# Do Organisational Culture and Climate Really Matter for Employee Turnover in Child Welfare Agencies?

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## Abstract

The purpose of this article is to investigate the effects of organisational culture and climate on employee turnover at public child welfare agencies. The data are drawn from public child welfare agencies in New York State. The empirical analysis indicates (i) that low-turnover agencies have more positive or constructive organisational culture and climate than high-turnover agencies; (ii) that, in particular, emphasis on rewards among organisational culture subscales and reduction in workload among organisational climate subscales show significant differences between two groups of agencies; and (iii) that only emphasis on rewards among organisational culture subscales has a significant and negative effect, or reduction, on employee turnover rates.

Keywords: Employee turnover, organisational culture, organisational climate, child welfare agencies

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## Introduction

Workforce retention in child welfare agencies plays an important role in accomplishing their mission. However, child welfare agencies continue to experience high turnover rates, resulting in staff shortage, high case loads, discontinuity in service delivery and poor outcomes for vulnerable children and families (American Public Human Services Association, 2005). In addition, high turnover rates among child welfare employees impose significant costs on the agency. Not only is there a loss of expertise and knowledge when seasoned workers leave the organisation, but turnover requires the agency to expend additional funds for the recruitment and on-the-job training of new workers (Ellett *et al.*, 2003). For instance, Lawson and his colleagues (2005) estimate the financial cost of training a new worker in New York State to be approximately \$24,000. In a recent study by Dorch, McCarthy and Denofrio (2008), the average cost of separation, replacement and training of one new child welfare worker was calculated to be \$27,487, covering expenditures from when the previous employee submitted his or her resignation to when a new worker was hired and trained for the vacant position.

Previous research has associated turnover with individual and organisational factors. Recently, organisational culture and climate have also attracted attention as important elements that affect employee retention in child welfare (Agbényiga, 2009; Glisson, 2007; Glisson *et al.*, 2006; Shim, 2010). The purpose of this study is to investigate the effects of organisational culture and climate on employee turnover in public child welfare agencies. The unit of analysis is public child welfare agencies in New York State. The study employs a two-sample *t*-test method to determine differences in organisational culture and climate between high-turnover agencies and low-turnover agencies. In addition, it employs a multivariate regression method to analyse the effects of organisational culture and climate on employee turnover.

#### Literature review

Researchers tend to believe that organisational culture and climate have a positive effect on organisational effectiveness, especially in child welfare areas. Recently, Glisson and his colleagues have shown that proficient culture and climate contribute to improved employee attitudes, higher quality in service delivery and more favourable outcomes for the psychological functioning of children served (Glisson, 2007; Glisson et al., 2006; Glisson and Hemmelgarn, 1998; Glisson and James, 2002). Agbényiga (2009) analysed the effect of organisational culture on child welfare employee recruitment and retention. According to Agbényiga (2009), constructive culture in child welfare organisations, especially humanistic-encouraging and self-actualising culture norms, is more likely associated with employee retention. Shim (2010) also found that organisational culture and climate are the most significant factors in explaining an employee's intention to leave a job at a public child welfare agency. In particular, child welfare employees with clearer and more effective incentives and rewards for job performance or employees with higher levels of emotional

energy have less intention to leave than those with less clear and effective incentives and rewards or lower levels of energy.

No formal consensus has been reached in the current literature on what defines organisational culture and climate or how the concepts should be operationally measured. However, organisational culture is generally congruent with Schein's conceptual framework of organisational culture based on assumptions, values, behavioural norms and patterns of behaviour (Schein, 1984, 1985). The measurements of organisational culture commonly used in the organisational culture literature are as follows: Organizational Culture Inventory (OCI) by Cooke and Lafferty (1987); Organizational Culture Profile (OCP) by O'Reilly, Chatman and Caldwell (1991); and Organizational Social Context (OSC) by Glisson (2007). Table 1 presents factors of organisational culture in the existing literature.

