an **AI-enabled Retention Lab Playbook**, predictive tools, and tailored solutions to help organizations strategically manage attrition, optimize costs, and elevate workforce quality



# HOW CULTURE SHAPES EMPLOYEE HEALTH

Organizational culture plays a key role in influencing employee well-being and health. A positive and supportive culture promotes work-life balance, reduces stress, and enhances overall job satisfaction. On the other hand, a toxic culture can lead to burnout, low morale, and poor mental health outcomes.

## The Role of Leadership in Employee Well-being

Leaders significantly impact employee health through their management style and behavior. Supportive leadership fosters trust, reduces workplace stress, and encourages a healthy work environment. Conversely, poor leadership practices can contribute to burnout, disengagement, and declining mental health among employees.

### Impact of Constructive Cultures on Employee Health

- Positive Health Outcomes:
  - Reduced stress, improved mental health, and higher job satisfaction.
  - Lower absenteeism, fewer mental health issues, and better physical health (e.g., reduced risk of heart disease and obesity).
- Key Characteristics:
  - Open communication, teamwork, and professional development opportunities.
  - Emphasis on work-life balance and employee value.



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### Risks of Passive/Defensive Cultures

- Health Impacts:
  - Chronic stress, emotional exhaustion, and mental health disorders like anxiety.
  - Physical issues such as hypertension, insomnia, and weakened immune systems.
- Key Characteristics:
  - Fear of conflict, avoiding mistakes, and focusing on job security.
  - Stifled creativity and innovation.



# Strategies to Foster a Healthy Culture

## ENCOURAGE OPEN COMMUNICATION

Establishing a workplace where employees feel safe to share feedback, concerns, and ideas without fear of judgment or retaliation is crucial. Open communication can include regular one-on-one meetings, anonymous feedback channels, and transparent decision-making processes. This approach helps reduce workplace anxiety, improves trust among team members, and fosters a sense of belonging.

## PROVIDE WELLNESS PROGRAMS

Wellness programs are integral to supporting employees' physical and mental health. These can include mental health resources such as counseling services, stress management workshops, fitness challenges, meditation sessions, and ergonomic workspaces. Such programs demonstrate that the organization values employee well-being, which in turn increases morale and resilience.

## RECOGNIZE ACHIEVEMENTS AND GROWTH

Celebrating employee successes, both big and small, reinforces positive behavior and encourages continued engagement. Focusing on collaboration rather than competition helps create a supportive atmosphere where individuals feel valued. Additionally, providing opportunities for skill development and career advancement signals a commitment to their long-term growth.

## REDUCE FEAR OF FAILURE

Organizations thrive when employees feel empowered to take risks and innovate without fearing harsh criticism for mistakes. Leaders can model this by openly discussing their own learning experiences and emphasizing a problem-solving mindset over blame. This reduces undue pressure and creates an environment conducive to creativity and innovation.

## OUTCOME

Implementing these strategies results in a constructive workplace culture where employees feel supported, valued, and motivated. The benefits extend beyond individual well-being to include higher engagement levels, enhanced productivity, and reduced absenteeism, ultimately lowering long-term healthcare costs for the organization.





## CONCLUSION

Organizational culture shapes employee health outcomes by influencing behavior, stress levels, and overall well-being. Constructive cultures foster healthier, more engaged employees through open communication, collaboration, and wellness initiatives. Conversely, defensive cultures create stress, burnout, and long-term health issues, impacting organizational performance. By investing in a constructive culture, organizations can enhance employee health, retention, and productivity, driving sustainable success.

## PARTNER WITH VISARA FOR A FUTURE OF ABUNDANCE.

At Visara Partners, we provide a nuanced understanding of the interplay between organizational culture and employee health through the Circumplex Model. Our approach delivers:

- Dynamic culture-health mapping to identify organizational patterns influencing employee well-being.
- Targeted interventions to balance performance-driven and people-centric cultures.
- Comprehensive health impact analysis to guide sustainable cultural transformation.
- Customized frameworks for fostering an environment of psychological safety and resilience.

By leveraging this model, we enable organizations to cultivate a culture that prioritizes both productivity and holistic employee health.

### Contact Us:

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