

Abstract submitted for the

"Knowledge Management, Human Capital and Well-being" workshop at the 10th International Scientific Conference "E-Governance and E-Communications", at the Technical University of Sofia "Science Days", 17th June 2018 in Sozopol, Bulgaria.

Guy Ahonenⁱ
Hanken School of Economics
Helsinki, Finland

Strategic Well-being: Strategy-relevant personnel management, Finnish experiences 2009-2016

Purpose

The paper presents the concept of management of strategic well-being, its central elements and its empirical justification in light of Finnish empirical data from 2009 to 2016. By strategic well-being is meant all the aspects of employee well-being which have an effect on the performance of the work-place. This means for instance that the employees' physical exercise behaviour is a part of strategic well-being, because it affects the amount of sick-leaves, which in turn affects the number of productive hours of the firm. Thus strategic well-being by definition deals with people and performance. The approach relates to the long Finnish tradition of work ability management. It acknowledges the two-way relatedness of knowledge and personnel well-being and their relation to financial performance.

Design/Methodology/Approach

The paper is based on survey data collected in Finland by Ossi Aura, Guy Ahonen, Juhani Ilmarinen and Tomi Hussi under the name of Management of strategic well-being (MSW) annually during 2009-2016 (Aura & Ahonen 2016). Reports were published every year, and in 2016 Aura and Ahonen published a synthesizing book of them in Finnish. The surveys cover randomly chosen companies from seven main branches of industry of all size-categories in Finland. About 400 organizations replied annually to the questionnaire, representing the state, the municipal sector, manufacturing, construction, retail, transport and logistics and business services. The response-rate was 48,5 %. The questionnaire includes 41 separate questions and 181 answer-items.

The level of the management of strategic well-being is measured by the SHJ-index, which covers all areas of activity aimed at managing strategic well-being. The index ranges between 0 and 100. In 2014 its value was 51, which is clearly above the 2009-12 level (41-47). Hence, the level of SHJ has increased during the whole range of study years,

The MSW consists of four sub-areas: (1) the strategic base of strategic wellbeing, (2) the role of well-being in management activities, (3) foremanship and HR-activities and (4) the

work-well-being support-activities. Several performance indicators, such as economic, work ability and image performance, were also collected.

Originality/Value

The research forms a totally original approach to personnel management relating strongly to strategic human resource management, performance management and work-ability management. The concept was internationally presented for the first time in 2010 (Aura et al 2010), but later empirical findings have only been published in Finnish (Aura et al. 2009-2014, Aura & Ahonen 2016).

Practical Implications

The research is potentially highly business relevant as it manages to connect personnel well-being to business performance. Empirical findings indicate that its application could improve Finnish private sector productivity by nearly 20 %.

5-6 keywords

Strategic management, work ability, human resource management, productivity

Paper type (*Academic research paper, Viewpoint, Practical paper, Work in progress*)

Academic research paper

References

Aura Ossi, Ahonen Guy, Ilmarinen Juhani: Toward Better Work and Well-being proceedings: Strategic Wellness Management in Finland. The First National Survey of the Management of Employee Well-being. Journal of Occupational and Environmental Medicine, JOEM, 2010

Aura Ossi, Ahonen Guy, Ilmarinen Juhani, Hussi Tomi: Strategisen hyvinvoinnin tila Suomessa. Excenta Oy. Helsinki 2009 and 2010 (Excenta and FIOH 2011, OP and FIOH 2012, OP, Terveystalo and FIOH 2014, Ossi Aura Consulting 2016)

Aura Ossi, Ahonen Guy: Strategisen hyvinvoinnin johtaminen. Talentum Pro. Helsinki 2016.

ⁱ **Guy Ahonen** is retired Professor of Knowledge Management and Human Resource Accounting, Hanken School of Economics (Hanken) and Research Professor at the Finnish Institute of Occupational Health (FIOH), Helsinki, Finland. His main research is on the economic aspects of work well-being and safety. He has introduced the Human Resource Account-concept in Finland. His most recent research is on the concept of strategic well-being on which he co-authored a monograph in year 2016. He has been Research Director at Hanken and Director of Knowledge Management at FIOH. He is currently affiliated researcher at Hanken, Department of Management and Organization active in a number of research projects and member of several scientific editorial boards.