The OCI measures twelve sets of behavioural norms by dividing organisational culture into constructive culture, passive/defensive culture and aggressive/defensive culture (Cooke and Lafferty, 1987). For example, constructive culture includes humanistic-encouraging, affiliative, achievement and self-actualising norms. Passive/defensive culture includes approval, conventional, dependent and avoidance norms. And aggressive/defensive culture includes oppositional, power, competitive and perfectionistic norms.

The OCP measures individual and organisational values and explores the relationship between preference for organisational values and preference for individual personality values (O'Reilly *et al.*, 1991). The OCP is composed of fifty-four values and can be used to provide an overall value profile of individuals and organisations. The OCP correlates person–organisation fit and relevant organisational outcomes such as commitment, job satisfaction and intention to leave (O'Reilly *et al.*, 1991).

The OSC measures the norms, values and expectations of the members of an organisation and classifies organisational culture as proficient, rigid or resistant. There are similarities between constructive and proficient cultures, between passive and rigid cultures, and between aggressive and resistant cultures, even though the OCI and the OSC use different culture categories for classification purposes (Shim, 2010).

Organisational climate has been consistently described as members' perception of their work environment; however, research continues to address the need to clarify the dimensions of organisational climate. Table 2 presents dimensions of organisational climate in the existing literature.

According to Campbell *et al.* (1970), organisational climate was classified into the following four dimensions: individual autonomy; degree of structure; reward orientation; and consideration, warmth and support. James and Sells (1981) developed the following four dimensions of organisational climate: role stress and lack of harmony; job challenge and autonomy; leadership facilitation and support; and work group co-operation, friendliness and warmth.

Organizational Culture Inventory (OCI) (Cooke and Lafferty, 1987)	Constructive: Achievement/motivation; Self-actualising/ individualistic; Humanistic/supportive
	Passive-defensive: Approval/consensus; Conventional/ conformity;
	Dependent/subservient <i>Aggressive-defensive</i> : Oppositional/safe decision;
	Power/control;
	Competitive/'win-lose' frame
Organizational Culture Profile (OCP) (O'Reilly <i>et al.</i> , 1991)	Innovation; Supportiveness; Collaborative/team orientation; Attention to detail; Outcome orientation; Aggressiveness/ competitiveness;
	Emphasis on rewards; Decisiveness
Organizational Social Context (OSC) (Glisson, 2007)	Proficient: Responsiveness; Competence Rigid: Centralisation; Formalisation
	Resistant: Apathy; Suppression

Table 1 Factors of organisational culture

Source: Shim, (2010).

Table 2 Dimensions of organisational climate

Campbell et al. (1970)	Individual autonomy; Consideration/warmth/support;
	Degree of structure; Reward orientation
James and Sells (1981)	Job challenge/autonomy; Leadership facilitation/support;
	Work group co-operation/friendliness/warmth; Roles stress/lack of harmony
Glisson <i>et al.</i> (2006)	Engaged Climate: Personal accomplishment; Personalisation Stressful Climate: Role conflict; Role overload; Emotional exhaustion Functional Climate: Growth/achievement; Role clarity; Co-operation

Source: Shim, (2010).

Glisson and his colleagues characterised eight organisational climate scales (these eight organisational climate scales are role conflict, role overload, emotional exhaustion, personal accomplishment, personalisation, growth and achievement, role clarity and co-operation (Glisson, 2007; Glisson *et al.*, 2006)) and categorised organisational climate into stressful and engaged climates (Glisson, 2007; Glisson *et al.*, 2006). A stressful climate is seen as indicating a low level of personal accomplishment but high levels of role overload, role conflict and emotional exhaustion. In contrast, an engaged climate indicates a high level of personal accomplishment and a low level of role conflict, emotional exhaustion and workload.

