Rationalization as a key stressor for public sector employees: An organizational case study

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Public sector organizations throughout Europe have been subject to cuts in Government spending, allied to demands for enhanced efficiency and effectiveness. Consequently, many have embarked upon radical programmes of change which potentially have an adverse effect upon the psychological well-being of employees. This study aimed to assess linkages between organization change and the psychological well-being of employees within the Swedish social insurance organization Försäkringskassan. A case study approach was adopted for the investigation which was carried out within the Halland region between February and June 1995. A questionnaire which included the Cultural Audit and the General Well Being Questionnaire was distributed to the organization's 456 employees in Halland. Questionnaires were returned by 246 employees (54.6%), reflecting the employment structure of the organization. The findings revealed that many issues associated with the process of rationalization and change were of concern to employees. Statistical analyses revealed that these were linked to their relatively high levels of 'anxiety' and their symptoms of being 'worn out'. This study indicates that the process of organization change is stressful for employees within Försäkringskassan. As public sector organizations throughout Europe are subject to similar pressures and are being forced to embark upon change programmes, it is suggested that they take cognizance of the findings of this investigation when making decisions regarding the planning and implementation of organization change.

Key words: Organization change; psychological well-being; public sector organizations; work stress.

INTRODUCTION

As a new millennium approaches, the ever increasing turbulence and hostility which characterize the operating environments of public and private sector organizations necessitate far reaching programmes of strategic change. For many it would seem that the equation of change with progression, improvement and correction carry with it an implicit devaluing of all that has gone before. Indeed, it is suggested that numerous examples of this are currently provided within the public sector where workers of all kinds have been required to operate in a business, competing in external or internal markets. Within the United Kingdom (UK) for example, there has been a move towards agentization within the Civil Service, the introduction of an internal market into the National Health Service (NHS), leading to a split in the purchase and provision of secondary health care between District Health Authorities and NHS Trusts and other providers. Each of these initiatives has created a climate of intense competition which is likely to impact upon employees causing them to experience additional job pressures.

Although instability is the norm for most organizations today, and the rate of change is accelerating, it
is argued that change is sometimes inflicted on employees and they are expected to adapt without complaint. Management within organizations stand accused of looking at the needs of the organization and overlooking the needs of employees. While programmes of change may hold the key to organizational survival and success, it is suggested that ignoring employee needs constitutes a serious mistake. The prevailing intense competitive pressures and stringent cuts in government spending have had a major impact upon public sector organizations. Taken together, and allied with demands for heightened efficiency and effectiveness, now more than ever before, it is vital that organizational members perform at optimal levels. However, if employees are neglected in the planning and implementation of organization change, it is likely that the entire process will be extremely stressful for individuals, the adverse effects of which will manifest themselves in a variety of ways which are costly to the organization.

Increased work targets, threats of job loss, organizational change, change in job holders' responsibilities, shifts in the balance of power and general upheaval are all features of today's work environment. As such, these features constitute sources of job stress and often they are outcomes of organizational efforts to cope with hostile and turbulent operating environments. Some would argue that problems associated with work stress constitute a threat to organizational health. To illustrate, poor job performance, high levels of absenteeism, discontent among the workforce, declining motivation, high levels of labour turnover with the loss of 'good' employees, and an increase in recruitment and retraining costs have been presented as some of the negative effects of work stress which are costly to the organization. Thus it is argued that the health of organizations and those who work within them are interdependent entities. This issue is highlighted in the following case study of Försäkringskassan, the organization responsible for the administration of Sweden's social insurance system.

The Swedish social insurance system

Sweden has had one of the most highly developed social insurance systems in Europe founded on a desire to care for the individual. Up until the late 1980s the maintenance of this costly system remained easy due to the relative wealth of the country and, in terms of Försäkringskassan, there was little need to change. However, the recession affecting the country in the 1990s forced a number of government policy changes which created a climate of constant flux within the social insurance system. Additionally, each change in policy has been designed to cut costs and promote efficiencies. Allied to this, calls for rationalization, increased accountability, efficiency and effectiveness in the offices of Försäkringskassan acted as a stimulus for many programmes of organization change.

