

How are you, expert employee? Employee wellbeing in an expert organization

Organization and Management

Master's thesis

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HOW ARE YOU, EXPERT EMPLOYEE?

Employee wellbeing in an expert organization

RESEARCH OBJECTIVES

This thesis contributes to employee wellbeing research tradition and focuses especially on investigating the expert employee's wellbeing at work. The purpose of the study is to examine how expert employees define the term employee wellbeing, and to find out how they construct their understanding of wellbeing at work. I will also investigate whether Scrum method, a way of working implemented in the organization, affects on employees' wellbeing and how employees experience the influence of the working method for their wellbeing.

METHODOLOGY

The study is a qualitative case study conducted in the Research and Development department of an international telecommunications company. The empirical part of the study consists of 12 semi-structured interviews of employees who were working as software or testing engineers and of the company's internal materials such as intranet pages and wellbeing related documents. The empirical data was analyzed with content analysis method.

RESULTS

Findings of the study show that the expert employees perceive wellbeing as motivation, autonomy, convenience or work ability. Psychological and social dimensions of employee wellbeing were highlighted when employees defined employee wellbeing. On the contrary, the employer in question emphasizes the physical side of wellbeing. A pronounced significance of actual work was also characteristic for the expert employees and they emphasized the meaning of actual work for their wellbeing at work.

Findings suggest that when developing employee wellbeing in an expert organization, the attention should be drawn to matters that expert employees themselves consider important for their wellbeing. In addition, the special attention needs to be given also to the proper implementation and application used of the working method.

KEYWORDS

Employee wellbeing, expert organization, Scrum Method

KUINKA VOIT, ASIANTUNTIJA?

Työhyvinvointi asiantuntijaorganisaatiossa

TUTKIMUKSEN TAVOITTEET

Tutkielma osallistuu työhyvinvointia koskevaan tutkimukseen ja keskittyy erityisesti tutkimaan asiantuntijatyöntekijöiden työhyvinvointia. Tutkimuksen tarkoituksena on tutkia, kuinka asiantuntijatyöntekijät määrittelevät työhyvinvointi käsitteen, ja selvittää, kuinka heidän käsityksensä työhyvinvoinnista rakentuu. Tutkin myös, vaikuttaako organisaatiossa sovellettava työskentelytapa, Scrum-metodi, työntekijöiden työhyvinvointiin ja kuinka työntekijät kokevat työskentelytavan vaikuttavan heidän työhyvinvointiinsa.

METODOLOGIA

Tutkimus on kvalitatiivinen case-tutkimus, joka on tehty kansainvälisen telekommunikaatioyrityksen Tutkimus- ja Kehitysosastolla. Tutkimuksen empiirinen osuus koostuu 12 puolistrukturoidusta teemahaastattelusta, joissa on haastateltu software ja testausinsinööreinä työskenteleviä työntekijöitä, ja sekä yrityksen materiaaleista, kuten intranet-sivustosta ja työhyvinvointiin liittyvistä dokumenteista. Empiirinen aineisto on analysoitu sisällönanalyysi-menetelmää hyväksikäyttäen.

TULOKSET

Tutkimuksen tulokset osoittavat, että asiantuntijatyöntekijät käsittävät työhyvinvoinnin motivaationa työtä kohtaan, autonomiana, mukavuutena ja työkykynä. Työhyvinvoinnin psykologiset ja sosiaaliset ulottuvuudet korostuivat työntekijöiden kuvauksissa. Työnantaja sen sijaan painottaa työhyvinvoinnin fyysistä puolta. Asiantuntijatyöntekijöille oli myös ominaista painottaa varsinaisen työn tärkeyttä ja sen merkitystä heidän oman työhyvinvointinsa kannalta.

Tulosten perusteella asiantuntijaorganisaatioiden tulisi työhyvinvointia kehitettäessä kiinnittää huomiota myös niihin seikkoihin, jotka asiantuntijatyöntekijät itse kokevat tärkeiksi työhyvinvointinsa kannalta. Lisäksi erityistä huomiota tulisi kiinnittää työskentelymetodin oikeaoppiseen käyttöön ottoon ja soveltamiseen.

AVAINSANAT

työhyvinvointi, asiantuntijaorganisaatio, Scrum-metodi

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1. INTRODUCTION

An average adult spends as much as a quarter or a third of his waking hours at work (Harter et al., 2002). Hence, it is not insignificant how we are when working and the importance of work environment, safety and atmosphere has come up. In welfare states both the employers and the societies have noticed the importance of maintaining employees' work ability in order to guarantee competitiveness and to save expenses (Caicedo et al., 2010). A healthy workforce will stay in working life longer, which benefits not only the organization but also the broader society in an indirect way.

For an expert employee, the interest and passion towards his or her work are the most important motivators (Sipilä, 1996). There are several characteristics in the work of expert employees as well as in expert organizations that affect on employee wellbeing. It is, for instance, typical for expert employees to work long hours, have flexible work arrangements and a high degree of autonomy (Scholarious & Marks, 2004). Also, required collaboration and social skills, and a complex organization structure (Benson, 2000) are characteristics which may affect on wellbeing at a work place.

In the expert organizations, and especially in R&D expert organizations, the working practices are usually based on a certain working method which defines the work processes and working rules. Inside them the employees have plenty of freedom and responsibility. Often the main focus on working processes is to make the production and working more effective but recently also the effects on an employee's wellbeing have received more attention (Parker, 2003). Hence, examining how working in compliance with a certain working method affects on employee's perceived wellbeing is not only interesting topic but timely topic as well.

1.1 Terminology

The study concentrates on studying the concept of employee wellbeing in an expert organization that follows the Scrum framework as a working method. In this section the most central terms of this research such as employee wellbeing, expert employee, expert organization and Scrum Method are explained and defined.

Employee wellbeing can be seen as a part of an individual's overall wellbeing, and according to Harter et al. (2002), employee wellbeing can be examined as a broad category that encompasses a number of workplace factors. Warr (1999) differentiates employee wellbeing from the context-free wellbeing and summarizes that employee wellbeing consists of people's feelings about themselves in relation to their job. In this study, employee wellbeing means *an ensemble of an employee's physical, mental and social wellbeing, which enables the employee's working capacity and satisfaction.*

Expert employee refers to a person who utilizes specialized competences (such as theoretical, systematical or abstract information) while working with a complex problem which cannot be solved with routine-like methods. Expert employees often work in professional services firms, which are companies that sell their competence and knowledge to their customers.

Expert organization is an organization with a similar characteristic to a professional services firm but which cannot be referred to as a company because it, for instance, does not have markets outside its own organization. Expert organizations do not sell services and are not performing. (Sveiby, 1990: 42) The research- and development departments of the companies and universities are defined as the most traditional internal expert organizations, which provide knowledge and competence as a service to the other departments of the same organization.

Scrum Method is a working method that is applied in the research object. It is a working practice structured to support a complex product development (Schwaber & Sutherland,

2011: 4).¹ Working with Scrum Method is based on autonomous team working in Scrum Teams with associated roles, events, artifacts, and rules. Scrum is a working method targeted to smooth software development (Hu et al., 2009) and it does not have any direct objectives concerning employee wellbeing. However, the procedural matters are likely to affect on employees working and wellbeing as well.

1.2 The Importance of employee wellbeing

After the publishing of the updated Occupational Health Care Act in 2001, employee wellbeing arose to a national cause célèbre during the first decade of the 21st century in Finland.² Despite the risen attention and actions, the importance of a healthy workforce can appear in dramatic ways in the Finnish society in the forthcoming years. The amount of work force will decrease approximately 40 per cent between the years 2006-2021 (Ilmarinen, 2006: 17). At the same time, sick leaves and disability pensions as results of mental disorders have continuously increased among young employees under the age of 30. Every day five young employees retire prematurely because of a mental disease (Raitasalo & Maaniemi, 2011).

The innermost purpose why organizations should pay attention to employee wellbeing is to ensure their employees' ability to work. According to a report made by the Confederation of Finnish Industries, ten per cent of companies' salary expenses cumulate of sick leaves, occupational accidents and incapacity for work caused by defective employee wellbeing.³ In this context, organizations that actively seek to increase the health and wellbeing of their employees can experience a reduction in their sickness absence levels and also notice an improved value creation and delivery (Caicedo et al., 2010).

¹ ¹ Note: according to the tradition of Agile and Scrum, the most central terms are written with capitals.

² Occupational Health Care Act (1383/2001)

³ http://www.ek.fi/ek/en/work_and_employment/

It has been predicted that the Finnish society will suffer from problems and challenges in a concrete way in future (Ilmarinen, 2006) if employee wellbeing is not developed so that the continuation of a career creates a relevant option for retirement (Ojala & Ahonen, 2006: 13). According to Organization for Economic Co-operation and Development (OECD), the public costs of an ageing work force will be approximately 27, 9 per cent of Finland's GDP in 2050 if employee wellbeing is not enhanced and the work careers are not extended before that.⁴ The Finnish government is trying to extend the work careers by raising the retirement age in the future to ensure the competitiveness and welfare of society.

1.3 Research objective and research questions

In my thesis, I will have a look at employee wellbeing from an employee's perspective. *The main objective is to examine an expert employees' understanding of employee wellbeing by perceiving especially the effect the actual work has on their wellbeing.* The research questions are phrased as follows:

How do expert employees understand the term 'employee wellbeing'?

How do employees experience that a certain way of working affects on their employee wellbeing?

The first research question aims to discover how expert employees understand the term and compare their conceptions to the official wellbeing policy of the company. The comparison reveals an interesting contradiction between the employees' and the employer's understanding of employee wellbeing. The second research interest concerns employees' conceptions about the influence of the applied working method for their employee wellbeing. In this context, a working practice of the research object, Scrum Method is presented and its characteristics and influence are considered.

⁴ As a comparison: the percentage was 19,4 in 2000.

The study increases the understanding of employee wellbeing of expert employees by providing more information about how employees experience the term. Based on the responses to these two research questions, I also consider how employee wellbeing would be enhanced at the R&D unit in the future and give practical development ideas for the management of R&D unit.

1.4 The selection of the research object and method

The research object of my study is an international communications services company (later 'Company'), and, to be exact, the Research and Development department (later 'R&D unit') of Company. In R&D unit, there are around 100 software and testing engineers who are working with software development. The whole organization is working according to Scrum Method (see Chapter 3 for more details). For unknown reasons, the employees of the R&D unit have repetitively received worse results than the employees of the company on average in the annual employee surveys in categories referring to wellbeing at work issues.

Because of my previous studies and background as a lawyer, I was interested in doing my Master's Thesis in the expert organization context and investigating the working of expert employees. I ended up doing my study for R&D unit when the management asked me to conduct a study concerning employee wellbeing in R&D unit. The aims of the study were to get a better understanding how employees construct their understanding about wellbeing and to find out, what are the most influencing factors. I was given quite free hands to conduct a study to reveal the current wellbeing situation in the R&D unit and suggest recommendation for future.

