SUCCESSFUL MANAGEMENT METHODOLOGIES FOR ACHIEVING
CO-WORKER HEALTH IN A LARGE ORGANIZATION

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Abstract
Today, many organizations in several European countries experience problems with high sick leaves among employees. This has negative implications on the organizations’ ability to compete on the market, but also means suffering to the individuals.

The purpose of this paper is to describe how the large Swedish bank FöreningsSparbanken, who was awarded as “Sweden’s best workplace” 2003, has worked on different management levels, to profitably turn increasing sick leaves into co-worker health. The results are based on interviews with managers at different levels and work-shops with co-workers.

The executive managers have worked in accordance to common values and been consistent in their messages. The objectives of the bank have been mediated through middle management levels by open communication, clear goals, relation building and mutual trust. Moreover, executive management initialised a health project in which the organizational health and related costs were evaluated and acted upon. The co-workers mean that their committed, clear, caring and active lower level managers have been the foremost contributors to their wellness and performance. Based on the results, the paper ends with suggestions considered possible for leaders in large organizations to adopt.

Introduction
Today’s organizations constantly have to fulfil higher expectations of customers, co-workers, stakeholders and society in effective and efficient ways (Arnetz, 2002). The international competition and ever changing demands stress organizations to adjust to the requirements in order to survive.

This pressure results in new production processes as well as changes in organizational structures and working conditions, which in turn create strong needs of flexibility, high competence, participation and cooperation within the organization. These possibilities and demands on co-workers to actively participate can influence positively on work satisfaction; Kondo (1993), Hackman & Oldham, (1976) and Kondo & Park Dahlgaard (1994). However, Docherty et al. (2002) mean that the development toward growing autonomy and flexibility also creates problems. The disappearance of bureaucratic boundaries without suitable structures or resources leaves people to their own judgement. Schabracq & Cooper (2000) claim that loss of control in everyday working life causes stress and that too many and rapid changes can lead to sick leaves.

Since about 1980, sick leaves have raised to alarming levels in parts of Europe, not least in Sweden in which the number of sick leaves listed more than 365 days has increased by almost 30% between 1997 and 2001 (SOU 2002:5). Bad health has implications on community. It means suffering to the individuals and affects their performance. This in turn reduces the company’s ability to compete on the market and future prospects. (Arnetz, 2002)

Arnetz (2002) uses a model to explain what factors are important to achieve organizational development and health among co-workers. Arnetz means that the leaders at the lowest level of an organization affect the co-workers’ awareness of effectiveness. This in turn has impact on the work satisfaction, which is also positively affected by clear goals. According to Arnetz, work satisfaction makes the co-workers feel well, which results in a healthy organization. Not least, the work satisfaction has a direct impact on the quality that is vital to
achieve customer satisfaction. These statements are also in agreement with the ideas in Total Quality Management; Bergman & Klefsjö (2003).

Indeed, there are organizations in Sweden that successfully have broken the tendency, created co-worker health and simultaneously reached financial growth. Recent studies of some small and medium sized organizations awarded as “Sweden’s best workplace” show that infrastructures for communication, relation building activities, co-workers’ influence, established holistic view and balance between work and private life have been important success factors for achieving health among co-workers. (Harnesk et al., 2004)

According to Nilsson (1999), most large organizations have hierarchical structures, are less empowering and have complex communication channels. Deming (1986) even means that it is very difficult to apply good leadership in large organizations. Therefore, it is of great importance to study and learn about how leaders of managing positions in large organizations can act to obtain health and committed co-workers.

The author has, in cooperation with Ingela Bäckström and Pernilla Ingelsson at MidSweden University, for that reason studied different management levels of the large Swedish bank, FöreningsSparbanken. The aim of this paper is to describe how the leaders have worked and identify victorious methodologies (ways of working) that are possible for leaders in other organizations to adopt.

Research method
To achieve the purpose an explorative and qualitative case study was conducted. The organization studied was chosen on its recognition as a receiver of the award “The best workplace in Sweden”, year 2003. The award is founded by the insurance company Alecta and aimed at stimulating leadership, employeeship and profitability in Swedish organizations.

A multiple case study approach with embedded units of analysis was used to increase the knowledge and explore the methodologies of the organization, by studying different units of the hierarchy and using numerous tools; Yin (1994).

