Can we afford not investing in a good working environment?

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Abstract

How could the findings of a working environment survey, as well as systematic and continuous work on the working environment be used to develop organizations? More knowledge about the relationship between a good working environment and the quality and quantity we produce is crucial to meeting the organizational requirements of quality and efficiency. The organization will succeed in achieving its goals when the employees are a part of a positive work environment characterized by certain key factors, such as: absence of role conflicts, clarity concerning individual targets, empowered employees, supportive manager and colleagues, and a constructive culture for cooperation and knowledge sharing. Furthermore, recent research shows that a good working environment fosters good health.

In Statistics Norway we have conducted a large survey based on QPS Nordic. The survey covers all the key areas within the working environment. This paper discusses individuals' duty to cooperate and management's duty to facilitate a good working environment, and their impact on working environment. It uses a practical approach to show how Statistics Norway has used the findings from the working environment survey to facilitate discussions and work with measures at all levels of the organization.

1. Introduction

Internationally comparable surveys show that Norway is at the forefront of working environment standards. The UN recently named Norway the world's best country to live in terms of happiness, equality and welfare system. We have a high labour force participation rate, leading the way in digitalisation, and can boast a high level of decency and trust in working life (Helliwell, Layard & Sachs, 2017). Surveys show that Norway has the best working environment by comparison, and that nine out of ten employees enjoy their job in Norway (Aagestad, Bjerkan & Gravseth, 2017). Conversely, we face a number of challenges. The rise in the number of old age pensioners combined with the fall in the labour force will lead to pension-related challenges in the coming years. There are issues connected to increasing globalization, we are facing more work-related crime and a growing number of people fall outside the labour force (the disabled and sick). Integration of growing immigrant population into local workforce requires more efforts than ever, new technology is continuously changing the workforce requirements and a shift to a green economy is starting to emerge. These are factors that create pressure in working life and demand a fresh approach to how we work.

In order to maintain the welfare system, we need to increase the labour force participation rate, e.g. include more vulnerable workers. Coupled with higher job demands, this will be a challenge. In addition, Norway is a high-cost country, which impacts our competitiveness.

According to The European Working Conditions survey (Eurofund, 2017) Norway has more rigorous demands on its labour force than many other EU countries. We are able to do this because we give the employees a large degree of autonomy and self-determination over their own work. Kuvaas (2014) indicates that this is our competitive advantage. By allowing employees to make decisions about their work and take more responsibility for the results, they become more actively invested in their work. This in turn leads to better health, higher efficiency levels, more involvement, higher productivity and a greater attachment to their work. It is important to be aware of these correlations, and we must safeguard this knowledge in the face of future changes.

Research (Combs, Liu, Hall, & Ketchen 2006; Kuvaas & Dysvik, 2012; Pfeffer, 1998) shows strong correlations between a good working environment and the results achieved by an organization. Moreover, a good working environment has major health effects (STAMI, 2018), and so there is more than ever need to invest in establishing and sustaining a good working environment.

2. Working environment and Norwegian law

The Norwegian legislation states that it is the employer's responsibility to carry out systematic health, safety and environment (HSE) work at all levels of the organization. This is to be done in cooperation with the employees and employee representatives. The Norwegian working life model, which is based on a well-regulated, well-organized and civilized working life with strong partnership structures is one

of the main reasons behind the Norwegian model's high productivity and adaptability. The Working Environment Act plays a crucial role in this.

Section 3-1 (1c) of the Working Environment Act (Arbeidsmiljøloven, 2005) states that employers must map risks and problems related to health, safety and the environment at all levels of the organization. In other words, we carry out working environment surveys because we have a statutory *obligation to* do so in order to understand the working environment in Statistics Norway (SN).

All organizations *ought to* conduct such surveys because the findings and the ongoing work carried out on the basis of these findings can prevent and reduce working environment-related sickness absence. As mentioned previously, research shows that, for example, high levels of autonomy lead to better health. On the contrary, factors such as time constraints can be a direct cause of poor health.

It is also recommended that we carry out such surveys because we *can*. In a strategic perspective, knowledge about which factors affect our production and results can be crucial to SN in achieving its goals. Such surveys and the work carried out on the basis of the findings are important contributors to the organizational development (Hoff & Lone, 2014).