Adapting to change

To cope with the changes in the social insurance system and their effects upon Försäkringskassan, the administration in Halland (one county in Southern Sweden) embarked upon:

- a continuous improvement programme 'Förbättringskassan' (which means improving Försäkringskassan), intended to create a learning organization and increase employee involvement in decision-making;
- a programme of investment in technological equipment intended to contribute to enhanced efficiency; and
- a project which aims to permit it to obtain the Swedish Quality Standard.

The organization commenced work on Förbättringskassan in late 1990 when senior management within Försäkringskassan engaged the services of external consultants. As an outcome of initial exploratory work which aimed to analyze the organization, senior management and the consultants agreed that a continuous improvement programme should be introduced which would enable the organization to effectively address the ever increasing demands being placed upon it. At this point a series of workshops were held to involve all employees. The workshops aimed to generate employee commitment and set up a number of project groups within each office. The remit of the project groups was to address issues which would lead to enhanced performance and permit the Halland administration to be known for 'competence, quality and initiative', (aims of the organization stated in a recent annual report). Given the diversity of changes to which the organization has been subjected, the introduction of Förbättringskassan seemed commendable and eminently suitable. However, for people who had worked within a traditional bureaucracy for a very long time, adapting to this change in culture was difficult. For example, the majority of employees had not previously found themselves in a situation whereby their views on how the organization should operate were actively sought. Thus, they were somewhat sceptical about the change in thinking within the organization. This scepticism was further fuelled by the externally imposed changes which increased work loads, and resulted in job losses and the creation of a leaner organization. Additionally, for a number of individuals who had worked their way up through the hierarchy, there was a feeling that their power had been diminished and their status eroded by an organizational initiative which aimed to create continuous systemic improvement founded on the ideas of individuals and groups who worked at any level within the organization. Given the diverse range of forces impacting upon public sector organizations globally, and their need to develop successful programmes of strategic change.
which promote organizational health, this appeared to be an opportune time to investigate the psychological well-being of staff within Försäkringskassan in Halland. Thus a study was carried out to:

- assess linkages between organization change and employee psychological well-being; and

- outline the implications for the management of strategic change so as to enhance organizational and individual health.

Within Halland, like other counties in Sweden, Försäkringskassan is comprised of a number of local offices which are primarily concerned with the provision of social insurance services to the community, and a central office which is essentially involved in providing support services to the local offices. There are seven local offices spread throughout the county and one central office; the organization is staffed by a workforce of 456, the majority of whom are women, many of whom work part-time and are approaching, or have already reached, middle-age. Many employees have worked with the organization for a long period of time; most of these individuals joined Försäkringskassan on leaving school in their late teenage years.

**METHOD**

A self-report structured questionnaire was prepared for employees. The questionnaire was comprised of three sections, one of these was developed specifically for this investigation; the other two were established psychometric instruments, namely the Cultural Audit, and the General Well Being Questionnaire (GWBQ).

The Cultural Audit is based upon the demands–supports–constraints model of job stress, which argues that the extent to which individuals consider themselves subject to a high level of job demands influences the level of job stress which they experience. This however is not a clear-cut relationship and is influenced by the extent to which they have supports and constraints present within their work, i.e., factors which help and/or inhibit them in carrying out their work.

Within the Cultural Audit seven items measure job demands; scores range between 1 and 5 and higher scores are indicative of higher levels of job demand. Six items refer to support–constraints, scores range between 1 and 5, and higher scores suggest the presence of higher levels of supports and lower constraints. A measure of psychological well-being is provided by the Thoughts and Feelings scale which has two subscales: 'depression' and 'anxiety'. Scores range from 4 to 16 for each factor, with 12 being regarded as a cut-off point which is indicative of psychological distress, while scores of 10 are considered marginal.

It is argued that these scales are similar to the rather longer 'anxiety' and 'depression' scales of the Crisp Experiential Index (CCEI), which is a validated measure of psychoneurotic symptomatology. Correlations between the Thoughts and Feelings scale and the corresponding scales of the CCEI are high, 'anxiety' \( r = 0.94, p = 0.000 \) and 'depression' \( r = 0.94, p = 0.000, n = 162 \). The nature of the issues addressed by the Cultural Audit, together with the data which supports its validity rendered it appropriate for use within the context of this study.