I decided to conduct a qualitative case study in the R&D unit with a purpose to get deeper understanding about expert employees' wellbeing in the R&D unit. The study is conducted with a qualitative method within the research object. The research data is collected with 12 semi-structured interviews and by gathering information from the intranet pages and

documents of the company. The research materials are analyzed with the content analysis method which aims to produce a condensed picture of the research object.

1.5 Structure of the thesis

Following this introduction will be the theory parts of my thesis. In Chapter 2, I present the concept and dimensions of employee wellbeing, and in Chapter 3 I focus on Scrum Method, whose effect on employee wellbeing I investigate in my empirical part. The fourth chapter presents the methodological choices of my thesis and includes information about the data collection and the analysis of my study.

Chapters 5 and 6 contain the empirical part of my thesis. Chapter 5 continues with an empirical part in which I represent the wellbeing policy of Company as well as the employees' understanding about it. In Chapter 6, I examine how employees experience the influence of Scrum Method for their wellbeing. I study the effect of Scrum Method on employee wellbeing via three characteristics of the Scrum application.

Chapter 7 of the study includes discussion chapter. In that chapter the main results of the empirical study will be discussed in relation to the previous research. The findings are reflected from the perspective of case company. The chapter includes also recommendation for development actions in case company as well as suggestions for further research concerning employee wellbeing in expert organizations.

2. WELLBEING AT WORK

2.1 Dimensions of employee wellbeing

Previously wellbeing at work was described with the term *work ability* but recently the concept of employee wellbeing has come along (Ilmarinen, 2006: 81). When concerning the differences between these two terms, Ilmarinen (2006) summarizes that the term employee wellbeing describes the level of the work ability and focuses on the quality of the work community and work life. The transition to using the term employee wellbeing instead of work ability, describes a change in perspective as well; a current employee wellbeing concept also includes social and psychological dimensions in its research scope.

Grant et al. (2007) have divided employee wellbeing into three dimensions: 1) physical 2) social and 3) psychological wellbeing. Physical wellbeing refers to the individual's health and physical condition. Psychological wellbeing can be understood as a security of a workplace and compensation. Social wellbeing describes the vicinity and community (Marjala, 2009: 193). The foundation of employee wellbeing is seen as an ensemble of these overlapping and even conflicting dimensions. All of them need to be taken into consideration when thinking about wellbeing practices to enable the working capacity and job satisfaction of the employees. The following sections introduce how these three dimensions appear in the recent literature and studies concerning wellbeing.

2.1.1 *Physical level*

Physical healthiness refers to the physical condition of a person which is related with the health and lifestyle of an employee. Physical wellbeing is a broader concept than a term health because it focuses on a person as a whole (Danna & Griffin 1999: 364). Physical wellbeing can be seen as a preliminary requirement for employee wellbeing because it includes the conditions that enable working itself. However, working can also affect on physical wellbeing in several ways; for instance, the unsafe working conditions (Patterson,

1997), long working hours (Maruyama et al., 1995), a too heavy workload (Macky & Boxall, 2008) and an unhealthy working position (Tuomi et al., 1995) have an effect on employee's physical health. Therefore, it is crucial for the employee that there is a balance between employee's resources and the demands of the work (Ilmarinen, 2006: 79).

To ensure suitable working conditions for employees, the employers and supervisors need to follow the labor legislation and notice the safety, health and environmental programs of the company (Patterson, 1997). According to Finnish labor laws, the working cannot happen in the conditions that are unsafe or may risk the employee's health. With companywide voluntary protection programs employers can affect the employees' physical wellbeing at work, for instance by preventing workplace violence, reducing hazards (Patterson, 1997: 60-61) and enhancing workplace aesthetics (Schell et al., 2011). Safe working conditions enhance the physical level of employee wellbeing by preventing occupational accidents and work-related injuries and diseases.

Employers can affect the employees' physical wellbeing with preventive wellbeing practices which help in maintaining the good physical condition. Companies can, for instance, offer fitness services to their employees (Dailey & Parfitt, 1994) or take care of the occupational ergonomics (Tuomi et al., 1995; Schell et al., 2011). There are also practices in order to enhance employee's life balance such as providing flexible working hours (Sparks et al., 2001). In Finland employees can also take part in preventive work ability programs, Tyky-projects (Ilmarinen, 2006), which aim to promote and support the participants' work ability.

Employees' physical wellbeing can be increased by concentrating on the occupational ergonomics at the workplace. In a longitudinal study among video display terminal workers, who work at the computer workstation all day, the researchers noticed that enhancing the ergonomics by changing the layout of workstations, providing workstation accessories (foot rests, document holders et cetera) and an adjustable chair that reduces the musculoskeletal pain in many of the employees' body parts (Bayeh & Smith, 1999). The same study exposes that the employees were not aware of the work hazards surrounding them in their everyday work life or were not able to control or adjust their physical work conditions. Hence, it also

shows that training in ergonomics can provide benefits for the physical conditions of an employee.

It is essential for an employee's physical wellbeing that the employer provides fitness services which attract employees of all physical conditions and help employees to understand that good psychological and physical health are worth having (Dailey & Parfitt, 1996: 132) The study of Dailey and Parfitt (1996) reveals that employee's physical health affects naturally on his/her physical conditions such as heart rate, body fat and blood pressure, which can cause health problems in the future. However, the study also shows that healthy employees are more satisfied with their jobs and that they have fewer perceived health problems and less anxiety than the physically inactive workers (Dailey & Parfitt, 1996: 130-131).

A favorable effect of the flexible work schedules is that employees are enabled to find a balance between the working hours and the time at home (Martens et al., 1999). A study by Hayman (2009) reveals that the investments in a flexible working schedule appear to benefit the employees in the integration of work, family, and personal life which helps coping with the workload at work. The study results of McNall et al. (2010) associate the flexible work arrangements also with job satisfaction and turnover intentions. A decisive aspect of the health and wellbeing effect of flexibility is the controllability – in order to benefit from flexibility, an employee must be able to control his/her own flexibility and not be forced to be available on call or do temporary jobs (Martens et al., 1999).

The employee's activities on his/her personal life affect the employee's ability to work at a physical level. Lifestyle (including e.g. physical exercises, diet, smoking and drinking habits, amount of rest and sleep) can have a significant influence on an employee's work contribution. An unhealthy lifestyle can lead to health problems and will likely affect the individual's performance at the workplace (Caicedo et al., 2010). Health problems can increase the number of sick leaves and shorten the work career or affect an employee's working habits negatively. According to Sparks et al. (2001), the survey results of Japanese researchers Maruyama, Kohno & Morimoto (1995) reveal that the employees who spend

long days at work are more likely to have an unhealthy lifestyle as well. Therefore, it is necessary to emphasize to employees the importance of physical health and life balance.

2.1.2 Social level

Social wellbeing refers to the feelings of belongingness, acceptance and commitment. Keyes (1998) has separated five dimensions of social wellbeing; social integration – relationship with community, social contribution - one's social value, social coherence - perception of the quality, organization, and operation of the social world, social actualization - the evaluation of the society, and social acceptance of others. These dimensions can be evaluated in general or in a certain context.

For many working-age people work offers an important stage to comply with the needs of these social dimensions. Work enables but also requires social interaction in work community with colleagues, managers and customers. Organizational climate is one of the key components when thinking of the social wellbeing of employees. Comfortableness of these interactions lays a foundation for social wellbeing at work. Individuals, teams and even the whole organization are more effective when the work atmosphere is comfortable, supportive and communicative.

People have diversified socioemotional needs (Keyes, 1998) and therefore people feel themselves socially wellbeing in different kinds of situations and environments. Because of these differences, the social wellbeing can also be disturbed in an intended or an unintended way. Social situations can be a source for one's social wellbeing, but also harm it. Some people can feel themselves uneasy in situations which are meant to increase social wellbeing, such as team workshops or meetings. Alternatively, social wellbeing can be harmed because of emotional abuse and harassment at workplace (Macik-Frey et al., 2007).

Respectively to physical health, the role of supervisors is also crucial when thinking about the social wellbeing of employees. It is a supervisor's job to ensure that people at work can

get to know one another, and managers need to create opportunities for the employees to have social connections at their workplace (Hart, 2002). Social wellbeing is all about relationships and interaction with others, and therefore the practices enhancing social wellbeing focus on improving relationships at the workplace (Grant et al., 2004).

Also a physical environment can have an effect on the social side of employee wellbeing. For instance, working in an open office raises contrary opinions. When working in an open office enhances a group level social capital by increasing the possibility of interaction and communication among employees and a greater level of social capital help organization to achieve desirable outcomes (Zagenczyk et al., 2007). In contrast, an open office may also reduce the employees' privacy and job satisfaction (De Croon et al., 2005).

Different team building activities such as collective problem solving, brainstorming and goal setting can be used for improving relationships between the employees. Also informal social activities that enable an employee to have fun at work are likely to reduce the feelings of anxiety, alleviate some boredom, and reduce their perceived level of stress (Newstrom, 2002). At the same time, they would attain higher levels of organizational commitment and more positive feelings of work community.

2.1.3 Psychological level

When analyzing the psychological wellbeing, one needs to distinguish the positive and the negative effects of certain events and experiences. The balance between these two describes the level of psychological wellbeing or happiness of an individual (Bradburn, 1969). At work life, the psychological side of the wellbeing can be seen as job security (Marjala, 2009) or as a broader understanding about job satisfaction (Grant et al., 2007).

Job security means a continuation of employment (Marjala, 2009: 193). Instead, job insecurity refers to a threat of involuntary job loss (Sverke et al., 2002: 259) and perceived powerlessness to resist the threat (Greenhalgh & Rosenblatt, 1984: 442). Job insecurity can

exist in the organizational change situations (Scheurs et al., 2010) or in the situations when employee is working with a fixed term work contract (Virtanen et al., 2001). Job security affects on the job motivation and the organizational attitudes of an employee as well as employee's health and work-related behavior (Sverke et al., 2002).

Job security is an important correlate with the health and wellbeing of an employee (Sparks et al., 2001) but there are different research results about how job insecurity influences on the employee's psychological wellbeing. Some studies reveal that the nature of work impacts negatively on employee's organizational commitment and health (Sverke et al., 2002; Garg & Rastogi, 2009; Schreurs et al., 2010) when the other studies show that the following consequences depend on the type of job insecurity (Virtanen et al., 2002; Heponiemi et al., 2011).

Hence, it is important to distinguish contractual and perceived job insecurity (Virtanen et al., 2002: 572). A study of Virtanen et al. (2002) reveals that the health consequences of job insecurity depend on the type of insecurity. The contractual insecurity (fixed term) employees are associated with fewer problems concerning the self rated health and having more chronic diseases than secured (permanent) employees. At the same time low perceived job insecurity is associated with a high level of psychological distress (Virtanen et al., 2001: 572).

