

# **A description of work environment management in successful companies**

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*A good work environment can support companies' competitiveness, but many managers mostly associate ergonomics with occupational health and safety. In the process of managing the work environment and creating a good working environment, company managers have a central role. This article investigated managers' own descriptions of the work environment management (WEM). The study group consisted of successful companies (n=142) in a county of Sweden. The managers' descriptions were categorised into nine categories. The most frequently described category was "Physical Factors at work", followed by "Manuals and Standardisation", and "Employee Involvement and Interaction".*

*Keywords: work environment management, successful companies*

## **1. Introduction**

Individuals are affected by the environment they work in, but the work environment can also affect the company and support its competitiveness (Dul & Neumann 2009; Dul & Ceylan 2011). The positive effects of a good work environment for both individual health and corporate success has been discussed in reviews on ergonomic- and health-oriented interventions (e.g. Shain & Kramer 2004; Silverstein & Clark 2004) and in company case studies (e.g. Niemelä, Rautio, Hannula & Reijula 2002; Goggins, Spielholz & Nothstein 2008; Dul & Ceylan 2011). Examples of reported effects are both health and business related, like better employee health and welfare, less sick-leave, accidents and WMSDs, increased productivity, creativity and less staff turnover. In a study concerning employees' perception of a healthy work environment, Lowe, Schellenberg and Shannon (2003) reported that employees in self-rated healthier work environments had higher job satisfaction, commitment, morale, lower absenteeism and lower intent to quit. Another interesting effect occurs in relation to organisational image: a positive relationship between how the customers perceive that a company manages its HR-activities and the intent to do business with the company was found in Anselmsson and Melins' (2009) study. Effects of a good work environment have further been discussed in reports from political stakeholders, e.g. in Black (2008) who shortly stated that "good health is good business" (p. 54). In spite of the potential benefits of having a good work environment, many managers associate ergonomics mostly with legislation for occupational health and safety and with related costs for work-related musculoskeletal disorders (WMSDs) and absenteeism.

Work environment management (WEM) is crucial for reaching positive outcomes for the company, and its workers. In this process the company managers have a central role for several reasons. One is the obligation according to the Swedish legislation of work environment, to implement necessary actions for developing a safe and healthy work

environment, and to manage this process in a systematic way. Another reason is the managers' power to influence the thoughts and actions of those around them by setting priorities considered valuable (Hasle, Limborg, Ledskov & Nalholm 2004). In smaller companies, the manager's own perceptions and interests concerning work environment is essential for initiating and promoting improvements: a systematic WEM will not be initiated if the managers do not have interest or willingness to meet legislative requirements (Bornberger-Dankvardt, Ohlson, Andersson & Rosén 2005).

The relationship between corporate success and WEM is an emerging area of ergonomics research. The present study is addressing this area of interest by examining how managers at successful companies describe WEM in their companies.

## 2. Objectives

WEM is here defined as the work performed by the employer to comply with §1 of the Swedish Work Environment Act: "to prevent ill-health and accidents at work and generally to achieve a good working environment". The aim of this article is to examine how WEM is described by managers of successful companies. We analysed short verbal descriptions of WEM in order to identify which aspects of the work environment managers spontaneously emphasise, as well as which aspect are mentioned less frequently.

## 3. Methods

The data examined in this article was extracted from a longitudinal survey consisting of semi-structured interviews, 471 interviews were collected from 2003 to 2008, at 246 individual companies. Each year a private consulting firm established a list of approximately 100 successful companies in a county in central Sweden. The companies were selected based on the following inclusion criteria:

- (a) *turnover*:  $\geq 440\,000$  EUR per year,
- (b) *number of employees*:  $\geq 4$ ,
- (c) *history*: company had existed for more than five years,
- (d) *profit*: increased profit of at least 4,5 % over the previous year.

The companies that fulfilled the inclusion criteria were further ranked on the basis of business factors like: growth, number of employees, turnover, and sales development. On average, 80 companies were eventually randomly selected and interviewed each year. These companies were considered to include the region's most successful companies for each specific year. The majority of the interviewed companies were microenterprises (37% employing fewer than 10) and small enterprises (46% employing fewer than 50) according to the standard size-classification of the European Union. Altogether, the companies represented 16 of 21 branches of the Swedish industry branch classification. The three most common branches were: *Wholesale and retail trade* (one third), *Manufacturing* (one fifth) and *Constructing* (one sixth), followed by thirteen less represented branches (1-9 companies per branch). The interviewees were company managers, CEO, staff-manager or economic-manager (13% female and 87% male).