Within the investigation it was assumed that individuals who experienced high levels of job stress were also likely to experience lower levels of well-being. Thus an additional measure of psychological well-being was provided by the GWBQ. The GWBQ has two subscales, 'worn out' and 'uptight and tense', each of which is measured by 12 questions on the 24 item questionnaire. Higher scores on the instrument suggest that the individual is more 'worn out' and 'uptight and tense'.

A range of studies have been carried out which demonstrate the validity of the GWBQ. Furthermore, statistically significant intercorrelations have been reported between the Thoughts and Feelings scale referred to above and the two subscales of the GWBQ. As the result, within research studies the GWBQ has been used in two ways, firstly to provide a dependent measure related to health, and secondly, as a moderator or co-variable for effects on other health and performance measures. Consequently, the GWBQ was considered an appropriate instrument for use with the present investigation.

Thus, the combined questionnaire requested information on:

- matters causing employees concern within the organization and which therefore may be regarded as potentially stressful;

- aspects of work which individuals perceived to be highly demanding;

- the level of supports and constraints which employees perceived to be present within the organization; and

- the psychological well-being of employees.

Additionally it was hoped that the data would permit the examination of linkages between employee concerns, perceived job demands, supports and constraints and psychological well-being.

The questionnaire was distributed to all members of staff within Försäkringskassan in Halland during April 1995. The researcher visited each of the offices within the Halland region where a meeting was held to explain the purpose of the investigation to all employees. Individuals were guaranteed confidentiality and they were told that it was hoped the findings would provide a basis for developing a programme of action designed to improve work life within the organization. Employees were asked to return the completed anonymous questionnaires to the researcher through the internal mail.
RESULTS

The participants

Questionnaires were finally returned from 246 employees which constituted an overall response rate of 54.6%. To encourage the highest possible number of returned questionnaires, a follow-up letter was sent to all employees after the initial cut-off date for replies. This letter thanked all of those who had returned questionnaires, and appealed to all of those who had not replied to do so. This letter sought to emphasize the potential benefits of the investigation to the organization and its employees. Within the context of social science research, given that this was a postal survey which necessitated the completion of a lengthy questionnaire, the response rate was regarded as being relatively high.37

Overall, 84.6% of respondents were female and 15.4% were male; 65% worked full time while 35% worked part time. Participants ranged in age from 18–72 years, with the largest proportion, 36.9%, falling between the age band 40–49 years. The 72-year-old was a retired medical consultant who worked with the organization on a part-time basis.

The largest percentage, 36.9%, had worked in the organization between 20–30 years, 30.1% had joined between 10–19 years ago, 22% had been with the organization less than 9 years, while 10.6% had been employed in the organization in excess of 30 years. The majority of participants, 74.4%, were employed in clerical positions. A further 4.9% were employed as section managers, 4.9% were specialized ‘Konsults’ within the organization dealing with matters relating to, for example, personnel or information technology, while 3.7% indicated that their job title was Office Manager. The remaining 12.1% occupied a heterogeneous range of positions within the organization including telephonist, messenger and porter.

The sample is regarded as being representative of the existing employment structure within the organization. Furthermore, the employment patterns within this organization are rather similar to those within other public sector bodies in Sweden and elsewhere. Traditionally these organizations have had a high proportion of long serving female employees, the majority of whom work in clerical positions. Examples of this are provided by ‘Skatteförvaltningen’, the Swedish organization responsible for income tax administration, and many Government Agencies throughout the UK.