For this study, organisational culture is defined as employee behavioural expectations and norms and composed of three subscales: achievement/in-novation/competence (AIC), co-operation/supportiveness/responsiveness (CSR) and emphasis on rewards (ER). AIC measures to what extent employees are given challenging goals and can establish a plan to reach goals with a 'can-do' attitude; participate in decisions affecting their work and take on challenging and innovative tasks; and have sufficient knowledge and competency to provide services. CSR measures to what extent

employees help each other in their work, receive adequate support from supervisors as well as from their agency and provide quality services. In addition, CSR measures to what extent the agency emphasises the wellbeing of clients and provides adequate training for employees to develop skills and strategies to improve services (Cooke and Szumal, 2000; Glisson, 2007; O'Reilly *et al.*, 1991). AIC and CSR are also likely to influence employee behavioural expectations and norms, which lead employees to stay at their organisations and provide continuous services. ER measures to what extent employees are rewarded for a job well done and given sufficient pay and benefits, and whether the agency is interested in employee well-being (O'Reilly *et al.*, 1991). Being paid well for performance contributes to employee retention.

Organisational climate is defined as employees' shared perceptions of their work environment and is composed of four subscales: role conflict (RC), personal accomplishment (PA), emotional exhaustion (EE) and workload (WL). RC measures to what extent employees have clarity about job expectations and performance standards and to what extent the agency provides an accurate picture of the work and mission. When employees are not sure about their tasks and their job is not clear, role conflict and uncertainty in performing their job may occur, which may result in turnover and poor service delivery. PA measures to what extent employees personally feel able to be successful and be engaged in meaningful work and to what extent employees are actively involved in their work and are concerned about their clients. When encouraged to develop and gain enjoyment from their work, employees will stay in their position (James and Sells, 1981; Glisson et al., 2006). EE measures to what extent employees have sufficient emotional energy for their job and are able to do their job without experiencing burnout. Employees' shared perceptions of their work environment regarding emotional energy or burnout influence their intention to stay (Glisson et al., 2006). WL is the last factor of organisational climate. It measures to what extent employees feel their workload is reasonable, work demands are reasonable and work processes are efficient (Jayaratne and Chess, 1984). WL relates to the shared perceptions among employees, including whether their work environment is one in which they are overwhelmed by their workload and whether their workload is unmanageable due to inadequate/non-supportive supervision, paperwork requirements and the demands of providing direct services, assistance with court cases and community services.

#### Research hypotheses

This study examines the effects of organisational culture and climate among child welfare agencies having different turnover rates. The following four specific research hypotheses are presented for the data analysis.

- *Hypothesis 1*: Low-turnover agencies are likely to have a more positive organisational culture than high-turnover agencies.
- *Hypothesis 2*: Low-turnover agencies are likely to have a more positive organisational climate than high-turnover agencies.
- *Hypothesis 3*: A public child welfare agency with a more positive organisational culture is less likely to experience employee turnover.
- *Hypothesis 4*: A public child welfare agency with a more positive organisational climate is less likely to experience employee turnover.

Here, more positive organisational culture represents more constructive or proficient organisations. A more positive organisational climate represents more engaged organisations. A two-sample *t*-test method is used for testing Hypotheses 1 and 2, and a regression method is employed for testing Hypotheses 3 and 4.

## Methodology, sample and measurement Methodology

Prior to initiating this study, the Institutional Review Board at the State University of New York at Albany reviewed the study. For instance, survey instruments, consent forms and confidentiality considerations were all assessed and found to be adequate in protecting the rights and minimising the risks of the participants.

This study employs two methodologies to analyse the relationship between organisational culture and climate and turnover rates: a mean-difference test model and a regression model. The unit of analysis in this study is public child welfare agencies in New York State. The agencies are classified into two groups based on turnover rates: high-turnover agencies (HTAs) and low-turnover agencies (LTAs). The study tests whether organisational culture and climate levels are significantly different between the two groups using a two-sample *t*-test (Utts and Heckard, 2004, pp. 452–6).