The interview guide consisted of 27 questions, with a mix of open-ended, multiple choice and scale-questions, concerning internal- and external company factors like: business idea, strategies for competitiveness, success factors, marketing, company and

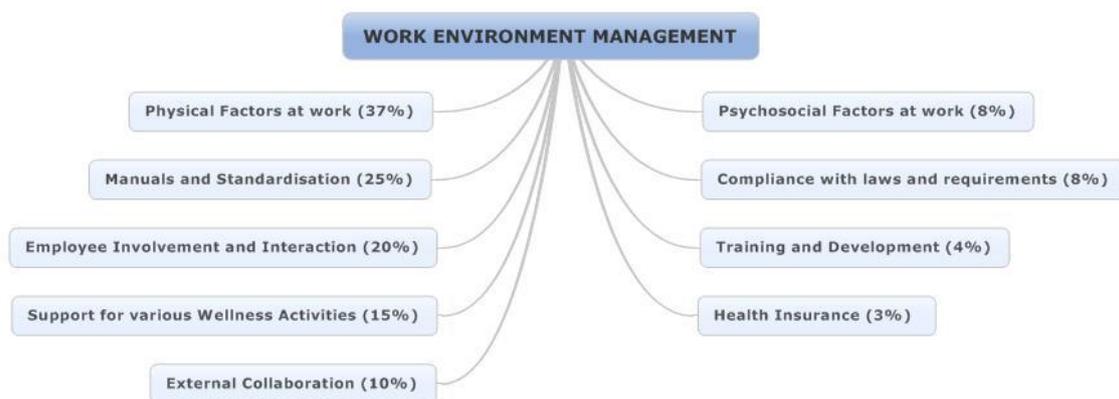
customer adjustments, as well as occupational health and safety. The interviews were conducted by students from the department of Economy at University of Gävle, notes were taken during the interviews and a final protocol was transferred into a database. In the present article, we analyzed one of the 27 questions, and this particular question was formulated as follows: “*Can you please describe how your company manage sponsorship, school contacts, environmental issues and work environment?*”

For our analysis, we first selected answers that contained information about how the work environment was managed at the company. Several companies participated in the interviews repeatedly between 2003 and 2008, in these cases we only included the most recent answer of a given company. We excluded answers (or parts of answers) that didn't concern the work environment; for instance answers about sponsoring, school contacts or environmental issues, and descriptions about what the company had *not* done. In total, from the 471 interviews, 142 answers were retained. The analysis process started with thoroughly reading all answers to identify recurring themes. From this examination, a first set of categories was derived. This was followed by an evaluation of each category and referring answers, which was continued until all the answers had been sorted in an adequate category (with the exception of 15 answers that were unspecific as to which aspects of work environment were mentioned). During the evaluation of the categorisation, both the names and content were further developed several times. The choice of categories was partly defined to match the answers formulated in the interviews (ad hoc), and partly compared with others' categorisation of the work environment (e.g. Nordlöf, Wijk & Lindberg 2011). The final categorisation consists of nine categories: (a) *compliance with laws and requirements*, (b) *employee involvement and interaction*, (c) *external collaboration*, (d) *health insurance*, (e) *manuals and standardisation*, (f) *physical factors at work*, (g) *psychosocial factors at work*, (h) *support for wellness activities*, and (i) *training and development*.

#### **4. Results**

The category most frequently allocated to the managers' answers on how the work environment is managed was *Physical Factors at work*. This category was mentioned in 37% (52/142) of the interviews and managers described implemented changes for improving the physical work environment like: re- and new construction, improving air quality and lighting conditions, development of ergonomic and customizable work stations etc. Managers also mentioned different strategies like: job rotation, use of ergonomic aids and lifting policies to develop and maintain a good work environment. This category furthermore contained answers about safety equipment, mostly examples of different equipment available, but also including policies and strategies for how to get employees to use them. The second most frequently allocated category mentioned in 25% (36/142) of the interviews includes all answers about use of *Manuals and Standardisations*. Managers described use of certifications from the International Organization for Standardisation (ISO), provisions and general recommendations, for example “Systematic Work Environment Management”, as well as other policies, plans and manuals. Implementation of safety rounds and involvement of safety delegates were also counted in this category. The third category was *Employee Involvement and Interaction*, which was mentioned in 20% (29/142) of the interviews. Several managers declared a close collaboration with, and carefully listening to, their employees when