In a broader scope, the psychological side of wellbeing consists of employee's job satisfaction. The experiences of job satisfaction are subjective and can be described with two terms: *hedonic* wellbeing; the balance of thoughts and feelings, and *eudemonic* wellbeing; fulfillment and realization of human potential. (Grant et al., 2007) A study by Garg & Rastogi (2009) reveals that employees with higher levels of psychological wellbeing experience a higher satisfaction with the same set of conditions than the other employees. These employees are also more committed to the organization and experience an increased self-efficiency, a sense of choice and empowerment.

Management and supervisor work have a significant effect on the psychological side of employee wellbeing. Organizational justice is an important factor for employee wellbeing because employees' justice perceptions are related to their psychological health (Tepper, 2002). If employees experience an unequal treatment at workplace, it makes them feel that the management does not appreciate them. If the basic principles of the organizational justice are not followed at the workplace, it is likely that the psychological side of employee wellbeing will decrease because of increased uncertainty and unpredictability (Elovainio et al., 2006).

In addition, defective work management and managerial pressure can affect on the stress levels of an employee and cause fatigue, for instance, a repetitive negative feedback from the supervisor may cause job anxiety (Sparr & Sonnetag, 2008: 247). Employee wellbeing would increase if the management instead enables employees to work smarter through greater empowerment without making a pressure to work harder (Scholarious & Marks, 2004: 52).

At the same time, a positive recognition of an employee is needed: a study by Kepner-Tregoe reveals that 96 per cent of the employees get satisfaction when their good work input is recognized, but, in contrast, only 40 per cent of the employees receive any for a job well done (Kouzes & Posner, 2003: 4). Recognition increases the wellbeing of an employee directly because the employee is pleased with the recognition and notices that his or her effort will be recognized and commented. (Grant et al., 2007: 55).

2.2 Construction of employee wellbeing

Employee's wellbeing at work consists of the balance between the employee's resources and the demands of work (Ilmarinen, 2006: 79, uses term *work ability*). Maintaining the balance between these two elements is crucial for employee wellbeing at work and continuous coordination between them is needed in order to find a proper balance. The work ability can be visualized with a construct of different layers describing the employee resources. On the top of the construct there is a layer of actual work that represents the context of the work.

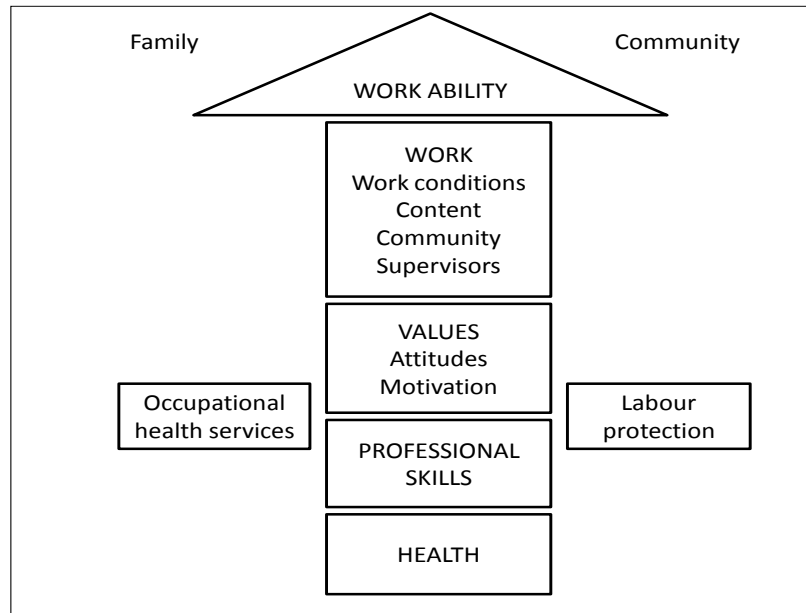


Figure 1. The construction of work ability. (Ilmarinen, 2006: 80, translated)

In my study, I focus on this last layer and concentrate on examining wellbeing on the context of the actual work. In this subchapter I shortly represent the construct of the model but then go into more details with different dimensions of the work layer.

At first, it is important to notice that work life is never separated from the surrounding society (Ilmarinen, 2006: 81) and outside the construct there are societal factors that also have an effect on employee's work ability. Family and community refer to a connection that work ability has with employee's personal life. Occupational health and labor protection describe the requirements that the state sets for working life.

At the bottom of the construct is the health as a physical, mental and social capacity of an employee (Ilmarinen, 2006: 79). The whole construct is based on this layer so the changes in healthiness are reflected on the other layers as well. The second layer is about professional skills and competences of an employee. The competences are crucial for succeeding in a daily job and they need to be updated constantly. The third layer of the personal capacity describes the values: attitude and motivation. This layer is open to external influence and, for example, changes in the society and legislation may reflect on the fourth floor.

The fourth layer describes the actual work and the factors that are related to it: content of work, work community, superior work. These factors define the working arrangements which have a significant effect on employee wellbeing. This layer is the biggest and the heaviest layer in the construct and it figuratively presses down the lower layers (Ilmarinen, 2006: 80).

2.2.1 Work content

Work content, meaning the actual work, refers to the elements that are connected with the work tasks of an employee. These can be, for instance, the work content and demands, the work arrangement and processes, or the purpose and goals of working. The content of work influences employee wellbeing, especially in case of expert employees, whose important motivators are the content and the demands of the work. Expert employees often work long hours and collect a lot of control over their work for themselves (Sipilä, 1996). Increased control over one's own work is likely to increase employee wellbeing but in some cases it can also lead to stressful situations and exhaustion due to too heavy job demands. (Sparks, 2001)

Macky & Boxall (2008) have studied the impact of certain work practices on employee wellbeing. The results show the connections between the work practices and employee wellbeing. For instance, an increased power to act autonomously is associated with increased wellbeing via reduced levels of stress and fatigue. A higher perceived overload was instead associated with a lower job satisfaction and a higher fatigue, stress and work life imbalance.

When working, an employee needs motivation to perform his/her daily work – But should work be the source or the result of motivation? Motivation is usually connected with working with tasks that a person inherently enjoys (Harter, 2002). Thus, the meaningfulness of the job and one's own interests towards the work tasks seem to be important. However, according to Flynn (2011) many employees expect that the management will motivate them

to work by using extrinsic motivators, like money. These kind of extrinsic or externally driven motivators do not motivate an employee in a longer period of time.

It is examined that the management cannot efficiently motivate employees but the employee should find the motivation from the meaningfulness of the work (Flynn, 2011). In the other words, the actual work tasks can also be the source of motivation, and working with meaningful and interesting tasks can also increase employee wellbeing. When examining motivation from this perspective, it is also the employee's own responsibility to take care of his own career and seek for work tasks that he/she finds interesting.

2.2.2 Work community

With the term 'work community' it is possible to refer to the social interaction between the employee and a supervisor or the colleagues. Social relations at work place affect on the atmosphere at workplace and if the work requires collaboration they may also affect on the performance of the employees.

Today team work has become a typical way of working, and nearly two thirds of the Fortune 500 organizations utilize some kinds of teams in their organizations (Sivasubramaniam et al., 2002). Team work is especially necessary in a software development process in which the social interaction among team members may predict the team's performance better than the traditional production measurement methods. (Sawyer & Guinan, 1998: 560) Formal team building practices usually include collective problem solving, brainstorming, and goal-setting activities (Grant et al., 2007) that improve relationships between the employees.

Even though a collaborative climate and an ability to work in teams are major factors influencing effectiveness (Sveiby & Simons, 2002) some of the employees may be individualists and even refrain from collaboration. When an employee prefers working independently, working with a team can harm his psychological wellbeing. (Grant et al., 2007) In this kind of situations the composition of the team and the manager's support for team

working becomes crucial so that the individualistic employees would feel themselves comfortable when working in collaboration with other people.

Informal activities like common coffee breaks, hobbies or company celebrations, can be productive for employee wellbeing from an employee's perspective. Informal social activities enable an employee to have fun at work and enhance the social intercourse among employees. The traditional view "work at the job; play at your home" (Newstrom, 2002), carried by employers is outdated. For instance, company parties and celebrations have a significant role in reinvigorating and reinspiring the work force as well as motivating employees (Deal & Key, 1998).

In a broader scope the organizational culture influences on a work community and the relationships between the employees because the roles, norms and values also affect the nature of human relationships inside the organization (Schein, 1990: 114). Organizational culture may either consciously or unconsciously define, for instance, the authority system, power distribution and the way of organizing the society. On that account, organizational culture creates the basis for social interaction in the work community.

The organizational culture affects several other practical matters such as communication, behavioral rules, relationships with customers and competitors and the organization's relationship with its environment (Schein, 1990: 114). These matters influence significantly on the operations of work community. The cultural construct is constantly changing because of the different stresses and strains which lead to new learning and adapting. Therefore, the organizational culture is influencing employee wellbeing especially in the change situations where the basic underlying assumptions of the organization and employee need to be revised (Schein, 1990: 116).

2.2.3 Supervisor work

Management and leadership are one of the widest studied areas in psychology and management and they have been linked with the following outcomes such as performance, satisfaction and commitment (Macik-Frey et al., 2007: 824). A supervisor can affect all dimensions of employee wellbeing by his actions and behavior. Thus, managers have to be aware of what kind of consequences their actions cause for employee wellbeing. In addition to achieving the intended objectives, different managerial practices may also lead to unintended tradeoffs of employee wellbeing when the actions have unconsidered consequences as well (Grant et al., 2007: 53 & 57).

Managers' support and trust on employees are essential when creating a relationship between an employee and an employer, which will furthermore promote employee wellbeing. Leader behavior and subordinate wellbeing are linked via complex reciprocal process (Macik-Frey, 2007: 825). A manager has a significant input in the organization, and the manager's actions and attitudes are reflected on their subordinates as well. Managers need to pay attention to their behavior and attitudes. Negligent actions may cause stress or in other ways diminish the subordinates' wellbeing (Sparks et al., 2001) but, as contrast, the high quality of leadership is positively associated with the staff attitudes to work and their wellbeing at work (Alimo-Metcalfe et al., 2008).

The role of a supervisor may be hard to perceive in an expert organization such as the R&D department. Due to the complex organization structure the employees may have several different supervisors and/or managers and they may also have different roles as a supervisor. (Sipilä, 1991: 121-122) Different team leading practices have a substantial role in the expert organization and especially when considering software teams development and performance (Sudhakar, 2010). For this reason the roles of different leaders and their responsibilities must be clarified in order to avoid conflicting information and actions.

Managerial support, such as effective communication or feedback, also seems to be an important factor in employee wellbeing (Sparks, 2001). Employee needs feedback from

colleagues to improve his/her work performance but Sparr & Sonnentag (2008) emphasize that feedback from a supervisor is even more important because “*without adequate feedback, the employees will be unsure about the quality of their relationship with the supervisor*”. By giving feedback, a supervisor controls and instructs the employee but also creates a higher quality relationship with him or her. This higher quality relationship will instead turn into higher employee well-being.