A working environment survey aims to give employees an opportunity to evaluate their employer, influence the development of their working conditions and take responsibility for and contribute to developments through agreed measures. From the management's perspective, the working environment survey will serve as a useful tool in the strategic work to foster a good working environment.

Employee representatives and members of the Working Environment Committee are key contributors who have the right to be involved both before and after a survey has been conducted. From the perspective of employee representatives, such measurements demonstrate the employees' views and perceived challenges. They should therefore be involved and have the opportunity to influence both what should be measured in the survey and how the follow-up work is organized.

Following up the findings of such surveys is a part of the systematic HSE work.

3. Knowledge-based measures pay off

Pål Molander, Director General at the National Institute of Occupational Health (NIOH), argues that after implementing the right measures, a good working environment will pay off. He notes that investing in working environment efforts normally yields more than twice of its value back to the organization if the initiated measures are knowledge-based and related to the actual work (Molander, 2018). It has become increasingly common to believe that good working environment can be bought. Organizations purchase, among other things, private health insurance for their employees. However,

surveys conducted by the Confederation of Norwegian Enterprise (Stranden, 2015), show that it has zero effect on sickness absence.

Molander suggests that we should have a stronger focus on preventive measures for those employees who are healthy and working. We have to invest in measures that are proven successful by the HSE research.

The quality of the psychosocial working environment is determined by the ratio of the *demands and control* experienced by an employee. A high level of job demands will have a negative impact on employees who do not have sufficient control and freedom to make their own decisions about how the work should be performed (Karasek, 1998). It is important to strive for an optimal balance between demands and control.

Furthermore, it's important to maintain a good balance between *effort and reward*. Reward does not necessarily mean only pay and perks, it also encompasses the degree of feedback, praise, positive challenges and opportunities for professional development.

Lack of *role clarity* must be avoided, as this represents a net loss for the organization. Unclear or undefined roles lead to situations where the employees are not sure about their responsibilities, expectations in respect to their own work duties or good performance standards. Uncertainty associated with their own role in the organization can be a strain that can lead to low levels of job satisfaction, job detachment, an increased wish to resign and even burnout (Dallner, 2000). Lack of role clarity can also be a sign of poor management and planning.

Recent studies (Finne, Christensen & Knardahl, 2014) have found that *social support* from an employee's immediate superior and fair leadership have a protective effect against mental disorders. The impact that managers have on their employees' health and job satisfaction is, however, complex. Social support consists of practical assistance, information support, emotional support and feedback. The ability of an employee's immediate superior to give praise and recognition for a job well done, his or her ability to manage and promote team work, and the extent to which they encourage and support the employees in their development are key factors in the psychosocial working environment.

Empowering leadership is also important. In addition to delegating responsibility and authority, the opportunity to achieve set goals must also be provided, for example by ensuring that enough resources are available.

In times of major change, *predictability* in the work is important. This is an underestimated working environment instrument, and there can be a risk of losing key skills if a certain degree of predictability is not ensured.

The measures mentioned above have a positive impact on the working environment and should be prioritized. Investing in knowledge-based measures leads to employees staying in their jobs longer and fewer falling outside the labour market. It will also enable us to reach out to new employees who were previously left out of the workforce.

4. Work environment management in Statistics Norway

SN has conducted surveys of the working environment since the early 1990s. These surveys have been thoroughly evaluated on a regular basis. The last working environment survey was conducted in 2015. It was therefore due time for a new survey, and considering several ongoing change processes in SN, there was a need for a more comprehensive survey. Therefore, a project group was appointed, whose task was to recommend a tool/measuring instrument for conducting a work environment survey. The project group, led by HR, consisted of two union representatives, the main safety representative, one department head and two members from HR. The group submitted its proposal to the executive management group in October 2017, and in the following month management agreed to follow the project group's recommendation.

One of the most important criteria for choosing a new working environment survey was to ensure that the tool/measuring instrument the group recommended was research-based. Another important point was to assess the purpose of such surveys and view this in conjunction with other working environment-related measures. The group discussed what content and themes should be included in the survey in order to form a comprehensive picture of the working environment at SN. The group based its recommendation on the evaluation of suggested surveys' contents, benchmarking against other organizations and use of resources.

Working environment surveys provide an organization with a common knowledge base, but improvement and development will primarily take place through dialogue across all levels and good follow-up processes.