Employee psychological well-being

Through its Thoughts and Feelings scale, the Cultural Audit provides two measures of psychological well-being: ‘depression’ and ‘anxiety’. The mean scores presented in Table 1 suggest that, overall, participants scored in the middle range with regard to the two subscales ‘depression’ and ‘anxiety’, with ‘anxiety’ scores being higher than ‘depression’ scores. Given

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depression</td>
<td>6.56</td>
<td>4.0</td>
<td>14.0</td>
</tr>
<tr>
<td>Anxiety</td>
<td>6.85</td>
<td>4.0</td>
<td>16.0</td>
</tr>
<tr>
<td>Worn out</td>
<td>17.87</td>
<td>4.0</td>
<td>31.0</td>
</tr>
<tr>
<td>Uptight and tense</td>
<td>8.49</td>
<td>0.0</td>
<td>30.0</td>
</tr>
</tbody>
</table>

\(n = 245\)

that a score of 10 on either of these scales is marginal in suggesting psychological problems,22 the findings presented above are perhaps a cause for concern. While 16% of individuals obtained a score of 10 or above on the ‘depression’ subscale, 37.4% obtained scores of 10 or over on the ‘anxiety’ subscale.

The findings relating to the GWBQ suggest that, while overall, individuals have relatively low scores on the ‘uptight and tense’ subscale, they exhibit symptoms of being ‘worn out’. International norms for the GWBQ suggest that the scores obtained by participants are lower with regard to the subscale ‘uptight and tense’, but are much higher for the subscale ‘worn out’.

Five key employee concerns

Given the climate of constant change which is prevalent within Försäkringskassan, together with the heightened demands for increased accountability, efficiency and effectiveness, participants were asked to indicate, on a five-point scale ranging from ‘not at all concerned’ to ‘alarming concerned’, the degree to which they were concerned about a range of issues within the organization. The issues included a number of organizational features, features associated with the process of change within Försäkringskassan, features of the work and job rewards. The issues presented aimed to ascertain participants’ feelings towards work and the organization, providing an indication of those features which were of most concern to individuals, and which consequently were likely to have an adverse effect upon their well-being.

From the variety of issues covered by the study, the results revealed that, within the organization as a whole, five were of key concern to participants, i.e., they were most frequently cited as being a source of concern by participants. These included: the amount of work which people are required to do; reduction in staff numbers; financial cutbacks; the limited availability of resources within Försäkringskassan and threat of job loss. Each of these issues is closely related to the climate of change, and would seem to suggest that the process of rationalization which is fundamental to the longer term survival of the organization is a root cause of employee concerns. The findings are summarized in Table 2 which presents the level of concern expressed by individuals for each of the five issues.

A series of correlations were subsequently carried out between the levels of concern expressed by individuals regarding each of these issues and the four
measures of psychological well-being, i.e., ‘depression’, ‘anxiety’, ‘worn out’ and ‘uptight and tense’. Statistically significant correlations were found to exist between participants’ level of concern regarding the amount of work and their levels of ‘depression’ ($r = 0.36, p < 0.001$), ‘anxiety’ ($r = 0.48, p < 0.001$) and ‘worn out’ ($r = 0.40, p < 0.001$). These findings indicate linkages between workload and psychological well-being; those who are most concerned about the amount of work they are required to do are likely to have obtained higher ‘depression’, ‘anxiety’ and ‘worn out’ scores.

It was widely acknowledged within the organization that the constant change in rules governing social insurance, coupled with pressures for enhanced efficiency, had led to an increase in the amount of work people are required to do. This is further reflected in, and the effect exacerbated by, reductions in staff numbers which have affected the organization, and which are likely to have an even greater impact in the future.

As shown in Table 2, reduction in staff numbers was highlighted as a source of concern for a large number of participants with 69% indicating that they were at least often concerned about this issue. Thus, it would seem fair to suggest that the reduction in staff numbers is not just a concern in itself, but rather, its effects were evident in the increased amount of work which people are required to do and, additionally there is the latent threat that at some point in the future due to limited resources and financial cutbacks, the individual may him/herself be faced with redundancy. This is supported by the degree of concern expressed by participants with regard to financial cutbacks, the limited resources available within the organization and the threat of job loss. Once again statistically significant correlations were found between respondents’ level of concern regarding staff reductions and their level of ‘depression’ ($r = 0.34, p < 0.001$), ‘anxiety’ ($r = 0.45, p < 0.001$) and ‘worn out’ ($r = 0.42, p < 0.001$).