5.1.1 Conclusion

The chapter provides a starting point for my research by summarizing the previous research and presenting the most central terminology of the concept of employee wellbeing. Employee wellbeing is usually examined through three different dimensions; physical, social and psychological. When evaluating the employee’s wellbeing at work all of these dimensions should be in good condition.

There are many models with different stages describing how employee wellbeing is constructed and in this chapter I presented one of these models (Ilmarinen, 2006). However, in my thesis I focus on the impact of the actual work of employee’s on employee wellbeing. In this stage, the work community, the work content and the supervisor work are the most important factors impacting on the wellbeing of employee’s. The applied working practice influences on all of the three factors above and, therefore, in the working practice of the research object. Scrum Method, is covered in the next chapter.

3. SCRUM METHOD AS A WORKING PRACTICE

In addition to clarifying the expert employees' understanding of employee wellbeing, my research interest is to study how a certain way of working influences on an employee's working and this way on employee wellbeing. Therefore, it is necessary to have a look at Scrum Method, the way of working of my research object. In this chapter, I shortly present the background of Scrum, Scrum framework and the main implications of applying it in the organization.

The main idea behind the designing of the work processes and the ways of working is to make the production more effective. However, it has been proved that there is also a link between the work design and the outcomes and the wellbeing of employees (Parker, 2003). The implementation of a certain work practice influences on all dimensions of the work layer in the work ability model represented in Subchapter 2.2.

3.1 Background: Lean & Agile

Scrum Method is based on the broader organizational theories; *Lean and Agile*, which create a background for Scrum Method. Term *Lean* refers to a method of enhancing the key-processes of the company in order to provide a perfect value to the customer through a perfect value creation process. The three main principles of Lean are; *high quality products*, *cost-efficient production* and *responsiveness to variations in customer demands* (Abrahamsson & Oza, 2010: 60). As an organizational theory Lean is applied in several fields of production. *Lean Development* instead expands Lean principles to software development by applying the well-known and accepted lean principles to software development (Poppendieck, 2003: 12).

The boom of using new *Agile practices* in software development started in 2001 when 17 modern software developers decided to create a common base for new kind of software development methods. These people signed the Agile Manifesto, a statement with four

principles of future software development. Principles aim to uncover a better way of developing software. The Agile manifesto states:⁵

“Through this work we have come to value:
Individuals and interactions over processes and tools
Working software over comprehensive documentation
Customer collaboration over contract negotiation
Responding to change over following a plan

*That is, while there is value in the items on
the right, we value the items on the left more”*

The main purpose of Agile is to create a new way of working with software development and replace the old methods which are based on the traditional project management. Agile does not create software but it enables an effective practice for developing it by enhancing the visibility of a software development process. Jeff Sutherland, he founder of Scrum has stated: *“Agile development will not solve any of your problems – it will just make them so painfully visible that ignoring them is harder”* (Schwaber, 2002).

Project management methods, as *Waterfall* (Royce, 1970) and *State Gate* (Cooper, 1988); emphasize planning and managing the software in large-scale development projects during a long period of time (Dingsøyr et al., 2010). In traditional project management the focus was in creating a long-term development plan with a certain budget and schedule. The actual working happens in the agreed frames and on that account it is difficult to answer the customer’s needs. Therefore, the project management methods are claimed to be too heavy and cumbersome to work properly in changing environment. Also the idea of working is different in project management. A project is controlled by a project manager. The project manager assigns the tasks to employees who mostly conduct them individually.

⁵ www.agilemanifesto.org

Currently there are ten existing Agile practices and the number is increasing. Common Agile practices are, for instance Adaptive Software Development (ASD), Crystal, Extreme Programming (XP), Feature Driven Development (FDD) and Scrum. (Hu et al., 2009) A common feature with these practices is that they are all reaching for the transparency and visibility of a software development process. Agile practices differ from the traditional project management in several ways. The most prominent are presented in the comparative chart below:

Categories	Traditional	Agile
Development Model	Traditional	Iterative
Focus	Process	People
Management	Controlling	Facilitating
Customer involvement	Requirements gathering and delivery phases	On-site and constantly involved
Developers	Work individually within teams	Collaborative or in pairs
Technology	Any	Mostly Object Oriented
Product Features	All included	Most important first
Testing	End of development cycle	Iterative and/or Drives code
Documentation	Thorough	Only when needed

Figure 2. Comparison of differences between traditional and Agile methods. (Hoda et al., 2008: 219)

3.2 Scrum framework

Scrum is an Agile development methodology developed by Jeff Sutherland and formalized by Ken Schwaber (Hu et al., 2008: 220). It is developed in order to manage a software development process in a volatile environment and provides early visibility for the created software. Via clear and simplified procedural rules, Scrum Method enables a consistent monitoring of work and a fast identification of deficiencies or impediments. (Dingsøyr et al., 2010: 35) Scrum makes the development process visible to the management and enables the continuous improvement of the process and software.

When applying Scrum method into practice the Scrum users must engage with several procedural rules. The rules define the different parts of Scrum, such as Ceremonies, Artifacts and Roles involved Scrum Method (listed below). Each component within the framework serves a specific purpose and is essential to Scrum success and the usage of Scrum (Schwaber & Sutherland, 2011: 5). One important difference when compared to the project management is the time-box iteration, which splits the work into short periods called Sprints.

Parts of Scrum framework:

- Team
- Product Owner
- Scrum Master
- Sprint planning
- Daily Scrum
- Sprint review
- Sprint retrospective
- Product backlog
- Iteration backlog
- Burn-down charts
- Definition of done

Scrum Method uses Sprints as a schedule of working. A sprint is usually 2 to 4 weeks of development time where a set of selected items are worked on. A sprint consists of Sprint Planning Meeting, Daily Scrums of Scrum Teams, development work, Sprint Review, and Sprint Retrospective. (Schwaber & Sutherland, 2011: 8).

A sprint starts with Sprint Planning where Product Owner (a representative of a client or an orderer who is responsible for managing the whole software) presents to Scrum Teams a work sheet of the next Sprint with the actions that need to be done. The purpose of Sprint Planning is to agree what tasks the Scrum Teams will do during Sprint and what are the priorities. After Sprint Planning, the Scrum Team is committed to these decisions to work with defined project tasks during the following Sprint. After each Sprint, the Scrum Teams need to report their progress and results to the Product Owner who evaluates the teams' performance.

During a Sprint, each Scrum Team has a 15-minute long Daily Scrum to assess the progress toward the Sprint goal and to evaluate how the progress is trending toward completing the work in the Sprint Backlog (Schwaber & Sutherland, 2011: 10). At Daily Scrum meeting, Team members share their work status and updates. After the Sprint the Scrum Team has a Sprint Review, in which the Scrum Team and the other stakeholders inspect the proceeding of the past Sprint. A Sprint ends with a Sprint Retrospective which is an opportunity to the Scrum Team to create a plan for improvements to be enacted during the next Sprint (Schwaber & Sutherland, 2011: 10).

A Scrum Team usually has 6-9 members (Kniberg, 2007). Scrum Teams are cross-functional and they should utilize all of the skills of the team to attain the goal of the Sprint. In the ideal situation all Scrum Team members are able to do all kinds of tasks and team is able to combine its competences (Cockburn & Highsmith, 2001). In addition, each Scrum Team has their own Scrum Master who ensures that the team adheres to Scrum theory, practices, and rules. (Schwaber & Sutherland, 2011: 5-6) The Scrum Master is more like a coach for the Scrum Team who provides technical support to the members but is not advising what to do.

When applying Scrum Method, the importance of collaboration is emphasized. Cockburn and Highsmith (2001) highlight that it is crucial that the team is actively working together to realize the reached outcomes. Dingsøy et al. (2010) have described the three C-model as a key for the Scrum application. According to their book, *collaboration* - working together, *co-ordination* – managing dependencies and *communication* – information change are the tools of an Agile team for co-operation are the key factors for successful software development.

3.3 Scrum Values

The exclusive purpose of Scrum is not to make the production efficient, but also give responsibilities to Scrum Team members. There are five Scrum values that play a significant role in the practical implementation of Scrum. The values; commitment, focus, openness, respect and courage, form a basis for the actions and decision-making in Scrum and everyone involved should follow them (Schwaber, 2002: 148). Internalizing Scrum values is the key for understanding the idea of Scrum and implementing it successfully.

Commitment and focus describe the attitude towards working according to Scrum rules. *Commitment* refers to right attitude towards working and willingness to commit to common goals. It includes also responsibility of one's own results. *Focus* is about concentrating all effort and skills on doing the work in which an individual or a team is committed and improving all the time one's own performance.

The interaction and relationships between people are defined via values of openness and respect. *Openness* means that everything is visible for everyone, and includes for instance, transparent decision-making, truthful communication and accurate information delivery. At the same time one needs to show *respect* and regard for others and listen to their points of view. In the end, working according to Scrum requires *courage* and daring to commit, act, be open and respect and also face negative outcomes or failures. (Schwaber, 2002: 148-154)

3.4 Implementation of Scrum Method

In my thesis, I am observing the implementation of Scrum Method with the following characteristics which describe the work layer in the work ability model presented in Subchapter 2.2: 1) *autonomous work in self-managed teams* 2) the *work management and agility* of organization 3) *competence* improvement. These characteristics are consequences of implementing Scrum framework and principles in the organization and they reflect Scrum values presented in the previous subchapter. They have an influence on the working practices at a work place.

Work community: *Autonomous work in self-managed teams*

Employees need to follow values of *commitment* and *focus* to be able to work independently, but also to be open and respectful in order to manage collaboration with other people. Working in a self-managed team requires responsibility and the team is in charge of their results. Self-management and free participation are presumed to enhance group effectiveness by increasing the members' sense of responsibility and ownership of the work (Campion et al., 1993). One of the Scrum Method's objectives is to make the employees more active due self-organizing and self-managing and, in the end, to make the entire development process easy and fun (Hu et al., 2009). This kind of increased control over one's own work predicts also an increase of the wellbeing (Sparks, 2001).

Scrum Teams have a significantly great deal of autonomy to organize the working inside a Sprint. A Scrum Team can, for instance, decide when and where they will keep their Daily Scrum but also how they organize their working area or follow tasks or control the burn down of workload. Of course there are some recommendations about how these matters should be organized; the Scrum Team members should be located next to each others and have a task board and a burn down chart. (Kniberg, 2007)

Scrum emphasizes collaboration because it is needed for planning, reconciling and executing work tasks such as backlog work and fault corrections among the Scrum Team. To make the collaboration possible, the team members need to have good social skills and they need to be willing to work together. Employees need to understand the Scrum

procedure as well as respect the method so that the Scrum Team is able to get the best out of it.