4.1. Choice of measuring instrument

The project group assessed a total of seven different instruments for mapping the working environment, thereof two internally developed instruments, one of which is in use on a smaller scale. The five remaining tools were acknowledged research-based instruments, which are used in Norway and Scandinavia.

Questionnaire-based quantitative surveys are considered to be the most suitable method for mapping the working environment. The group's unanimous recommendation was to use QPS Nordic (General Questionnaire for Psychological and Social Factors at Work) as a measuring instrument for conducting the working environment survey. QPS Nordic is more comprehensive than the previously conducted surveys in SN (approx. 30 questions previously compared to 80 questions in QPS). Additionally, the group recommended to add extra questions that were related to the ongoing change processes in SN in order to ensure employees' participation and involvement. This amounted to a total of approx. 90 questions with estimated 25 minutes' time to complete the survey. According to Hoff and Lone

(2014), three criteria should be applied when selecting the working environment mapping procedure. QPS Nordic satisfied these criteria:

- Mapping should take place in accordance with Norwegian law and regulations and working life traditions, including primarily the Working Environment Act and the Basic Agreement, e.g. employees' right to information and participation.
- Mapping should be based on research on the working environment. This means that the instrument should be reliable, valid and based on established and documented theories on working environment. In order to meet these criteria, information on reliability, validity and theoretical assumptions must have been published in international peer-reviewed journals and/or a publicly available instrument manual that addresses these themes.
- Mapping should be viewed in conjunction with the strategy and distinctive character of the organization.

4.2. Conducting the survey

SN had the necessary expertise to conduct the working environment survey using only internal resources. Nevertheless, since this was the first time using the new measuring instrument and because this survey was more comprehensive than the previous ones, it was useful to obtain external assistance in the quality assurance, interpretation and analysis of the results at the organizational level. Allowing an independent and neutral external party to present the main results was a positive experience, and we were advised in which areas the working environment of SN required more action. Conducting the survey and the analysis of the results were outsourced to an external occupational health service with extensive experience in working with QPS Nordic. The hired consultants assisted SN in the preparation, administration and subsequent analysis of the survey.

4.3. Main findings

We achieved a response rate of 82 per cent, which we are very pleased with. For the working environment indicators that describe job satisfaction, the results at organizational level were reasonably good. One positive factor that was observed was employees' experience of social support from both co-workers and managers.

The following table shows the main results at the organizational level in SN:

Satisfactory areas:	Areas with potential for improvement:
Control at work – large degree of self-determination and meaningful work.	**Job demands** – periodically high workload, but not too high job demands on the organization as a whole.
Social interactions – good relations in SN, support is available from both colleagues and management.	**Role expectations** – potential for more defined individual goals; however, this may be typical in a knowledge-based company.
Leadership – fair management, employees are being encouraged to take part in decisions and can express diverging opinions.	**Organizational culture** – Low score on rewards for a job well done. Somewhat unequal treatment of older and younger employees in some departments.

One of the observed challenges at an organizational level was employees indicating desire for more interesting tasks. The results showed that there is a large degree of self-determination and employees believe their job is meaningful, but the workload and complexity of tasks could be increased and this in turn would stimulate employee commitment. The survey allowed for open text responses in addition to fixed questions. The written feedback was almost entirely about the reorganization and opportunities for skill and competence developing.

4.4. Follow-up work on the results

The results were evaluated at an organizational level (SN as a whole), departmental level (7 departments) and division level (about 50 different divisions divided into 7 departments). Overall, the findings showed differing results at the organizational and departmental level. At division level, the results also indicated a large variance in how the respondents answered the different questions. It was therefore important to work on the findings at division level and to involve all employees. Each head of department received a report of the findings for their own department, and each head of division was given a report on the findings for their division. In addition, we released the department level reports in order to give the HSE service and union representatives the same access to the findings as the management.

The safety representatives in SN were given a special role in the follow-up work. They participated in planning meetings with heads of divisions and HR in order to review the findings and establish the focus areas in the follow-up work done in each and every division. This formed the basis for the workshops, where everyone was involved in working on measures or initiatives related to working environment.

The process was as follows:

1. Head of division sat up a planning meeting with local safety representative and one HR representative. At the meeting, the findings of the survey were reviewed, and a joint decision was made on which findings to focus on in the follow-up work.