Table 2 indicates that 67% of participants were at least often concerned about financial cutbacks within the organization. Furthermore, 59% were at least often concerned about the limited resources available within the organization. Respondents’ level of concern regarding financial cutbacks appeared to be linked to their level of ‘depression’ ($r = 0.37, p < 0.001$), ‘anxiety’ ($r = 0.47, p < 0.001$), ‘worn out’ ($r = 0.4, p < 0.001$), and ‘uptight and tense’ ($r = 0.3, p < 0.001$). Thus, those who were most concerned about financial cutbacks within the organization were also likely to be more ‘depressed’, ‘anxious’, ‘worn out’ and ‘uptight and tense’. These trends were further reflected in the relationships which existed between employees’ levels of concern regarding limited resources and ‘anxiety’ ($r = 0.34, p < 0.001$) and ‘worn out’, ($r = 0.36, p < 0.001$).

Employee concerns regarding rationalization within the organization are further reflected in Table 2 which shows that 50% of individuals were at least often concerned about the threat of job loss within the organization. Significant correlations were found to exist between levels of concern regarding threat of job loss and ‘anxiety’ ($r = 0.38, p < 0.001$) and ‘worn out’ ($r = 0.48, p < 0.001$). Therefore, those who were most concerned about the threat of job loss were also likely to report higher levels of ‘anxiety’ and symptoms of being ‘worn out’.

Taken together these findings seem to suggest that many key concerns of employees are clustered around the current climate of rationalization and streamlining within the organization. Thus it would appear that, in terms of the individual employee, the increased calls for enhanced efficiency and effectiveness together with demands for enhanced accountability have taken their toll in numerous ways creating many worries for organizational members. This is reflected in the relationships between employees’ concerns and the measures of psychological well-being.

The survey approach used within this investigation does not permit a detailed examination of individual personality differences which some might argue could influence participants’ responses. Nonetheless, as noted previously, the response rate for this study was

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**Table 2. Participants’ level of concern for each of the five key issues**

<table>
<thead>
<tr>
<th>Concern</th>
<th>Alarming concerned %</th>
<th>Very often concerned %</th>
<th>Often concerned %</th>
<th>Sometimes concerned %</th>
<th>Not at all concerned %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount of work</td>
<td>8</td>
<td>26</td>
<td>38</td>
<td>16</td>
<td>10</td>
</tr>
<tr>
<td>Reduction in staff numbers</td>
<td>15</td>
<td>22</td>
<td>32</td>
<td>25</td>
<td>6</td>
</tr>
<tr>
<td>Financial cutbacks</td>
<td>19</td>
<td>18</td>
<td>30</td>
<td>22</td>
<td>11</td>
</tr>
<tr>
<td>Limited availability of resources</td>
<td>15</td>
<td>18</td>
<td>26</td>
<td>26</td>
<td>15</td>
</tr>
<tr>
<td>Threat of job loss</td>
<td>12</td>
<td>20</td>
<td>18</td>
<td>26</td>
<td>24</td>
</tr>
</tbody>
</table>

$n = 245$

**Table 3. Correlations between well-being and job components**

<table>
<thead>
<tr>
<th></th>
<th>Depression</th>
<th>Anxiety</th>
<th>Worn out</th>
<th>Uptight and tense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job demands</td>
<td>0.35 ($p &lt; 0.001$)</td>
<td>0.46 ($p &lt; 0.001$)</td>
<td>0.42 ($p &lt; 0.001$)</td>
<td>0.30 ($p &lt; 0.001$)</td>
</tr>
<tr>
<td>Job supports</td>
<td>-0.32 ($p &lt; 0.001$)</td>
<td>-0.33 ($p &lt; 0.001$)</td>
<td>-0.34 ($p &lt; 0.001$)</td>
<td>-0.26 ($p &lt; 0.001$)</td>
</tr>
</tbody>
</table>

$n = 245$
Figure 1. Participants' mean scores for each aspect of job demand.