In addition, a regression model is employed to empirically analyse the effects of organisational culture and climate on employee turnover in public child welfare agencies. In this model, the dependent variable is employee turnover rates and independent variables include organisational culture, organisational climate, the characteristics of a public child welfare agency and the characteristics of the county in which a child welfare agency is located. Here, it assumes error terms with zero mean and constant variance. As shown in Table 3, however, employee turnover rates have large variations across the twenty-five agencies, suggesting heteroscedasticity in empirical estimation. To correct for the possible problem of heteroscedasticity, standard errors are estimated as White

#### 548 MiSeung Shim

Table 3 Summary statistics

Variable name	Mean	Std. dev.	Min.	Max.
Turnover rates	23.88	14.62	3.00	67.00
Organisational culture	99.55	6.52	90.90	118.80
Achievement/innovation/competence (AIC)	38.30	3.03	33.70	48.50
Co-operation/supportiveness/responsiveness (CSR)	44.80	2.36	40.80	50.90
Emphasis on rewards (ER)	16.43	1.91	13.30	20.40
Organisational climate	79.21	5.31	70.60	93.80
Role conflict (RC)	19.62	1.63	16.90	24.30
Personal accomplishment (PA)	26.16	1.80	23.60	30.90
Emotional exhaustion (EE)	9.43	0.84	8.10	11.50
Workload (WL)	24.00	1.94	20.90	27.60
Staff size	61.60	80.12	18.00	323.00
Percentage of population under 18 (%)	21.08	1.65	17.90	24.20
Median household income	47807	10732	38732	82961
Urban location	0.56	0.51	0.00	1.00
Ν	25			

standard errors (or heteroscedasticity-consistent standard errors) (Verbeek, 2000, pp. 80–1; White, 1980).

#### Sample, variables and measurement

For analysing the effects of organisational culture and climate on employee turnover in public child welfare agencies, a total of twenty-five public child welfare agencies were selected out of sixty-two such agencies in New York State, on the basis of the average turnover rate of caseworkers over five years. In short, thirteen agencies with the highest turnover rates and twelve with the lowest rates were selected out of sixty-two agencies. In thirteen HTAs, the average turnover rate of caseworkers was 25 per cent or higher, while, in LTAs, it was 17 per cent or lower. This sample does not include child welfare agencies in the New York City metropolitan area. Data on employee turnover rates in public child welfare agencies were obtained from the New York State Office of Children and Family Services (OCFS).

To measure organisational culture and climate variables, this study utilised the Workforce Retention Study Survey instrument developed by the New York State Social Work Education Consortium (SWEC). (The Workforce Retention Study was done for the purpose of gaining a better understanding of the workforce crisis in child welfare agencies. It was funded by a five-year grant from the Children's Bureau, US Department of Health and Human Services, and conducted by the New York State SWEC under the collaboration with the New York State OCFS and local counties.) Some items in the instrument were adapted from the emotional exhaustion dimension of the Maslach Burnout Inventory (Maslach and Jackson, 1986), while other items were adapted from child welfare workforce retention studies (Dickinson and Perry, 2002; Scannapieco and Connell, 2003). The survey includes a total of 134 items, of which sixty-four were related to various characteristics of organisational culture and climate.

Among the sixty-two public child welfare agencies in New York State, twenty-five public child welfare agencies participated in the Workforce Retention Study. All caseworkers and supervisors from the participating agencies were invited to participate in the Workforce Retention Study survey. Survey participation was voluntary and personally administered. For this, SWEC's workforce research team members visited each participating agency on a pre-determined date to meet with caseworkers and supervisors for conducting the survey. All caseworkers and supervisors from the units (e.g. Child Protect Services, Court Unit, Adoptions/Permanency Planning, Prevention, Foster Care, Family Preservation, etc.) in the twenty-five public child welfare agencies were eligible for participation. Using a fivepoint Likert scale (1 = strongly disagree; 5 = strongly agree), participants were asked to indicate their level of agreement with work-related statements. Of the 781 participants using a list-wise deletion method, fifteen respondents failed to answer survey questions properly. Thus, only 766 respondents were eligible for the study.