managing the work environment. *Support for various Wellness Activities* was the fourth category, mentioned in 15% (21/142) of the interviews. Managers described several ways to motivate healthy employees, involving either financial contributions or time compensation. Examples of supported activities were gym, massage and health checks. *External collaboration*, with for instance practitioners from Occupational Health Services, therapists, safety engineers or trade/worker unions, was mentioned in 10% (14/142) of the interviews. Various activities to stimulate *Psychosocial factors at work* were described by some managers, in 8% (12/142) of the interviews, including social trips, restaurant visits and gifts as examples of activities or benefits. Other described strategies for WEM were, in descending order: *compliance with laws and regulation* 8% (12/142); *training and development* 4% (6/142) in for example ergonomics; and *health insurance* 3% (4/142). Fifteen interviews (11%) mentioned WEM but did not specify what measures or interventions were involved. It should also be noted that the managers' answers sometimes included elements that were placed in two or even three categories.



**Figure 1:** Overview of WEM descriptions (% of answers classified in each category)

## 5. Discussion

### 5.1 Methodological issues

This paper describes a post-hoc categorisation of managers' spontaneous answers regarding WEM. The principal limitations of this work are related to the use of an explorative and wide-targeted data collection strategy. A content analysis was performed on only one question of a much broader interview and this question did not orient the answers of the interviewees (managers) to any specific aspects of WEM. Furthermore the question did not target WEM specifically, but included also management of *sponsorship, school contacts and environmental issues*. In consequence only about 60% (142/246) of the answers were mentioning WEM and could be exploited for our purposes. However, the explorative nature of the approach presented here is also an asset in the sense that it allowed to examine which aspects of WEM are spontaneously cited (without preconceived categories) and it allowed to define relevant categories that can be used in a second step to formulate more specific questions, targeted on the aspects of WEM identified in this study, in future surveys.

### 5.2 Definition of "successful" companies

The claim to describe WEM in *successful* companies is valid in the present paper in the sense that it is based on an independent assessment of economical and entrepreneurial

success. However the definition of success for a company is a difficult matter. The concept of success can for instance be defined in terms of growth, turnover and profitability or in terms of characteristics of the industry and the entrepreneur (Simpson, Tuck & Bellamy 2004). Success is generally more likely when there are enough financial resources in the company and is often viewed in terms of profitability or growth (ibid.), growth of turnover, or number of employees (Schutjens & Wever 2000). However, such indicators might not be adequate in all cases, since the factors, used to measure success, can be unique to a specific branch or even unique to companies or managers in the same industry group (Gadenne 1998; Schutjens & Wever 2000). Further research efforts ought to include not only a variety of “success” indicators, which are not restricted to economical indicators or growth, but also link them directly to various WEM dimensions. This is one of the long term perspectives for our line of research.

### *5.3 Reservations linked to the type of organisation considered*

The sample described in this article consists mostly of micro- and small-sized companies. Managers of this type of companies often take part in all areas of management: selling, marketing, economy, production, as well as the WEM including occupational health and safety. This might not be the case in larger companies where managers might delegate WEM to a greater extent. It is however also habitual in smaller companies that the main focus of management is set on production, and although the work environment should be closely related to the production it can be considered as a less important side-line (Gunnarsson, Andersson & Rosén 2004). Finally small businesses may not set their goal principally on growth (economical or in number of employees), nor strive for an increased profitability every year. So the link between turnover, personnel growth and success might not be as straightforward as it (first) seems (Schutjens & Wever 2000).

## **6. Conclusions**

In this study we were interested in which areas of the work environment managers spontaneously described and which aspects were less emphasised when describing the WEM in their company. Our findings revealed that they describe many different areas, spanning over both physical and psychosocial factors at the workplace. There was a marked predominance of answers in the category of physical factors, which could be seen as a reflection of a production-focus by the managers. Another frequently described category was about standardised activities (like safety routines) and use of manuals, like ISO-certification or own-developed policies/plans. An additional finding was that many managers reported close collaboration with their employees when managing the work environment. We believe that the findings of this study can be useful for better understanding managers' views on WEM, and also for the development of future surveys on different aspects of the WEM.

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