considered to be relatively high and the structure of the sample representative of the existing employment structure within the organization. Thus the findings of this study suggest that overall, a large number of employees have not been immune to the adverse effects of stress caused, in part, by the new found pressures and changes which have occurred within the organization. Consequently they are less than optimally placed to provide a service characterized by the required levels of efficiency and effectiveness which would further protect them and the organization from the effects of other Government policy changes. Thus it would seem that a significant proportion of the organization's employees are caught in the middle of a vicious spiral of pressures in which much of the stress experienced by individuals is exacerbated by the issues associated with the change process which, in turn, causes further stress. Thus such cycles of negativity not only repeat themselves, but their consequences become potentially more disastrous with each twist of the spiral. Consequently, without further active intervention on the part of the organization, this spiral is likely to leave them less able to cope with the turbulence which exists within their operating environment. The five key employee concerns identified by the investigation are perhaps not surprising given the climate of rationalization which prevailed within the organization. For many it would appear that rationalization has been accompanied by increased workloads and constant demands to perform ever more efficiently and effectively. While the current economic situation within Sweden is such that changes in Government policy with regard to social insurance payments and administration are necessary, it is suggested that these developments have taken their toll on employees within Försäkringskassan; this is supported by the linkages between respondents' level of concern and their psychological well-being. Although workloads had increased there had not been a concomitant increase in the availability of resources. Thus, while increased efficiency is the order of the day, it is argued that the extent to which such efficiencies can be achieved is limited. This limit is partially influenced by the degree to which those who are expected to create the efficiencies feel well-placed to cope with the demands being made upon them. The fact that a relatively large percentage of participants in this study indicated that they were very concerned about a series of issues clustered around the streamlining of the organization would seem to suggest that, for many, the work environment within Försäkringskassan is stressful, reflected particularly in the relationships between employees' concerns and their levels of 'anxiety' and 'worn out'. It is argued that this has an adverse effect upon psychological well-being and, consequently it is likely to impede the degree to which individuals can perform efficiently and effectively. These issues were further explored in relation to Försäkringskassan's culture.

Försäkringskassan's culture measured by the cultural audit job demands

As mentioned previously, there are seven items on the Cultural Audit which measure job demands, these include the extent to which jobs:

- have clearly defined boundaries, D1;
- are full of variety, D2;
- have conflicting instructions, D3;
- have difficult standards set by the boss, D4;
- require the individual to work at a fast pace, D5;
- require the individual to cope with continuous change, D6 and
- make use of individuals' capabilities, D7.
Figure 2. Participants' mean scores for each aspect of job supports—constraints.

For each of these items, scores range between 1 and 5 with higher scores being indicative of higher levels of job demand.

As shown in Figure 1, the findings revealed that those aspects of the job which individuals within the organization perceived to be most demanding included the pace of work within the organization (D5) and the degree with which they have to cope with continuous change within the organization (D6); the recorded means for each of these aspects of job demand were 4.11 and 4.05 respectively. These findings suggest that the aspects of the job which individuals perceived to be most demanding are symptomatic of an organization being forced to increase the level of demands being placed on its employees through quickening the pace with which they must carry out job duties, and requiring employees to work in an environment characterized by an ever accelerating rate of change.

As noted previously, within the demands–supports–constraints model, high levels of job demand alone do not necessarily cause job stress. Rather, the presence of stress is dependent upon the degree to which individuals perceive the presence of supports and constraints within their work environment.

Job supports

Within the Cultural Audit six items refer to supports and constraints, these are the extent to which individuals:

- receive help and support from the person they report to, S1;
- receive help and support from work colleagues, S2;
- receive feedback on completed work, S3;
- organize their own work objectives, S4;
- are clear about their role in the organization, S5 and
- participate in organization decision-making processes, S6.

For each item scores range between 1 and 5; higher scores suggest the presence of higher levels of support and lower constraints.

The recorded means for each job support/constraint are presented in Figure 2.

The data presented in Figure 2 seems to suggest that those aspects of support which individuals perceive to be highest within the organization include the degree to which employees: receive help and support from colleagues (x = 3.59) and perceive the clarity of their role within the organization (x = 3.81).

By contrast, it would appear that the aspects of support which are considered to be lowest within the organization, (and may therefore be considered constraints), include the degree to which employees: participated in organizational decision-making processes (x = 2.69) received help and support from the person they report to (x = 2.78); and received feedback on completed work (x = 2.87).