Miles & Huberman (1994) state that a key feature of qualitative sampling is a deeper study of a small sample of people in their natural context. In cooperation with top managers from FöreningsSparbanken, the research team therefore decided to focus on one unit (the Bank branches) within one of five business areas of the bank. This choice was made because of the clear organizational structure of this unit and that it is represented all over Sweden. Non-probability sampling was then used to choose subunits and respondents in order to reach several levels of the organizational hierarchy and the geographical dispersion of the bank. Finally, the study was bound to investigation of two local banks from two different regions, here called local bank A and local bank B. Within each of them one office was looked at, office α and office β. Six managers representing three organizational levels were also appointed; the executive management, local bank managers and office managers; Figure 1.

Case description
FöreningsSparbanken is one of the largest banking groups in the Nordic area and was founded in 1997 through the fusion of Sparbanken Sverige and Föreningsbanken, which have their roots in the early 19th and 20th centuries respectively; see Table 1.

FöreningsSparbanken’s fundamental values have always been long-term sustainable development and connection with communities. Its highest priority is satisfied customers and it aims to be “a bank for everyone” and an attractive employer. The bank also works for security, involvement, personal development, and wellbeing of its staff. A characteristic is a co-determination agreement aiming at inviting employees to take part in the bank’s operations through insight, involvement, and responsibility. (FöreningsSparbanken AB, 2005)
Table 1: A selection of important events in FöreningsSparbanken, mainly between 2001 and 2004.

<table>
<thead>
<tr>
<th>Year</th>
<th>Activity in FöreningsSparbanken</th>
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<tr>
<td>1997</td>
<td>FöreningsSparbanken was founded by the merger of Föreningsbanken and Sparbanken Sverige</td>
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<tr>
<td>2001-2004</td>
<td>Roles of employees in the Branch unit were defined in order to better meet the needs of customers.</td>
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<tr>
<td>2001-2004</td>
<td>Programs for managers were performed to ensure new leaders and help managers in their positions.</td>
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<tr>
<td>2002</td>
<td>A staff reduction program, including more than 500 employees, was run</td>
</tr>
<tr>
<td>2002-2004</td>
<td>A health project was carried out in order to cope with increasing sick leaves.</td>
</tr>
<tr>
<td>2003</td>
<td>Received the national Alecta award “Sweden’s best workplace”</td>
</tr>
<tr>
<td>2003</td>
<td>A new CEO was appointed</td>
</tr>
<tr>
<td>2003 &amp; 2004</td>
<td>Was the most profitable major bank in the Nordic region</td>
</tr>
<tr>
<td>2004</td>
<td>Received an award as “The Competence Company of the year”</td>
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In 2004 FöreningsSparbanken had around 15,400 employees, of which approximately 9,500 worked in Sweden. The bank is organized into five business areas. A focal area is the Swedish retail operations in which the Bank branches is a vital unit; see Figure 1. This unit is divided into geographic regions and encompasses a network of local offices. In 2004 around 490 offices were divided into 75 local banks. (FöreningsSparbanken, 2005) Some basic information about the two specific local banks that have been studied is given in Table 2.

![Figure 1: Overview of the Bank branches unit, which consists of six regions. Each region is divided into a number of local banks. Moreover, several offices are organized under these local banks.](image)

Table 2: Basic facts about the studied local banks and offices.

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<thead>
<tr>
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<th>Local bank A and office α</th>
<th>Local bank B and office β</th>
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<tbody>
<tr>
<td>No of local banks in the region</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>No of employees in local bank</td>
<td>130</td>
<td>250</td>
</tr>
<tr>
<td>No of offices in local bank</td>
<td>10</td>
<td>15</td>
</tr>
<tr>
<td>No of employees in office</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Other remarks</td>
<td>All employees at office α are women (except manager)</td>
<td>Mixture in gender at office β</td>
</tr>
</tbody>
</table>

Empirical study and analysis

The success of FöreningsSparbanken was supposed to be a result of teamwork between managers and co-workers. Therefore the intention was to gather information and identify successful methodologies in cooperation with them. Two work-shops were held with solely co-workers from office α respectively office β. At office α, five female co-workers representing a mixture of ages, defined roles and experiences took part. At office β four persons of varying ages, gender and roles participated. The intention of the work-shops was to identify successful methodologies. Further, the tree diagram tool was used to structure the obtained qualitative information. It was chosen on the assumption that the interactive process of the tool would give answers that were difficult to obtain through individual interviews. The creation of the tree diagrams followed the steps suggested by Klefsjö et al. (1999) and the co-workers were guided to discuss and identify methodologies from the day-to-day work, by stepwise answering and coming to consensus using three questions; “Why is FöreningsSparbanken one of the best workplaces in Sweden”? , “What is creating…?” and last “How have you worked to achieve this”? . The tree diagrams were later transcribed by the research team and verified by the participants.