The confrontation between working individually and in collaboration within a team is one typical concern in R&D organizations. On one hand, the effectiveness requires independence from each employee because regulations too detailed with norms and directions can cause inefficiency. (Konttinen, 1997: 51). On the other hand, trustful and collaborative climate is also needed for effective knowledge work and information sharing (Sveiby & Simons, 2002).

Supervisor work: *Work management and agility of organization*

The values of *openness* and *respect* refer to social interaction between the employees in a Scrum Team and the organization, because Scrum Method does not only affect team-working, but the organization as a whole. There are a number of hypotheses about the influence of organizational culture on the deployment of Agile practices (Dingsøyr et al., 2010). In the Scrum organization the aspired environment emphasizes mutual trust and confidence as well as cooperation and collaboration (Schwaber, 2002).

The managerial style has to change when transferring from the traditional project management to the implementation of Scrum Method. In Scrum, managers are enablers, decision makers, and facilitators who protect the team from unwanted outside pressures (Collier, 2011). The minor role of management describes the respect and trust that is given to employees, and it can be said that Agile managers are macromanagers rather than micromanagers (Cockburn & Highsmith, 2001: 133). According to Scrum Method, the purpose of management is rather facilitating than controlling employees (Hu et al., 2009). The management has to have trust on the employees when applying Scrum Method and at the same time the employees need to be capable of controlling their own working.

Decision-making in the Scrum organization also needs to follow *courage* as a value. The environment is volatile, priorities are changeable (Schwaber & Sutherland, 2011) and uncertainty is always accompanied (Cockburn & Highsmith, 2001). An organization applying Scrum Method is aiming to be agile “*readiness for motion, nimbleness, activity,*

dexterity in motion"⁶ and ready to respond upcoming challenges. Ideally, Agile practices and management support this organizational agility (Dingsøy et al., 2010: 203).

Many times the managerial roles and responsibilities are difficult to separate after the transition to Scrum Method. In Scrum framework, there is one "supervisor" position mentioned. *Product Owner* is responsible for the product Backlog. The Product Owner takes care of the quality and visibility of it as well as prioritization of the Scrum Teams. Instead, the *Scrum Master*, another role mentioned in Scrum rules, is not a supervisor. The Scrum Master is a coach who is responsible for advising the Scrum Team to ensure that Scrum values, practices and rules are enforced and secures them from non-invasive pressure and prioritization.

Work content: *Competence improvement*

Requirement of continuous competence improvement affect on actual working when applying Scrum Method. Improvement practices as learning by doing, trainings, support and feedback giving highlight the values of focus, openness and courage. Scrum emphasizes continuous improvement of an employee's skills, working processes and, of course, software. Employees need to have focus and courage to take ownership and acquire new competence to accomplish their assignment. If the people in the project are good enough, they can use almost any process and carry out their assignment (Cockburn & Highsmith, 2001).

A Scrum organization needs to provide support as well as opportunities to its employees to develop their individual competences and collaboration skills (Cockburn & Highsmith, 2001: 131-132). The collaborative methods such as working jointly or in pairs, learning by doing and mentoring, emphasize the value of openness in the organization. Helping other people enables learning by doing which is an effective way of learning (DuFour, 2010). Agile processes differentiate from other software development by providing useful frameworks working together and improving competence (Cockburn & Highsmith, 2001: 131-132).

⁶ <http://dictionary.oed.com>

Working in collaboration with a good communication and fluent interaction may effect on the outcome of the Scrum Team even more than the technical competences of the individuals in the team (Sawyer & Guinan, 1998; Cockburn & Highsmith, 2001). Hence, Scrum Method framework suggests also team-level activities to enhance both, the technical competences as well as the social skills of Scrum Team. For instance, in Daily Scrums employees have to communicate openly and provide accurate information to others.

5.1.2 Conclusion

When Agile methods including Scrum Method stepped on the stage to replace the traditional working methods, the fundamental idea was to enhance effectiveness, creativeness and invisibility of work. The effects on employee wellbeing were not examined in the beginning, but later it has been noticed that Agile method impacts on the employee's actual working significantly. Due to changing working practices, expectations and work climate, several dimensions of Agile methods have connections to employee wellbeing as well.

When implementing Scrum Method in the organization, there are certain practices, values and routines that need also be followed. Many of them impact on the ways of working and, therefore, have an impact on the construct of employee wellbeing as well. I found the autonomous work in self-managed team, the work management and agility of organization, and the competence improvement as the most significant dimensions. In the empirical part of my research, I return to these dimensions and examine their impact on the employee wellbeing of expert employees.

4. METHODOLOGY

4.1. Research object

Because of the confidentiality regulations of Company where the study is conducted, I introduce the research object only in a general level and not going into any details. The character of the study does not even require a more specific representation about the facts of Company. The wellbeing policy of Company is presented in the empirical part of the study.

The study is conducted in one of the leading communications service providers in the world. The specific characteristics of Company are that it is a multinational organization, the organization structure of Company is multi-layered and –dimensional matrix organization which consists of several internal expert organizations. The specific research object of this study is one of the R&D departments, situated in Finland. This R&D unit specializes in software development. In the R&D unit there are over 100 employees, the majority of whom are software and testing engineers and designers. The organization is managed and supervised by the head of the R&D unit and 6 Line Managers

Company is operating in a harsh business environment: the economical uncertainty, the maturing markets and fierce competition are prosaic in this field of business. The challenging financial situation of Company has increased tensions inside the R&D unit even though there has been no reduction of employees. Many of them feel that their employment is not secured when Company has been transferring the jobs from Finland to other countries. The challenging business environment also has an effect on the different operations of the company. Especially the R&D departments of Company are under continuous change and pressure: organization, practices and software products change all the time.

At the moment, Company focuses mainly on the actions in order to improve the quality and effectiveness of work and work processes. In this kind of environment the softer values, including wellbeing, are easily put on the back burner. During the past couple of years the R&D unit has tried to take employee wellbeing into account even though

Company has not paid that much attention to wellbeing activities. There have been actions, for instance, concerning communication, collaboration, workload balance, an introduction of an expert career path, wellbeing charting for individuals and teams and rewarding guidelines. Unfortunately, most of the actions were not concluded or have not reached the intended results.

4.2. Methodological choices & research process

The basic methodological choices of my study are 1) to conduct the study with qualitative method and 2) to describe the understanding of employee wellbeing in a certain research object with a case study. The aim of my study is to describe the understanding about employee wellbeing and to give a sensible interpretation for that phenomenon. (Tuomi & Sarajärvi, 2009: 85). The qualitative research does not have generalizability but in the qualitative research the objective of a study is rather to reflect a piece of reality as well as possible. Hence, as a case study I perceived it to be a proper methodological framework (O’Leary, 2004: 115). My study is not going to tell the whole truth about employee wellbeing in expert organizations but it increases an understanding of employee wellbeing at the chosen context, the R&D unit of Company.

4.2.1. Collecting the data

The empirical part of my research process started in September 2011 with collecting the data. I decided to use different materials to increase the credibility of the study (Koskinen et al., 2005: 158) and to get a versatile description of employee wellbeing in the certain expert organization. I collected two kinds of data for this research project: 1) company documents and 2) interview material, and analyzed them in slightly different ways.

As the **company materials** I used intranet pages and PowerPoint presentations concerning employee wellbeing made by the Human Resource Department. The documentation concerns the wellbeing policy, actions and studies made in the organization concerning wellbeing issues. I tried to gather different kind of information to get a picture how employee wellbeing is defined in Company. At the company-level, I

found a companywide wellbeing program and directions concerning wellbeing issues. In addition, I used the results of the previous survey studies from the years 2010 and 2011 concerning wellbeing and job satisfaction as preliminary material. The main purpose was to get tentative information about the current employee wellbeing policy. Therefore, the results of the Survey are not analyzed in detailed or statistical way but rather to give ideas and highlight different themes for the actual study.

Another method for collecting data was **interviewing employees** of the R&D unit. The interviews were conducted during October 2011 in the premises of Company. Each employee was interviewed separately. One interview lasted approximately from one and a half to two hours. The interviews were conducted with a semi-structured interview method. In the semi-structured interview, the themes of the interview have been considered beforehand but the order and form of the questions may differ in each interview (Hirsijärvi & Hurme, 2001: 48). On the basis of the literary review and the company's previous survey results, I had compiled a list of themes and example questions for the interviews which I was loosely following.

A theme interview is a suitable method when the topics are sensitive or personal or when an interviewer wants to investigate subconscious things like appraisals, ideals or motivations. (Metsämuuronen, 2008: 41) The subjectivity of employee wellbeing makes it a sensitive topic and employees were not sure about its meaning so a theme interview was a suitable method for my study.

At the beginning of the research process I interviewed five supervisors (Line Manager, 4 men and 1 woman). In the interviews I charted the background, previous actions and supervisors' feelings about employee wellbeing in the organization. These interviews with supervisors double as preliminary interviews where I tested the interview questions which I was going to ask from the employees. I also had a meeting with the head of the R&D unit department to get a bigger picture of the organization. During the research process I also talked many times with a person representing the Human Resources Department.

For the actual research I interviewed twelve employees (11 men and 1 woman) who were working in three different Scrum Teams in the R&D unit. Nine of the employees were selected for the interview by random selection among the employees working in these teams. This kind of selection method was chosen because it provides a neutral result which is not influenced by the personal opinions, expectations or social relations of the selector. Other three interviewees were selected afterwards to make sure that the sample is really diverse and representative.

Nearly one fourth of the employees of the R&D unit come from abroad and therefore it was also necessary to have foreign employees among the interviewed people. In the final sampling, the distribution between Finnish and foreign employees equate with the situation at the R&D unit. A majority of the employees are men but there are also a few women working at the R&D Unit. Therefore, I decided to invite one woman to the interview so that the sex ratio would equate the situation at the R&D unit. All the interviewees work in software development but in different positions. Most (9) of the interviewees were working as software engineers or senior software engineers, three of them were working as Scrum Masters or other kinds of project leaders.

I told the interviewees not to prepare for the interviews. I told them that they do not need to know anything about employee wellbeing or Company's policies because I want to hear the employee's own experiences instead. In my opinion, this was the best way to get genuine and distinct information from employees. In the most of the interviews, the spirit was quite cozy and relaxed from the beginning. I tried to make the interview situation confidential and comfortable for every interviewee by telling the background of the study and the purpose of the interview before each interview. The reason may be that most of the interviewees had gotten used to my presence during the couple of months when I had worked in the organization so it was easier for them to open up and tell their experiences to me.

In the interviews I formulated my questions into a positive format and concentrated on positive findings. The idea follows *loosely* the Appreciate Inquiry-approach in which the main idea is shifting an angle of view from problem analysis to positive core analysis. People are encouraged to see things with an appreciative eye (Cooperrider & Whitney,

2005: 61) and to see also the strengths and possibilities instead of weaknesses and failures. Negative issues are not hidden in my study but the concentration on the interviews was in the positive findings. However, many employees had difficulties in internalizing this new kind of perspective.