It was noted previously that highly demanding jobs do not necessarily cause work stress, but rather, the existence and level of stress experienced is influenced by the extent to which individuals consider themselves to have supports and constraints present within their work environment. Taking the findings on job demands and supports presented above, it is suggested that there are a number of issues within the organization which require attention in order to provide a work situation which alleviates, rather than contributes to, problems of work stress. These issues relate to continuous change, pace of work, feedback, help and support from an
immediate supervisor and participation in decision-making.

Relationships between psychological well-being and job components

The model of job stress which underpinned this investigation was the job demands–supports–constraints model.\textsuperscript{21} Within this model it is argued that the extent to which individuals consider themselves subject to a high level of job demands influences the level of job stress which they experience. As noted previously, this is not a clear-cut relationship and is influenced by the extent to which they have supports and constraints present within their work.

Correlations were therefore carried out on the data in order to see if there was a relationship between participants' scores on the well-being scales and:

• the level of job demands which individuals experience; and

• the degree of supports which they perceive to be currently available.

The correlations presented in Table 3 indicate that all of the relationships between job components and the measures of well-being are statistically significant. In particular, the relatively high correlations between participants' 'anxiety' and job demands and supports, is worthy of comment. The findings suggest that those individuals who perceived their job to be more demanding were likely to have higher 'anxiety' scores. Additionally, it would appear that those individuals who perceived themselves to have higher levels of support and lower levels of constraint available within their job, were more likely to have lower 'anxiety' scores.

Problematic aspects of work

The relationships between aspects of work and well-being presented above indicate linkages between the level of perceived job demand and support on one hand and psychological well-being on the other. It was noted previously that those aspects of job demand considered to be highest by participants included coping with continuous change and having to work at a fast pace.

At a superficial level it would seem that one way of reducing the levels of psychological distress would be to bring about changes in these factors. However, given the degree of turbulence and hostility within the organization's external operating environment, many would argue that this is impossible. Additionally, it is acknowledged that Försäkringskassan is subject to a range of externally imposed changes, many of which require employees to work at an ever increasing pace, and is therefore, to some extent, at the mercy of those responsible for the formulation of Government policy.

As a consequence there are many changes over which the organization has little control in terms of their nature or speed of implementation. Furthermore, as noted previously, a highly demanding job is not in itself necessarily stressful, rather, the degree to which individuals experience stress in such situations is influenced by the extent to which supports are provided within their work environment.

The relationships presented above would seem to suggest that there was indeed a link between supports and well-being. Many of those who felt they had higher support provided within their work environment, also enjoyed higher levels of well-being. It was noted previously that those aspects of support which participants felt were most lacking within the organization included: the degree to which they participated in organizational decision-making processes; the degree to which they received help and support from their immediate boss and the extent to which they received feedback on completed work.

Given the constant change which is characteristic of Försäkringskassan, it is acknowledged that coping with change and working at a fast pace are inevitable. However, the findings of this study suggest that it is essential that such organizations must seek to counteract the adverse effects of excessive work demands by providing sufficiently high levels of support. In particular, within Försäkringskassan, it would seem that areas of priority must be the extent to which individuals receive feedback on completed work, help and support from those they report to, and the extent to which they participate in decision-making.

Employee participation in organizational decision-making processes would seem to be, in theory, a core part of continuous improvement programmes such as Förbiitringskassan. Given that a large number of individuals within this study felt that they did not have an opportunity to participate in decision-making, it is argued that the organization must take steps to address this issue.

CONCLUSIONS

The findings of the case study reported above indicate that the climate of constant change which characterizes the Swedish social insurance system is a major concern and a source of stress for many employees within Försäkringskassan. Arguably the experiences of Försäkringskassan and its employees are not unique and mirror those of many public sector organizations across the globe. Employees within many of these organizations have probably not been immune to the adverse effects of stress, and consequently would seem less than optimally positioned to provide a service characterized by the required levels of efficiency and effectiveness.

Any organization is highly dependent upon its staff to provide an efficient and effective service. Thus, it is imperative that staff are sufficiently well-equipped to cope with the unique brand of pressures which they
face at this point in time. To facilitate effective coping with organization change, it is imperative that a systematic approach be adopted towards stress prevention and management with the provision of training programmes which are tailored to meet the needs of a specific target group. Such programmes should aim to help individuals gauge their own stress levels, identify causal factors and acquire necessary skills which permit them to cope effectively with stress, thereby developing a highly resilient persona.