As discussed in the previous section, organisational culture in public child welfare agencies is operationalised as three variables: AIC, CSR and ER. Organisational culture is measured using a scale of thirty-two survey items taken from the Workforce Retention Study survey instrument that include all items related to AIC, CSR and ER. The value of organisational culture ranges from thirty-two (answering all thirty-two items with 'strongly disagree') to 160 (answering all with 'strongly agree'), with higher values representing more positive organisational culture.

Organisational climate is measured using a scale of twenty-six items that include all items related to the following four variables: RC, PA, EE and WL. The value of organisational climate ranges from twenty-six (answering all the twenty-six items with 'strongly disagree') to 130 (answering all with 'strongly agree'), with higher values representing more positive organisational climate.

The confirmatory factor analysis (CFA) test is used to examine the factor validity of the scales used as indicators of organisational culture (AIC, CSR and ER) and organisational climate (RC, PA, EE and WL) (Bollen, 1989). The CFA test supported the validity of the measurement model in this study. (Goodness-of-fit indices confirmed a relatively good fit for the indicators of organisational culture and climate—these indices are available upon request.) Cronbach's alpha test is used to determine the internal consistency of items in a survey instrument (Hatcher, 1994). Cronbach's alpha reliabilities for organisational culture and climate are 0.89 and 0.87, respectively. (The Cronbach's  $\alpha$  coefficients for organisational culture as a whole, AIC, CSR and ER are 0.89, 0.78, 0.74 and 0.70, respectively. The Cronbach's  $\alpha$  coefficients for organisational climate as a whole, RC, PA, EE

and WL are 0.87, 0.70, 0.72, 0.77 and 0.74, respectively.) Every variable which would be examined in this study exceeds the minimum value of 0.70.

Since the unit of analysis is public child welfare agencies, all individual responses are averaged at the agency level. (To check reliability, organisational culture, AIC, CSR, ER and organisational climate, RC, PA, EE and WL are also measured as median values in public child welfare agencies. Empirical outcomes are very similar to those outcomes using mean values (which this paper presents). They are available upon request.) In most agencies, the number of survey participants ranges from fifteen to forty supervisors and caseworkers. Staff size is measured as the number of supervisors and caseworkers in a public child welfare agency.

## Results

#### Descriptive results

Table 3 presents descriptive statistics about the variables employed in the empirical analysis. According to Table 3, public child welfare agencies have various levels of organisational culture and climate. On average, employee turnover rates were about 24 per cent, ranging from 3 to 67 per cent. The average number of staff was about sixty-two, ranging from eighteen to 323 workers.

To account for county characteristics across child welfare agencies, three variables, youth population, median household income and urban location are employed for this study. Youth population is measured as the percentage of population under eighteen in the total county population. Median household income in a county was obtained from the Bureau of the Census. Urban location is measured as follows: when a county is located in a metropolitan labour market area, the county is considered as urban; when a county is located in a micropolitan labour market area or a small labour market area, the county is considered as rural. Data on urban location were obtained from the Labor Market Areas, 2008 (Bureau of Labor Statistics 2008). County characteristics are quite different across the twenty-five agencies in terms of percentage of people under eighteen, median household income and county location. Average median household income was \$47,807, ranging from \$38,732 to \$82,961. The average percentage of people under eighteen was 21 per cent, ranging from 18 to 24 per cent. Fourteen agencies are located in metropolitan labour market areas, and the other eleven are located in micropolitan or small labour market areas.