2. Each head of division carried out a 1–2-hour workshop for their employees, where local safety representative and HR were present. The division heads presented the results for their division and HR took responsibility for facilitating the group work.

3. Afterwards HR provided the summary of specific measures produced by the employees during the group tasks, and sent it to the division heads and safety representatives.

4. Each division worked further on the measures/initiatives in order to make these s.m.a.r.t (specific, measurable, achievable, relevant and time-bound) and assigning a follow-up responsibility for each action to individual employees.

5. When all of the divisions in a department had completed the workshop, the head of the department wrote a report, which was presented along with an action plan to the executive management group and the Working Environment Committee.

We chose a structured but rather informal method for the follow-up work, which was developed by Norwegian Labour and Welfare Administration as a part of work on Agreement on Inclusive Working Conditions. The method is based on dialogue cards with statements about the working environment, which are designed to be able to work on employees' wellbeing and foster good work environment. The tool is a good method for:

- Measuring job satisfaction in the workplace
- Prioritizing areas that can be improved
- Making specific recommendations for measures or initiatives that help to maintain and improve the working environment
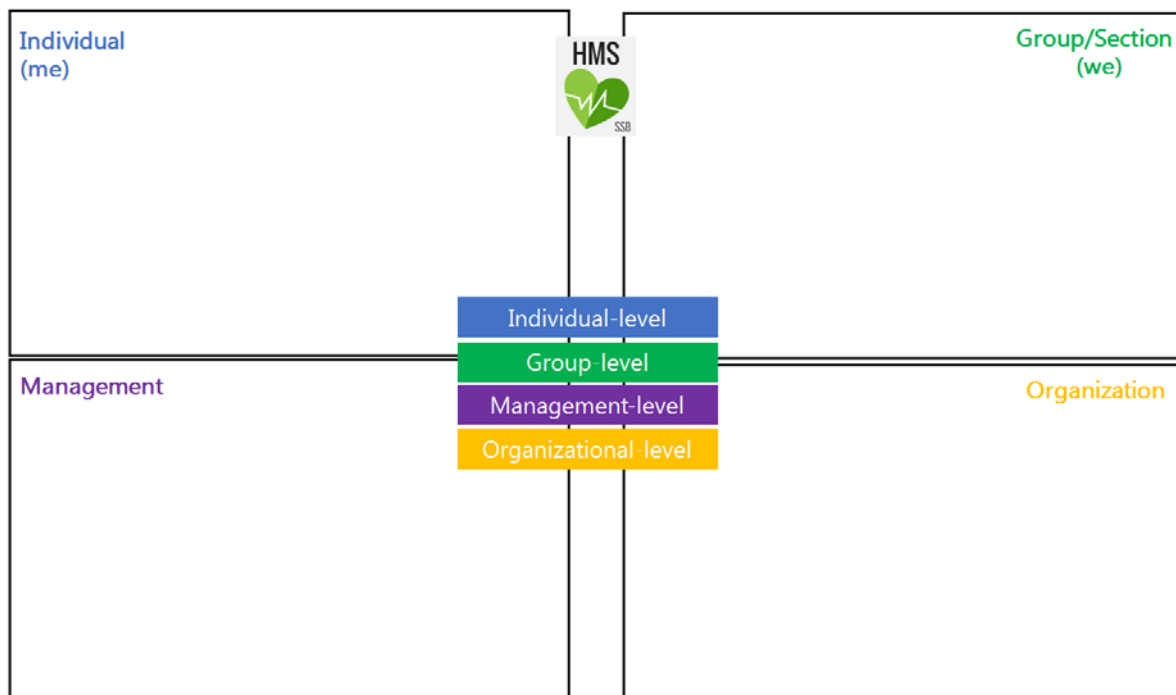
Example of dialogue cards:

Division heads divided the employees into groups prior to the workshops. Each head of division started with a brief review of the survey's findings. Then, after a discussion about what constitutes a good working environment, dialogue cards were handed out to the groups. The first task was to discuss and prioritize the cards containing statements that were the most important to employees and their responsibilities. The second task entailed discussing and suggesting specific measures or initiatives (in regard to the prioritized statements) for both maintaining and improving the working environment in the division.

