



The Impact of Risk Culture - Executive Summary

This review assessed 16 meta-analyses and 49 primary studies on the effects of organizational and risk culture on workplace outcomes.

Key insights

1. There is no consensus on what 'organizational (risk) culture' entails.

Although references to organizational culture are found in both popular management books and the academic literature, there does not seem to be a sharp, accepted definition of the concept. In fact, despite the large number of academic publications, there is no clear consensus on what 'organizational culture' entails. Similarly, despite growing attention since the 2007–2009 financial crisis, the evidence consistently indicates that risk culture remains an ill-defined construct, with multiple competing definitions and no unified theoretical framework. The concept of 'risk culture' has been defined differently depending on the field — finance, healthcare, disaster response — producing distinct, largely unreconciled definitions rather than converging on an agreed, domain-wide standard.

2. There is no reliable way to measure organizational (risk) culture.

Although many culture assessment tools are available, most of the underlying research is inadequate to establish their reliability and validity. Rather than converging over time toward one validated instrument, the field has kept producing new competing scales. The scientific literature consistently indicates that, because risk culture lacks a unified definition, this undermines the development of consistent operationalizations and measurement approaches. Indicators promoted by regulating bodies such as the Financial Stability Board — 'tone from the top,' 'accountability,' 'effective communication,' and 'incentives' — lack any scientific evidence base, and are therefore not a reliable way to measure risk culture.

3. The scientific evidence does *not* consistently show that organizational (risk) culture is linked to performance or error rates.

Several well conducted meta-analyses have demonstrated that the correlations between organizational culture and performance outcomes are evenly split as either positive, close to

zero, or non-significant. This finding is consistent with the outcome of controlled and/or longitudinal studies. In addition, the overall correlation between (aspects of) organizational culture and performance outcomes reported is low. The overall mean correlation found based on 60 studies is .16. No studies were found that measured hard operational error rates over time against an independent risk culture measure.

4. Organizational (risk) culture is a weak predictor for performance outcomes when compared to other factors

Several meta-analyses report that culture is a rather weak performance indicator when compared to the direct effect of several other factors. For example, a meta-analysis based on 598 studies found that culture was the weakest predictor of performance, whereas other factors showed stronger links. This finding was confirmed in several meta-analyses demonstrating that culture dimensions do not have unique predictive utility when controlling for factors such as leadership and performance management. Conversely, a large number of well-conducted meta-analyses and controlled/longitudinal studies did find strong associations between clinical error rates and safety climate — a construct related to but conceptually different from (risk) culture.

5. References

- Allaire Y and Firsirotu M. E. (1984). "Theories of Organisational Culture." *Organisation Studies* 5(3): 193-226.
- Bockius, H., & Gatzert, N. (2024). Organizational risk culture: A literature review on dimensions, assessment, value relevance, and improvement levers. *European Management Journal*, 42(4), 539-564.
- Brand, C. A., Barker, A. L., Morello, R. T., Vitale, M. R., Evans, S. M., Scott, I. A., . . . Cameron, P. A. (2012). A review of hospital characteristics associated with improved performance. *International Journal for Quality in Health Care*, 24(5), 483-494.
- Cameron, K. S., & Ettington, D. R. (1988). *The conceptual foundations organizational culture*. Higher education: Handbook of theory and research. New York: Agathon 356–396.
- Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing and changing organizational culture: Based on the competing values framework*. San Francisco: John Wiley & Sons, Inc.
- Chatman, J. A., & O'Reilly, C. A. (2016). Paradigm lost: Reinvigorating the study of organizational culture. *Research in Organizational Behavior*, 36, 199-224.
- Cimini, R. (2021). A systematic and bibliometric review on risk culture: A novel theoretical framework. [Review on risk culture] *The Journal of Risk Finance*, 22(2), 153-168.
- Dürst, N., & Kunz, J. (2025). How to conduct effective risk culture assessments. *Journal of Management Control*, 36(2), 269–314.
- Eisend, M., Evanschitzky, H., & Gilliland, D. I. (2016). The Influence of Organizational and National Culture on New Product Performance. *The Journal of Product Innovation Management*, 33(3), 260-276
- Fernández-Muñiz, B., Montes-Peón, J. M., & Vázquez-Ordás, C. J. (2020). Misconduct and risk climate in banking: Development of a multidimensional measurement scale. *Global Policy*, 11(S1), 73–83.
- Ghafoori, E., Mata, F., Lauren, N., Faulkner, N., & Tear, M. J. (2023). Measuring risk culture in finance: Development of a comprehensive measure. *Journal of Banking & Finance*, 148, Article 106720.
- Hartnell, C. A., Kinicki, A. J., Ou, A. Y., Dongwon, C., & Karam, E. P. (2019). A Meta-Analytic Test of Organizational Culture's Association With Elements of an Organization's System and Its Relative Predictive Validity on Organizational Outcomes. *Journal of Applied Psychology*, 104(6), 832-850.
- Hartnell, C. A., Ou, A. Y., & Kinicki, A. (2011). Organizational Culture and Organizational Effectiveness: A Meta-Analytic Investigation of the Competing Values Framework's Theoretical Suppositions. *Journal of Applied Psychology*, 96(4), 677-694.
- Hunt, J., Sanchez, A., Tadd, W., & O'Mahony, S. (2012). Organizational culture and performance in health care for older people: A systematic review. *Reviews in Clinical Gerontology*, 22(3), 218-234.

Jacobs, R., Mannion, R., Davies, H. T. O., Harrison, S., Konteh, F., & Walshe, K. (2013). The relationship between organizational culture and performance in acute hospitals. *Social Science & Medicine*, 76, 115-125

Jung, T., Scott, T., Davies, H. T., Bower, P., Whalley, D., McNally, R., & Mannion, R. (2009). Instruments for exploring organizational culture: A review of the literature. *Public administration review*, 69(6), 1087-1096.

Kline, M. D., Michalisin, D. M., & Smith, D. R. (2000). Intangible Strategic Assets and Firm Performance: A Multi-Industry Study of the Resource-Based View. *Journal of Business Strategies*, Fall, 17, 2

Kim, T., & Chang, J. (2019). Organizational culture and performance: a macro-level longitudinal study. *Leadership & Organization Development Journal*, 40(1), 65-84.

Sheedy, E., & Griffin, B. (2018). Risk governance, structures, culture, and behavior: A view from the inside. *Corporate Governance: An International Review*, 26(1), 4–22.

Sheedy, E. A., Griffin, B., & Barbour, J. P. (2017). A framework and measure for examining risk climate in financial institutions. *Journal of Business and Psychology*, 32, 101–116

Schein, E. H. (2006). So how can you assess your corporate culture. *Organization Development: A Jossey-Bass Reader*, 614-633.

Scott, T., Mannion, R., Marshall, M., & Davies, H. (2003). Does organisational culture influence health care performance? A review of the evidence. *Journal of Health Services Research & Policy*, 8(2).

Taras, V., Kirkman, B. L., & Steel, P. (2010). Examining the impact of Culture's consequences: A three-decade, multilevel, meta-analytic review of Hofstede's cultural value dimensions. *Journal of Applied Psychology*, 95(3), 405-439.