A box plot shows how organisational culture and climate vary for each LTA and HTA. The height of the rectangle indicates the spread of the scores for the organisational culture and organisational climate; the horizontal dark line inside the rectangle indicates the median. As shown in Figure 1, the median value of organisational culture in LTAs is 100.61,

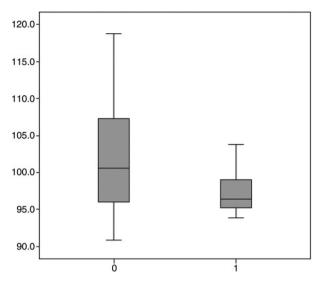


Figure 1 Box plot of organisational culture in LTAs(0) and HTAs(1)

while it is 96.36 in HTAs. The rectangle box in LTAs represents the middle 50 per cent of the organisational culture value from 95.03 to 107.99, while the box in HTAs represents the same percentage from 95.11 to 99.03. As shown in Figure 2, the median value of organisational climate in LTAs is 80.90, while it is 77.61 in HTAs. The rectangle box in LTAs represents the middle 50 per cent of the organisational climate score from 74.80 to 86.28, while the box in HTAs represents the same percentage from 76.25 to 78.27.

Figures 1 and 2 illustrate that LTAs present large variations across the twelve agencies in both organisational culture and climate, while one outlier among the thirteen HTAs exists in organisational climate.

#### Mean-difference test results

Table 4 presents mean-difference test results using a two-sample *t*-test method to test Hypotheses 1 and 2, showing that LTAs are likely to have more positive organisational culture and climate than HTAs. As illustrated in Table 4, the results indicate that there are significant differences in organisational culture and organisational climate between thirteen HTAs and twelve LTAs. In terms of organisational culture, ER in LTAs is significantly higher than in HTAs, and WL in LTAs is significantly higher than HTAs in organisational climate. Among the three organisational culture variables, however, there are no significant differences in AIC or CSR between the two groups. Among the four organisational climate variables,

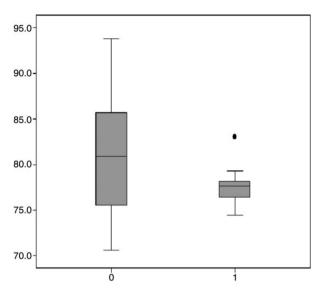


Figure 2 Box plot of organisational climate in LTAs(0) and HTAs(1)

RC, PA and EE in HTAs are not significantly different from their counterpart in LTAs. These finding suggest that both HTAs and LTAs have similar levels of AIC, CSR, RC, PA or EE.

#### **Empirical results**

Table 5 presents the empirical results of the effects of organisational culture and climate variables on employee turnover in public child welfare agencies: Models 1 and 3 account for aggregate organisational culture and climate variables, while Models 2 and 4 account for disaggregate organisational culture and climate variables in Table 5. Aggregate organisational culture and climate variables are not significant in either Model 1 or Model 3. Among the three disaggregate organisational culture variables, as shown in Models 2 and 4, only the ER variable is negative and significant, suggesting that ER significantly reduces employee turnover in public child welfare agencies. Among the four disaggregate organisational culture and climate, only rewards may be able to provide supervisors and caseworkers in the child welfare area with meaningful incentives to stay and work in their current jobs.

Staff size and median household income have significant effects on employee turnover. Staff size in an agency affects turnover rates in a negative way. This finding suggests several possible interpretations. One possible

	High-turnover agencies (HTAs) Mean	Low-turnover agencies (LTAs) Mean	Mean-difference test results HTAs—LTAs
Organisational culture	97.09	102.19	-5.103 (**)
	(2.826)	(8.330)	
Achievement/innovation/ competence (AIC)	37.58	39.10	-1.514 ()
	(1.715)	(3.937)	
Co-operation/supportiveness/ responsiveness (CSR)	44.20	45.46	-1.26 ()
	(1.456)	(2.981)	
Emphasis on rewards (ER)	15.31	17.64	-2.32 (***)
•	(1.285)	(1.736)	
Organisational climate	77.47	81.10	-3.62 (*)
	(2.215)	(6.989)	
Role conflict (RC)	19.20	20.10	-0.90 ()
	(1.168)	(1.946)	
Personal accomplishment (PA)	25.64	26.71	-1.07 ()
	(0.771)	(2.401)	
Emotional exhaustion (EE)	9.29	9.59	-0.30()
	(0.580)	(1.066)	
Workload (WL)	23.34	24.70	-1.36 (*)
	(1.442)	(2.209)	
<i>N</i> /df	13 ( <i>N</i> )	12 ( <i>N</i> )	23 (df)