Moreover the empirical study comprised of individual interviews with the two managers at local bank level and the two managers of the offices. From the executive management the
human research manager and former project leader of the companywide health project, were interviewed. Questionnaires were used but the order of the questions was adjusted to create natural conversations. The interviews were performed at the respondents’ places of work and recorded. After transcription the respondents were asked to comment on their answers in order to eliminate misunderstandings.

The diagrams and transcripts were then analysed one at a time by the research team, using text analysis in order to identify methodologies. Afterwards relation diagrams were used in a work-shop to achieve a concrete picture and summary of the leaders’ methodologies. The analysis work was guided by an external facilitator, who had no information about the banking group, but helped the research team to control the analysis method and to keep as objective as possible. The steps suggested by Klefsjö et al. (1999) were followed to create each diagram. The work-shop approach and relation diagrams were chosen in favor of methods such as pattern-matching, since the intention was to build explanations.

Results
In Figure 2 the results of the relation diagrams are summarized.

Discussion
The study supports what have been stated by Arnetz (2002) about the impact of lower level managers, on the employee satisfaction. This in turn might have an important role in the welfare of the co-workers and in getting satisfied customers.

Both management and co-workers seem to agree upon the fact that the top down management, in which people know what is expected of them, is effective for achieving health. However, this might have been successful in FöreningsSparbanken because of the
co-determination agreement. There is indeed no evidence of lack of empowerment as Nilsson (1999) fears in large organization.

What seems to have been successful in FöreningsSparbanken is that the intentions of executive management, through local bank managers, have reached out to the office managers that have impact on the performance of the co-workers. The executive managers have been important in order to point the way to middle level managers and get the organization as a whole to work in the same direction. The executive managers’ work through middle level managers might have been facilitated by the use of common values. The author claims that the objectives of executive management were visible in the two middle management levels as well as in the daily work of the employees. In order to achieve that, open communication, clear goals and mutual trust also seem to have been important. These methodologies have much in common with the results of Hamesk et al. (2004).

By initiating a health project and calculating the costs related to sick leaves the awareness of the executive managers and employees were raised. Thereby resources could be reserved to health related initiatives. Also, this probably has contributed to the key measurement of health, which today is integrated in the balanced scorecard of FöreningsSparbanken. For that reason health is made a focal area, in which the managers on a regular basis are asked to present results. This may possibly secure long term commitment in health work.

In this study a small sample has been studied through interviews and workshops. Therefore, the results can not be assumed to give a complete picture of the entire bank. On the other hand there are no suspicions that the units studied perform differently from what is typical in FöreningsSparbanken. Within the two local banks and offices there are some differences, but in general the same methodologies were identified. Some of them might be influenced by the perceptions and analysis of the research team, but the opinions of the co-workers should be less subjective. One restriction though, is that the study has been focused on the downstream flow of work, activities and messages in the organizational hierarchy. However, the methodologies identified may give valuable inputs and ideas to other leaders who aim to improve both health status and profitability in a large organization.

Conclusions

After studying three management levels and co-workers of FöreningsSparbanken the following methodologies would be suggested to leaders in other large organizations intending to create health among co-workers.

Executive management:
- Create and mediate clear strategies and intentions in accordance to common values.
- Facilitate the work of managers at middle levels and co-workers by offering methodologies and tools that support the objectives of the bank.
- Set goals, measure and evaluate performance and continually ask for results

Middle level management:
- Have dialogues with managers at lower levels and be clear in what executive managers have mediated are important to the bank.
- Be a coach to managers at lower levels.
- Ask for results in focal areas.

Lower level management (closest to the co-workers):
- Create relations with the individual by dialogues and management by walking around.
- Be a coach to the co-workers and make sure they have the right opportunities and competence to perform their work.
- Set goals, measure and follow up results in confidence with the co-workers.
References


Key words: management, health, large organization, methodologies