The topic of the interviews was sensitive and the discussions were not only covering work related issues but also personal life. Taking into account the size of the department, the interviews have been handled with confidentiality and the anonymity of each employee was protected. I believe that protecting their anonymity encouraged employees to tell me about their experiences and feelings more free and without stress that their identity would be revealed to anyone. For the same reason not all of the interviews were recorded because some of the interviewees did not feel comfortable about it. I respected their opinion and thought that by using this kind of more relaxed approach the employees would feel themselves more comfortable and probably also open up more easily about sensitive matters. Almost all (10/12) of the interviewees let me record the interviews and in the rest of them I made more comprehensive notes.

4.2.2. Data analysis

In my study I analyzed the empirical data with a content analysis method. There is not a correct way to apply content analysis method, and each researcher has to decide which method suits for his or her study the best (Weber, 1985: 13). The aim of my analysis was to create a compact and informative textual description of the employee wellbeing phenomenon. The first task of content analysis is to decide the analysis unit, which the researcher decides to find from empirical material. In my work, each analysis unit is a *topic or a theme concerning of employee wellbeing*.

I started the analysis by transcribing the interviews. Because of the high amount of interviews, I did the transcribing at basic level but transcribed the sections concerning wellbeing in a detailed way marking down also the pauses and stresses of the voice. At the basic level transcribing I did not pay attention to pauses or tones of the voice and also cut out non-verbal expressions as sighs and coughs. In the end, I had 78 pages of transcribed

text with a font size 12 and a line spacing 1, 15. Even though transcribing this many interviews felt exhausting, it was worth it. The interview material appeared much clearer when it was in written format and I was ready to start a more specific analysis by reading through the materials a few times. While reading I was trying to find the main themes from the empirical data.

There are various approaches of content analysis, such as thematic, referential or narrative content analysis (Lewis-Beck, 2004), which suit for different research purposes and materials. My way of doing a content analysis method was to process the data carefully with a certain coding scheme and then analyzing it in a qualitative way. (Tuomi & Sarajärvi, 2009: 91-93) My approach reminds a thematic analysis which is the most common approach of content analysis, because I tried to find certain themes and topics from the research material and then classify them into bigger aggregates.

There is no universal coding scheme but each researcher creates a unique coding scheme for his or her study. In content analysis, the coding scheme is based on categories designed to capture the dominant themes in a text. (Lewis-Beck, 2004) I codified my materials with different wellbeing related codes accordingly how often certain employee wellbeing related topics appear in the empirical material. I ended up with nearly 20 codes such as tools, sports, colleagues, planning, and workload, when I noticed that most of the codes were work related.

After this basic coding, I separated the codes into two classes: understanding and influencing factors. However, some codes were included in both classes because in my opinion, they were on the one hand related with understanding of employee wellbeing but on the other hand also influencing on it. In the next stage, I continued with two materials. I divided codes concerning understanding of employee wellbeing into three and finally four themes, which describe the distribution of the answers. It is necessary to notice that these themes are slightly overlapping and not exclusive – most of the employees discussed many of them during the interview.

I processed the prints of Company intranet pages and the interview materials separately. I used comparative mapping and analysis to compare the finding with Company's material.

In this method, each data source is encoded, mapped and analyzed separately, and then the results are compared. By analyzing the research material with this approach the differences and confrontations between different sources come up (Clark, 2005). For this reason I find it a useful method for my study to reveal differences between the official wellbeing policy of Company and the reality seen by the employees.

I noticed that most of the codes concerning the influencing factors of employee wellbeing were related with Scrum Method and I decided to focus on them in my study. I created four main codes which described the nature of the factors – and equals the characteristics of Scrum Method. These main codes were: *working in self-managed teams, work processes & work management* and *competence improvement*.

4.3. The reliability of the study

The difficulties in qualitative studies are usually related to reliability and validity of the study (Koskinen et al., 2005: 254-257). The *validity* of a study can be described as a consideration whether the study examines the phenomenon which is in its research scope (Hirsijärvi & Hurme, 2001: 187). The starting points for my study were the previous studies and literature concerning wellbeing, and on the course of writing my thesis I have tried to construct my own study on the top of the previous knowledge of employee wellbeing. The validity of the case study can also be increased by letting a key informant to review the report (Yin, 2009) and therefore my supervisor in Company has read the draft of the thesis.

Reliability means the credibility of the conclusions and interpretations of the study and it can be tested by repeating the same study and getting the same results. However, repeating the qualitative studies is not possible because the qualitative study is always connected with a certain context, time and people (Yin, 2009). Therefore, the reliability has to be evaluated by making the study process as visible as possible. To provide the readers possibility to acquaintance themselves with the execution of my research, the outline of the interview questions and themes is attached (*appendix 1*) and the following comments need to be taken into account:

Firstly, the fact that I was working at the R&D unit when conducting the study, could have affected on the interviewees' replies. During the thesis writing process I was working in the organization 2-5 days per week and got to know most of the interviewees before the interviews. The fact that the employees knew that I was working for Company and doing research for them could have affected their responses. However, during the research process, I tried to remain an external observer rather than a jack-of-all-trades because I think that a particular objectivity is important to ensure the credibility and reliability of my study. Despite of this, it is possible that the employees did not tell me their genuine feelings because they knew that I was doing my thesis for Company as an assignment.

Secondly, the sampling of my study equates to the distribution of the employees of the R&D unit well. At the same time it is likely to affect on the results of my study because of the greater number of male than female interviewees. The psychological factors, such as stress and anxiety, do not have a significant role in my research and this may be a result from mainly interviewing men. It has been researched that women are in many ways more vulnerable to distress and exhaustion (Roxburgh, 1996; Pugliesi, 1995) and therefore the absence of women respondents in my study is likely to affect the results.

Thirdly, some of the interviews were made in English which was neither the native language of me nor the interviewee. There might have been some small misunderstandings concerning for instance the meanings or content of some terms when discussed about a specific topic like employee wellbeing. Also, my thesis is written in English so some parts of the interviews are translated from Finnish into English. This caused some problems because there are no equal translations for some Finnish concepts in English.⁷

⁷ For instance, I found difficulties in translating term 'työssä jaksaminen' in English because there is no corresponding term.

6. UNDERSTANDING OF EMPLOYEE WELLBEING

In this first empirical part of my study, I will first shortly present employee wellbeing policy of Company and then focus on the employees' understanding about employee wellbeing. The presentation of Company's wellbeing policy is based on the intranet pages of Company and the Internet pages of Varma Mutual Pension Insurance Company. The understanding of employees is based on the interview materials. At the end of this chapter, I will make conclusions about how Company and its employees understand employee wellbeing and how these conceptions differ from each other.

6.1 Wellbeing policy of Company

6.1.1 Wellbeing model

The current wellbeing policy of Company is based on the wellbeing model of Varma Mutual Pension Insurance Company. The model aspires to reducing disturbances at work and in this way to increase productivity and job satisfaction. The model consists of seven elements, which are *work community, competence, health, motivation and life situation, work and leadership and management*.



Figure 3. The employee wellbeing model of Varma (www.varma.fi)

In the center of the model is work itself, which contains the content, objectives and controls over one's own work. The work is administered and controlled by leadership and management, which is seen as the most essential factor of wellbeing at work as it reflects on all operations and affects on every employee. Health and working capacity are seen as the key factors of wellbeing at work. Life situation should also be paid attention to because balancing the needs of one's personal life and work life promote wellbeing at work and overall wellbeing. The motivation and work community are necessary because they help with committing to the objectives and experiences of success. The competence creates a base for managing daily work tasks and sharing, developing and recognizing them is also important for employee wellbeing.

6.1.2 The wellbeing policy & offering of Company

At Company level, wellbeing is promoted to the employees as a balance between seven elements based on the employee wellbeing model presented in the previous section. The model is proper to use as a basic model how to understand wellbeing in general because it takes into account all stages of employee wellbeing. It also guarantees that certain wellbeing offering is available for every employee. However, employees may have problems with understanding and visualizing the model with various elements without a more precise look, which turned out quite clearly in my study. The matter that wellbeing is defined in the material of the Company in several ways does not make it any easier for the employee to understand:

“For overall wellbeing it is not insignificant how you cope and feel at your work, how significant you experience your work, or how much you feel you are a “part of something”. Wellbeing at work is a sum of many things.”

“Wellbeing at work is not a onetime effort but should be a continuous topic and an issue we need to focus on”

“Well-being at work is about enjoying your everyday work. It encompasses a variety of aspects: organisation of work, leadership, appreciation for people and work, development of versatile skills, taking into account the person’s life situation, healthy working conditions and the opportunity to influence your own work.”

“Wellbeing is an extensive and comprehensive concept that embraces all dimensions of human existence and Wellbeing at Work is part of this comprehensive Wellbeing”

The Human Resource consultant of Company told me that the wellbeing policy of Company focuses on employee wellbeing and separates it from general wellbeing. Currently, Company has a few different wellbeing activities. The most popular are the wellbeing forums with guest speakers, the wellbeing at work workshops for teams and the team charters for new teams and the workshops for supervisors. Other activities can be organized if needed and there are resources for them. According to the HR department, most of the employees of the R&D unit have been attending wellbeing activities regularly because of the rush in their department. The team work shops have been organized for them last time in 2010.

Even though the HR department is literally responsible for wellbeing activities, many other stakeholders also have a role in organizing wellbeing activities at Company. There are different activities that enhance employee wellbeing which are organized by different quarters of Company. A common coordination of these activities is defective and therefore the employee wellbeing policy is scattered. This may be the reason, why the policy does not reach the employees in an indented way.

There are for instance fitness services and occupational ergonomics review provided by Company and wellbeing courses provided by occupational health care. Company has invested in fitness services in order to maintain its employees’ physical wellbeing. There are gyms, aerobic classes and hobby clubs for employees to participate in different sport activities for free or for a sponsored price. Also occupational ergonomics is paid attention to and employees can ask a physiotherapist to check the settings of their working point.

In the scope of occupational health the employees' physical and psychological health is examined. Occupational health policy of Company concentrates on repairing and maintaining both physical and psychological wellbeing. However, preventive activities such as wellbeing courses are exposed to employees who already have problems with maintaining the balance and employees need to apply to join the course. The wellbeing workshops, which concern psychological wellbeing, are rarely organized for the teams and hence, physical wellbeing does not often appear in a positive way in Company's wellbeing policy. The social wellbeing is taken into account in team charters which are offered only for new teams.