Table 4 Mean-difference test results

\*\*\*Significant at 99%; \*\*significant at 95%; \*significant at 90%. Standard deviations in parentheses.

interpretation is that turnover rates are measured by the number of employees leaving the workplace as the percentage of total employees; a large staff size as the denominator can decrease turnover rates. Second, a public child welfare agency with a large number of staff may represent strong support from state and county governments. In this case, employees may want to stay and work at their current workplace. Third, an agency with a large staff size may provide employees with a good working environment including workloads, which may lead to low turnover rates. Also, median household income in the county affects turnover rates in a positive way. The high median household income in the county in which an agency is located may represent a better job opportunity. In high-income counties, employees may be positioned to find a better job than their current position, thus leading to high turnover rates.

## Discussion

Public child welfare agencies experience high turnover rates, thus imposing significant problems on them in terms of staff shortage, high caseloads, discontinuity in service delivery, recruitment and on-the-job training of new

Dependent variable: turnover rates	Model 1	Model 2	Model 3	Model 4
Organisational culture	-0.700		-0.727	
Achievement /innevetion /	(1.603)	-3.059	(1.392)	-1.217
Achievement/innovation/ competence (AIC)		-3.059		-1.217
		(3.651)		(4.170)
Co-operation/supportiveness/		1.931		3.675
responsiveness (CSR)				
		(2.175)		(2.237)
Emphasis on rewards (ER)		-6.459		-9.139
		(2.913)**		(3.021)***
Organisational climate	0.013		-0.055	
	(2.119)	4 5 6 6	(1.768)	
Role conflict (RC)		1.560		2.352
Personal accomplishment (PA)		(5.434) 4.924		(5.915) -0.567
Personal accomplishment (PA)		4.924 (5.345)		-0.567 (3.275)
Emotional exhaustion (EE)		-0.966		-0.011
		(6.439)		(5.530)
Workload (WL)		-0.381		-0.412
		(2.001)		(1.862)
Staff size	-0.056	-0.047	-0.132	-0.202
	(0.033)	(0.048)	(0.101)	(0.080)**
Percentage of population under 18 (%)			-1.367	-1.108
			(2.346)	(2.645)
Median household income			0.0008	0.0014
			(0.0008)	(0.0007)*
Urban location			-0.714	11.538
Constant	95.947	22.363	(6.750) 101.142	(8.637) -2.763
constant	(40.418)**	(51.903)	(49.067)*	(76.349)
Ν	25	25	25	25
$R^2$	0.1797	0.4447	0.231	0.6424

Table 5 Estimates of the effects of organisational culture and climate on turnover rates

\*\*\*Significant at 99%; \*\*significant at 95%; \*significant at 90%. Robust standard errors in parentheses.

workers, and poor outcomes for vulnerable children and families. Recent research pays attention to the important roles of organisational culture and climate that have a positive effect on organisational effectiveness, especially in child welfare areas. This study provided additional evidence for employee turnover studies associated with organisational culture and climate in child welfare agencies. Child welfare agencies are able to decrease employee turnover through creating constructive and positive organisational culture and climate. The study also helps administrators understand the importance of organisational culture and climate on retention.

To examine the effects of organisational culture and climate on employee turnover in child welfare agencies, this study employed a two-sample *t*-test method and a regression method. Based on a thorough review of the current literature, organisational culture was classified into the following

three subscales: AIC, CSR and ER. Organisational climate was classified into the following four subscales: RC, PA, EE and WL.