Each measure or initiative had to be assigned to either maintaining or improvement category, and placed at a correct responsibility level: individual, group/division, department or organizational level (corresponding to a colour in a matrix below). The groups wrote down their suggestions on the coloured cards and placed these in a matrix during a presentation at the end of the workshop. During the group work, the employees were challenged about what they could contribute as individuals, and they were encouraged not to assign responsibility for all measures to their manager or top-management.

The measure matrix:

Responsibility is a key issue in collaborative efforts. By taking responsibility for their own work, for the working environment and for their own relationship with the employer, the employee functions as a constructive member of the team for the manager and for their colleagues. Collaboration and accountability are Nordic phenomena that are rooted in the Nordic culture, where equality and equal status are inherent qualities. Systematic research on collaboration and accountability started at the

University of Gothenburg in the 2000s (Idébanken, 2015). Good collaboration forms the very foundation of professional pride, and professional pride and work satisfaction are closely related. During the spring of 2018, SN held around 40 workshops, and the results from these have been reported to both the executive management group and the Working Environment Committee.

4.5. Bullying and harassment

QPS Nordic includes questions about bullying and harassment, with regards both to whether the respondent has personal experience of bullying or harassment, and/or if they have witnessed it. Overall, the responses showed that SN is on a par with the national average in Norway, with 5% and 10% respectively.

SN as an employer is responsible for coordinating the health, environment and safety work, and has a duty of investigation and activity if the working environment does not comply with the requirements of the Working Environment Act. It is required for the allegations of bullying to be investigated and that specific measures have to be taken in order to prevent re-occurrence. The findings on bullying and harassment have been dealt with separately in the follow-up work since the answers were anonymous, and thus it was not possible to initiate follow-up work on the individual level. HR made a separate plan for raising the awareness on bullying and harassment for all employees, and employees were informed about reporting routines for such cases.

5. Lessons learned

We believe that the work by the project group, along with the broad anchoring in the organization and extensive follow-up work, has raised awareness concerning the links between a good working environment and the results SN delivers. In addition, we have gained a better understanding on each employee contribution in helping to create a good working environment.

Outsourcing the execution and analysis of the survey was the right decision. It was important that the findings were analysed and presented by an external party, however communication and collaboration with the external consultants was not at all effortless. We underestimated the time spent on additional work due to miscommunication, intricate organizational structure and miscellaneous technical issues on the supplier's side that surfaced along the way. We should have been more detailed about the content and design of the reports provided (some of the information had to be censored in order to preserve respondents' anonymity), as well we should have clarified beforehand who should have access to which reports.

Furthermore, free-text responses proved to be difficult to handle and systematize. This is nevertheless an important part in ensuring that employees are able to express their opinions on topics that were not covered by the survey.

By focusing on what constitutes working environment, highlighting the relationships between different aspects of working life and how this can lead to better health, we have raised our employees' awareness on the importance of continuous work on good working environment. Due to a practical follow-up on division level, employees have been given the opportunity to discuss topics that they define as important to their work life and share both ups and downs with the entire division. The open dialogue created and facilitated by HR made it easier to voice and address delicate issues, as well as to pinpoint how each group contributes to a good working environment, and made it easier to discuss possible improvement actions. The employees were engaged at the workshops and proposed a lot of measures and initiatives that are being implemented throughout the organization these days.

The process demanded a lot of resources from HR and safety representatives. Plenty of work was done both in preparation and follow-up of the results, and last but not least in the anchoring of all the steps in the process, both at the management- and the elected representatives-level. The administration of the survey was outsourced and thus required fewer internal resources.

6. Conclusions

The work on the new working environment survey in SN has been a time-consuming process. During the autumn of 2017 and the first half of year 2018, we spent a lot of time on the survey itself, and not least on the follow-up work. Basing this work on latest research was a necessary and important approach, as this has provided anchoring and legitimacy in the organization. Collaboration with the local safety representatives was essential part in this process, as they have thorough knowledge of employees and their tasks, and thus they have been important contributors.

We have brought to attention the correlations between a good working environment and the results we deliver, and we have focused on how we can contribute as individuals.

Developing and maintaining a good working environment is an ongoing process that must be a priority at all times – not just when we are conducting a survey. Using our knowledge of what factors affect individual's job satisfaction should serve as our basis when planning and organizing activities in the organization. In this way, we can use the working environment to achieve the goals we have set.

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