The top management of Company controls the operations of the lower departments in many ways. There is not a companywide employee wellbeing policy, but in Finland Human Resources department is trying to pay attention to employee wellbeing activities. This is challenging when the departments have limited opportunities to make decisions concerning wellbeing actions. In Finland, the actual employee wellbeing work is a common activity between the Human Resources department and Line Managers. The Human Resources department mainly takes care of planning the wellbeing activities and promotes wellbeing offerings to employees. Line Managers takes care of the daily practices on team and individual level.

All departments in Company follow the same employee wellbeing policy and there are actually no specific departmental activities inside Company. The departments have limited monetary resources to conduct development actions by themselves and they do not have any budget for conducting the changes they see appropriate. Either department-specific differences, such as applications of Scrum or Agile, are taken into account.

The HR consultant's and Line Managers' opinions and understandings of employee wellbeing differ slightly from each other. Different alignments can lead to a situation where contradictory information is delivered to employees. The preliminary interviews with the Line Managers revealed that the common understanding between HR and the Line Managers about wellbeing at work activities is partly missing. Some Line Managers

said that in many cases it seems that HR is only reflecting the attitudes of the top management and not really trying to enhance employee wellbeing.

Further, many Line Managers did not know what the current wellbeing services are and connected – as did the employees – fitness services and occupational health services to wellbeing offering. On one hand, this misunderstanding can be a consequence of defective promotion or conclusions made without becoming acquainted with the Company policy. On the other hand, Company currently has such small-scale wellbeing offerings and there are no visible and constant activities, and thus it is understandable that employees connect weekly fitness services with employee wellbeing activities.

6.2 Employees' understanding

6.2.1 *Defining the term 'employee wellbeing'*

When analyzing the material from the interviews, it can be seen that the employees define employee wellbeing in a more simplified and intensified way than it is presented the materials of Company. For the employees wellbeing is not an ensemble of physical, social and psychological elements, but they rather emphasize one or two of them. In most of the cases, wellbeing was defined through social or psychological elements. There were four things that were common in the interview answers. The interviewees 1) understood employee wellbeing in a narrow way 2) simplified the answers into top or worst experiences and 3) had difficulties in separating the meaning of the wellbeing from the influencing factors or 4) easily related employee wellbeing to overall wellbeing.

Managers often think wellbeing in a narrow fashion, restricting their considerations for one dimension such as job satisfaction (Grant, 2007). Based on the empirical material it is easy to notice that the same trend can be applied into employees. Most of the employees had difficulties in thinking of employee wellbeing as an ensemble of several things. The employees emphasized a few elements of employee wellbeing instead of thinking about the wholeness. Already in the interviews and especially when transcribing and analyzing the interview material, I conceived these narrow and biased conceptions of wellbeing. For

some reason, people tend to shape wellbeing through one single perspective and partly or even completely forget the other influencing dimensions.

In most cases the employees build their idea of wellbeing on the basis of their best or worst experiences. Interviewees were telling me about the things that are working really well, that are lacking from organization or bothering them significantly. The gamut of the discussion topics shows that the topic is open to various interpretations and personal opinions. Even though I used the same questions structure in all the interviews, the employees pointed out totally different elements. The same thing was seen as a positive or negative and relevant or irrelevant matter by different employees. I also noticed that most people were not thinking about tradeoffs of any kind even though an increasing level of some elements of wellbeing may decrease the level of the others.

The questions I used for receiving definitions for the wellbeing concept, such as *“How you would define employee wellbeing?”* or *“What employee wellbeing means to you?”* were surprisingly difficult for some employees. In most cases the employees answered these kinds of questions by listing factors that are influencing their wellbeing.

*“Okay... I guess, I know, I have some troubles in identifying what is my wellbeing at work... I guess it is that the good atmosphere here and that I’m able to do the work I like” [t3-2]*⁸

“Hmmm.. is there some right answer or not?... Well then I ‘d say that [it is important] I’m in good condition, I have flexible work times and I have challenging and interesting job tasks to do” [t1-1]

The interviews also revealed that for many people it is easier to think employee wellbeing in its entirety than separate employee wellbeing at work from the overall wellbeing. The employees described that employee wellbeing at this meaning refers to life-balance and

⁸ Inside the brackets there is information about from which employee the citations are from out. The first number refers to the team and the second to the employee.

that the employee cannot be well at work without having a balanced personal life. The employees experience their employee wellbeing merely as a part of their own personal life; work can mean to them, for instance, earnings, challenges, self-fulfillment or social relations. Therefore, some parts of the discussions with the employees concerned their overall wellbeing instead of only work-related wellbeing.

However, it was possible to find a few main elements which describe the employees' understanding of employee wellbeing. It is necessary to notice that these elements are overlapping and that in the majority of the interviews, the employees used many of them when describing what employee wellbeing means for them. I named these elements as *motivation* and *autonomy*, which refers mainly to a psychological side of employee wellbeing, *convenience* which describes mainly *social* but also physical employee wellbeing and *ability* which can be connected with physical employee wellbeing.

Employee wellbeing is motivation

Many of (8/12) the interviewed employees (later interviewees or employees) discerned wellbeing through motivation towards their work – they were speaking about interest with the words *interest*, *challenges*, *meaningfulness*, *sense*, *motivation* and *engagement*. At this stage, many employees were describing how they feel about the tasks with which they are working and how working influences their wellbeing. In their answers the employees described mostly the psychological dimension of wellbeing and they felt that work is one way to develop oneself, experience self-fulfillment and do one's share in society.

"My wellbeing comes from doing something important... and here I could say... it is that I want to be a good professional" [t3-3]

"I mean these work tasks, they are interesting and... it's like solving cross-words" [t1-3]

Highlighting the actual work this much can be seen as a special characteristic of working in an expert organization and interest towards work is the most important motivator for an

expert employee (Sipilä, 1996: 39). There were also contrary opinions. Two of my interviewees told that work itself could increase their wellbeing but not in their current situation. The reason may be that the same employees did not find their work tasks interesting or challenging. Two of the employees thought that the content of the work does not have an influence on their wellbeing but they evaluate wellbeing more through physical and social dimensions.

Employee wellbeing is autonomy

Job autonomy has been seen to enhance employee wellbeing (Warr, 1999) and especially men appear more responsive to work autonomy with regard to job satisfaction (Pugliesi, 1995). Taking these previous results into account it is not a surprise that the interviewees often defined wellbeing through a concept of autonomy. The majority of the employees (9/12) were emphasizing autonomy as a source of employee wellbeing; it increases responsibility and motivation but also helps maintaining the life balance. Some interviewees even told that autonomy and trust are the main reasons why they stay working in Company year after year.

The employees spoke about autonomy with words *“freedom”, “flexibility”, “self-management”* and *“independency”*, they also mentioned the lack of *“micromanagement”, “controlling”* and *“monitoring”*. As contrast to previous dimension; no-one criticizes the given autonomy or told that it would decrease one’s wellbeing.

“I have used to it and I’m dependent of it [flexible working times] and if they [management] would take that away from us my wellbeing at work would collapse” [t1-1]

“We [employees] have many freedoms to do the things on own way.... ..and this freedom...and the trust are... really... the most important things here” [t3-1]

Employees pointed out that given autonomy shows that the employer has trust on them, and that enhances their psychological wellbeing. At the same time, autonomy was

connected with physical wellbeing because it makes possible to keep the balance between personal and work life. Interviewees told that flexible working arrangements, as staggered working hours and possibility to remote work, increase their wellbeing at work as well as work life balance substantially. Flexible working times enable better life control and make the life of the employees with family easier.

Employee wellbeing is convenience

The collected data reveals that wellbeing can also be evaluated through the convenience of a job. The employees defined convenience through social relations (10/12) as well as the physical environment (5/12) and employee benefits (3/12) at workplace. People who understood employee wellbeing through a convenience concept were mostly talking about the social and physical aspects of wellbeing. Convenience itself was defined, in a comprehensive way, as a state of affairs when *“everything is right and things go on without problems”*, many employees were also talking about *“having fun at work”*.

Social relations were related to team working, social atmosphere and colleagues. Employees argued that a good social atmosphere enhances their wellbeing because working would be more comfortable, fluent and effective in this kind of environment. Employees were mostly talking about their own team with positive tone; they appreciated their colleagues and enjoyed working with their own team. Team spirit seems to be more important for employees than the working atmosphere at the whole R&D unit. The most of the employees said that collaboration with team works better when members know each other better in personal because then it is easier to ask help, discuss and collaborate with others.

Physical convenience came out from discussions concerning an open office, sitting order, tools and ergonomics. There were contradictory opinions concerning physical environment. For instance, half of the interviewees were satisfied with an open office and the other half was bothered. Employees told that the positive side of an open office is that it enables continuous collaboration which is required in team work. Besides, a narrow working point and lack of privacy have a negative effect on employee wellbeing. Also bad lightning and surrounding noises disturbed working at the open office.

Employee wellbeing is ability to work

One way to understand wellbeing at work was to focus merely on the physical side of wellbeing. There were 5 out of 12 employees who understood wellbeing as being healthy and having good manners of living. Some employees told that this physical wellbeing enables working and leads to employee wellbeing as well. Many employees saw the role of an employer as a provider of fitness services and occupational health which maintain their employee wellbeing. Most of those employees related employee wellbeing with occupational health and fitness services at workplace and these got mostly good feedback.

The flexibility with working as well as the discussion concerning the work life balance were also pointed out in this connection. The employees told that the flexibility of working times as well as the possibility to do remote work enable fitting together work and personal life. Employees' wellbeing will more likely to increase when they can combine work and personal life fluently. Therefore, employees were pleased that the employer sees every employee as an individual, and tailored work arrangements can be agreed with Line Managers.

6.3 Conclusion

When evaluating the wellbeing policy of Company, the emphasis is on the informative actions, such as workshops and forums. Increasing the knowledge of employee wellbeing is of course important, but the employees are demanding for actions instead. When asked about current good employee wellbeing practices of Company, a couple of (2/12) employees mentioned at least one of the current company-level actions. The study reveals that from Company's perspective the physical side of wellbeing forms the core of employee wellbeing, even though all other activities are cut down, the activities which aim to maintain work ability are available. In reality, the fitness services, hobby clubs and occupational health services are not even a part of employee wellbeing policy; the majority of the employees (7/12) connect Company's current actions with them.

Even though Company uses the wellbeing model of Varma as a base of its wellbeing policy, Company's actions refer that their definition of employee wellbeing in this context reminds more the definition of work ability, which reflects more people's physical capabilities of working. The care-taking of the social and psychological sides of employee wellbeing has been left to the Line Managers of the lower departments. Then again, without money also these departments have difficulties with investing in activities of this kind.

In contrast, the employees tend to focus on social and psychological aspects when thinking about their wellbeing – this can be noticed from emphasizing the motivation, autonomy and convenience as sources of employee wellbeing. Their concept of employee wellbeing reminds more the academic definition of job satisfaction – which can be condensed into a positive attitude toward one's job (Daft & Marcic, 2006: G-5). When looking at these dimensions, the employees are pleased with the work autonomy at Company, but motivation and convenience would need more attention from the management.