According to the two-sample *t*-test results, LTAs experienced significantly more positive organisational culture than HTAs. This finding is generally supported by Glisson and his colleagues' studies about the effects of organisational culture on employee work attitudes (Glisson, 2007; Glisson et al., 2006; Glisson and James, 2002). In a constructive or a proficient organisational culture, employees appear to be encouraged to actively interact with co-workers and engaged in activities that facilitate achievement, innovation and competence than in a defensive organisational culture. In addition, constructive organisational culture supports expectations that motivated and positive behaviours make employees co-operate with each other and achieve higher performance levels in their work than defensive organisational culture. Logically, this suggests that the constructive organisational culture creates incentives for employees to stay and decreases the probability that they will leave their job (Cooke and Lafferty, 1987; Cooke and Szumal, 2000; Glisson, 2007; Glisson et al., 2006; O'Reilly et al., 1991). Among the three subscales of organisational culture, only the value for ER was significantly higher in LTAs than in HTAs. This means that LTAs have a more positive organisational culture, emphasising clearer and more effective incentives and rewards for job performances, than HTAs. This implies that supervisors and caseworkers who are working in positive organisational culture have less intention to leave than those with less clear and effective incentives and rewards.

On the other hand, LTAs experienced a significantly more engaged organisational climate than HTAs. This finding tends to support the supposition that shared perceptions of co-workers in the same work environment influence employee work attitudes and behaviours in terms of an organisational climate (Brown and Leigh, 1996; Glisson, 2007; Glisson and Hemmelgarn, 1998; Glisson and James, 2002; Schneider et al., 2002; Schulte et al., 2006). Supervisors and caseworkers in a more engaged organisational climate have shared perceptions that (i) the organisation supports their work, (ii) they have a manageable workload and (iii) they have the ability to accomplish many worthwhile tasks in their current position. Therefore, it appears that more engaged organisational climate results in a lower rate of employee turnover. In particular, among the four subscales of organisational climate, only the value for WL was significantly higher in LTAs than in HTAs. Supervisors and caseworkers in LTAs perceive that workload processes are efficient and streamlined, workloads are reasonable, and work schedules are flexible. These perceptions of work environment lead organisations to have a more positive climate in LTAs than those in HTAs. This implies supervisors and caseworkers who are working in a positive organisational climate have less intention to leave than those with unmanageable workloads and paperwork.

According to the regression results, neither organisational culture nor organisational climate is significant. Among the three subscales of organisational culture, only ER had significant and negative impacts on turnover rates in child welfare agencies. Since sample size is relatively small in empirical estimation, it increases the possibility of type II error, which means it cannot reject a null hypothesis even when the null hypothesis should factually be rejected. In spite of this small sample size, ER, one of the organisational culture variables, is statistically significant, thus implying the high association between emphasis on rewards (ER) and turnover rates.

None of the four subscales of organisational climate is significant. These findings are not consistent with the findings from the two-sample *t*-test results. Thus, it is essential to further examine the effects of organisational culture and climate on employee turnover rates. In particular, this study used public child welfare agencies in New York State. To improve the generalisability of the findings in this study, further research needs to be conducted in child welfare agencies in other states and countries. In addition, it is worthwhile to examine the effects of organisational culture and climate on an individual worker's decision to leave or stay.

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## Appendix 1: Abbreviated terms and definitions

Abbreviations	Definitions	
AIC	Achievement/innovation/competence	
CFA	Confirmatory factor analysis	
CSR	Co-operation/supportiveness/responsiveness	
EE	Emotional exhaustion	
ER	Emphasis on rewards	
HTA	High-turnover agency	
LTA	Low-turnover agency	
OCFS	New York State Office of Children and Family Services	
OCI	Organizational Culture Inventory	
OCP	Organizational Culture Profile	
OSC	Organizational Social Context	
PA	Personal accomplishment	
RC	Role clarity	
SRT	Separation, replacement and training	
SWEC	New York State Social Work Education Consortium	
WL	Workload	

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