It is argued that incorporating stress management initiatives within organization change programmes reflects an acknowledgement at senior management level of organizational responsibility regarding the management of stress and an enhanced awareness of its associated costs as an issue which adversely affects organizational functioning. Such initiatives also signal managerial awareness that the activities performed by organization members as an outcome of their strategic direction may be stressful. These sentiments are reflected in the views expressed by Cooper and Williams who suggest that organizations rarely act for altruistic reasons, thus they need to understand the relationship between a healthy workforce and success.

Managing large-scale change also requires all of those effecting change, and those affected by the change to engage in adequate communication through dialogue in order to clarify pertinent issues. Such communication is an essential component of the change process which permits both parties to exchange views, and thus alleviate any areas of uncertainty. The reported absence of feedback and the lack of opportunity to participate in decision-making within the organization referred to within this paper, allied to the role of Government in the change process, would seem to suggest that organizational change is often imposed without any such communication or dialogue taking place. As a consequence it is likely that many employees are unsure of exactly how they will be affected, and they feel powerless to take any action to prevent the change from taking place.

It is suggested that many of the issues highlighted by this case study are related to the principles underlying the organization's continuous improvement programme, the success of which is extremely dependent upon a high level of employee commitment. The organization has done much to address the enormous challenges within its operating environment by embarking upon Förbättringskassan. However, the findings suggest that Förälskingskassan must focus its attention upon the implementation of Förbättringskassan in order to permit it become a true learning organization. Having said this, it is suggested that continuous learning programmes are ideal mechanisms for enabling organizations faced with ever increasing demands for enhanced efficiency and effectiveness to achieve required levels of performance.

Although it is acknowledged that many of the organization's activities were an outcome of Government decision-making, nonetheless, many decisions affecting the way in which it chooses to operate were taken internally. Thus, it would seem that if one aim of Förbättringskassan is to create a true learning organization where each individual is encouraged to express their opinion, and the communication structure within the organization is such that individuals make suggestions which are 'heard'; then there is a need to create a closer match between this aim of Förbättringskassan and action. Thus, employees must not feel that what is being created is a pseudo learning organization, but rather, they must see the results of their suggestions and feel that they do influence organizational decision-making. Such involvement in decision-making is likely to foster a climate of ownership over decisions and pride, at the level of the individual or group, if suggestions are accepted. Furthermore, the findings presented above suggest that there is an increased need to sensitize the organization and its employees to the need for change and to provide further training which aims to help them cope with change. Thus they arrive at a situation in which coping with change is regarded as a challenge to be welcomed, rather than something which is viewed with fear and trepidation and is considered a necessary evil. However, while the wisdom of this suggestion is acknowledged, it is argued that the emphasis placed by organizational strategists on structural issues and task driven schedules discourages attention from such 'people' related issues.

At a glance these measures might seem unnecessary and appear to be factors which are costly and slow the pace of the change process. However, it would seem fair to suggest that the adverse effects of stress which are manifest in individuals' behaviour act as a much more serious impediment to the change process by leaving staff and the organization in an extremely vulnerable position. The findings of this case study suggest that the levels of stress exhibited by many members of staff within Förälskingskassan are indicative of an inability to cope with the challenges presented by an increasingly competitive and turbulent environment characteristic of social insurance administration.

Thus, it is suggested that the strategies for managing change outlined above will have a number of beneficial effects for Förälskingskassan and many public sector organizations together with their employees. Such organizations are likely to exhibit enhanced flexibility and have a larger pool of highly developed skills at their disposal. Meanwhile, individual employees are likely to:

- feel that they have a worthwhile contribution to make to the organization;
- feel that the organization considers them a most valuable resource;
- have enhanced ability to cope with continuous change and fast pace of work through the acquisition of new knowledge and skills;
- experience an environment which is characterized by heightened supports; and
• experience enhanced psychological well-being.

Taken together, these outcomes are likely to contribute to enhanced organizational effectiveness.

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REFERENCES