Most employees were constructing concept of employee wellbeing through their psychological and social experiences and partly or totally ignored the physical aspect. The reason may be that many employees connected physical wellbeing with health and treated it apart from employee wellbeing. Another reason might be that the employees were quite pleased with their physical condition and thus they did not see a physical side that important. Instead there was lack of social and psychological wellbeing at some stage so these were highlighted in the interviews.

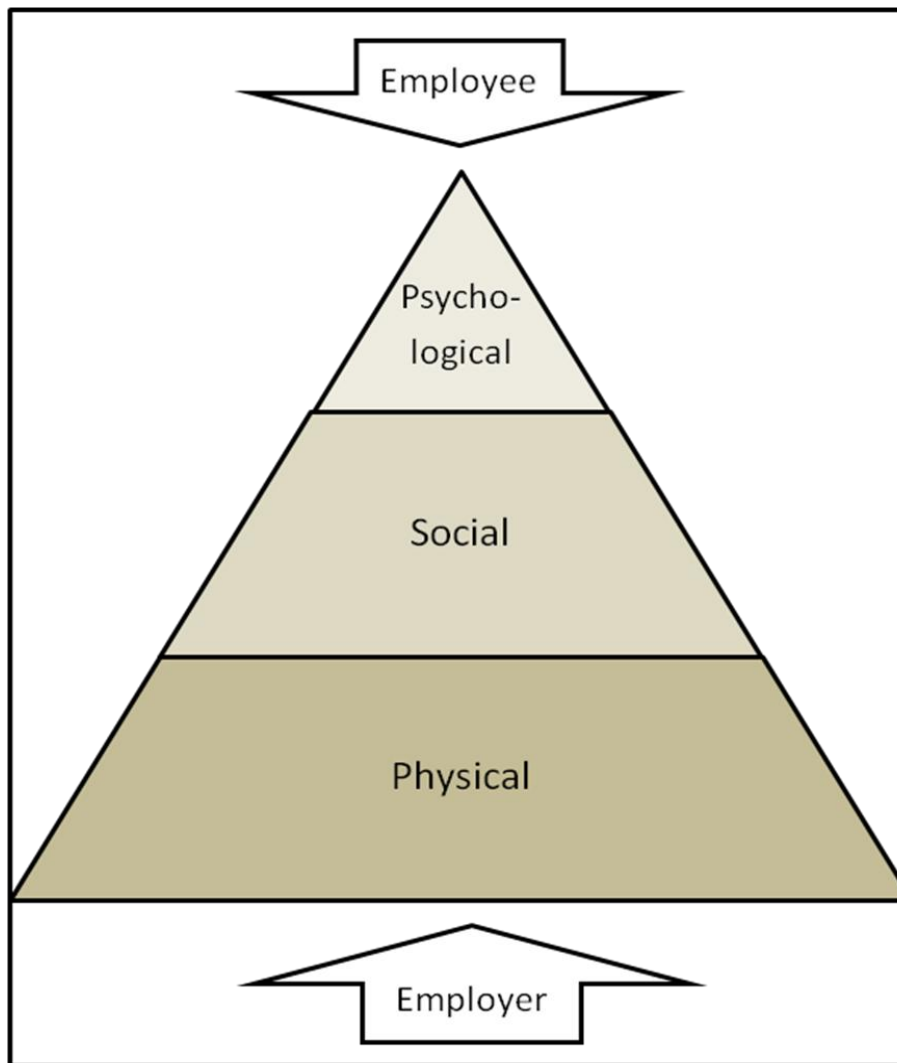


Figure 4. The different perspectives of employer and employee when evaluating employee wellbeing

When comparing these two view points, the difference between the perspectives becomes visible – Company and employees approach employee wellbeing from different directions. Employer emphasizes the physical side of wellbeing when employees accentuate the psychological and social sides of it. This contradiction between the understandings of employer and employees is not an exception but rather the perceptions in other companies remind this composition. From employers' perspective, the starting point in investing employee wellbeing is to keep employees healthy so that they can remain in the work life as long as possible. This way the companies can save considerable for instance in retirement and sick absenteeism costs. Instead, employees see the importance of employee wellbeing from different perspective: Employee wellbeing guarantees them a safety and convenient work environment and possibilities to fulfill oneself as an employee.

7. SCRUM AND EMPLOYEE WELLBEING

This chapter concentrates on examining how employees see the influence of Scrum Method on their employee wellbeing and in which ways does the Scrum application affect on employee wellbeing. The chapter begins with a brief introduction on how Scrum is implemented in the R&D unit and continues with descriptions representing the three layers of work and the influence of Scrum on them. In the last subchapter, there is a summary of the effects of Scrum.

7.1 Scrum implementation at R&D unit

The Scrum framework presented in Chapter 3 forms the guiding rules and processes for implementation of Scrum Method in the R&D unit in question. In practice applying Scrum Method varies from one organization to another. Before going into details with the effects that implementations of Scrum Method have on employee wellbeing according to employees' opinions, it is necessary to pay attention to special characteristics the R&D unit has in its Scrum application, as the way of implementing Scrum at the R&D unit was highlighted in the interview answers of employees'.

The application of Scrum at the R&D unit reminds the framework when it comes to Scrum ceremonies and artifacts. Instead, the practice at the R&D unit differs from Scrum rules when it comes to roles and Scrum values. The attitude of some employees towards Scrum is slightly negative and all employees do not meet the requirements of the Scrum values. For instance, if the attitude is defective, the value *commitment* is endangered when employees are not engaged to common goals. The value *openness* is not realized when the employees are not committed or willing to work together with the team.

In R&D unit the organization is a mixture of a Scrum organization and the traditional project organization, which makes it challenging to be as agile as needed and to separate the roles and responsibilities of the different persons involved. According to the Scrum rules, there are no roles inside Scrum teams, but every employee is an equal member of the team and in an optimal situation all team members are able to do all kinds of work

tasks (Cockburn & Highsmith, 2001). However, in the R&D unit there can be different roles, for instance, a team chooses one person as a fault coordinator and the others may have different areas of specialization.

The R&D unit has supervisors – Line Managers – outside the Scrum, who takes care of the daily routines and governmental supervisor work of the employees. These managers outside Scrum Method do not have a role in Scrum and therefore they are not able to influence the actual work of the employees. Their role as a supervisor is therefore challenging when they are not, because of their job description, that much in contact with their subordinates.

The R&D unit does not collaborate with the customers as the Scrum framework suggests (Dingsøyr, 2010) but rather the collaboration happens between R&D and the other departments of Company who are in connection with the customers. This can make the development process more rigid when the knowledge of the customer's needs and priorities comes indirectly to the Scrum Teams.

7.2 Employees' opinion about the application of Scrum

As mentioned in Chapter 5, the employees had difficulties with defining how they understand employee wellbeing as a term, whereas it was significantly easier for them to tell about the factors that have influence on their wellbeing. In this part, I will concentrate on investigating how a few main characteristics of Scrum Method affect employee wellbeing according to the employees' experiences.

The interviews revealed that applying Scrum Method in a software development process considerably reflects on the working experience of the employees. Scrum Method has an effect on work management and work processes and sets some special demands for the employees. Therefore Scrum is likely to influence on employee wellbeing indirectly as well. The employees were able to consider what things influence their wellbeing and what kind of an effect do different practices have. The answers were mostly related with Scrum

Method and the practices which have followed after applying it into a software development process in the organization.

Scrum Method showed up to the employees in various ways and the employees have different attitudes towards it. Scrum was described as a working method among the others, a trend, a chance or a necessity to take part in. The attitude of nine employees (9/12) was solely positive whereas a few others would like to replace Scrum with some other method. In spite of a positive attitude, many employees criticized the implication of Scrum at the R&D unit and told that Scrum is not working properly. Employees who looked at the Scrum Method with a positive attitude told that the Scrum Method could be more valuable if everyone engaged themselves with the method.

“Agile is a good system but I am not sure if we have succeeded to apply it properly here” [t1-2]

“Not everyone here is committed to the Scrum method. Not at all. They don’t see the benefits of sharing information in the daily scrums... The new guys could learn a lot if everyone could thoroughly explain what they have done and how.” [t2-1]

“Agile is a good method, but we are using it at the moment a bit wrong way... We should have more communication and discussion and as I already said, the sprints should be shorter” [2-2]

7.3 Work community: *self-managed teams and interaction*

According to the Scrum Method, the employees of the R&D unit work in self-managed Scrum Teams in continuous collaboration with the other team members. Scrum emphasizes team work, which highlights the importance of social relations and collaboration skills. In the interviews, all the employees (12/12) told that comfortable social relations at the workplace enhance their employee wellbeing and therefore it is not

a surprise that increased social intercourse is also likely to affect on employee wellbeing positively.

Half of the employees (6/12) thought that the Scrum Method has increased their autonomy as Scrum Teams can somewhat freely choose their backlog items for the Sprint, and each employee can choose their own items from these as well. Most of the employees were pleased that they are able to work in peace and with one's own rhythm, without micro-management and surprises outside the agreed work tasks. Besides, two of my interviewees told that there is a pressure all the time to take care of work tasks outside of the Sprint Plan, and many others confirmed that some employees "*cannot even walk inside in the morning without having someone begging them to do some extra work*".

On one hand, employees told that when applying Scrum it is extremely important that a Scrum Team is working together seamlessly. In a self-managed team, it is crucial that the collaboration between employees is seamless and everyone knows the common working processes and methods. On the other hand, the employees experienced that working in a team is more convenient when an employee can share responsibility, ask help and work together with the others. Also belongingness with the team was mentioned as a positive factor which increases their employee wellbeing.

The employees were mainly satisfied with the social interaction at the R&D unit, but at the same time they emphasized the importance of maintaining and enhancing team work and social relations between employees. Nearly half of the employees (5/12) told that team work is not as fluent in their Scrum Team unit as it could be. The reasons were the high turnover of employees in teams, awkward atmosphere when not knowing people in person and also crossing goals. Employees were hoping to have both kinds of team-building activities, formal and informal events inside and outside of working time.

When asked what employees do or could do to enhance team work and in this way their employee wellbeing, most of the employees were passive and said that they are doing nothing but just waiting for some actions from the management. The managers should provide support and resources for organizing team-building activities for the Scrum Teams, but also each team member can contribute to the team spirit.

If Scrum Method has increased the social dimensions of employee wellbeing at the workplace, one matter outside of Scrum reduced it significantly during the past years: the lack of recreational events. Scrum Method does not require any specific kinds of social or recreational activities, but when working according to the Scrum rules, social interaction is highlighted. Therefore it is contradictory that neither Company nor the R&D unit invests in these. Instead, employees were asking for more recreational events and almost all (11/12) the employees mentioned recreational events as a source of their employee wellbeing.

People were using phrases such as *“party”, “celebration”, “free-time activity”, “informal events”, “trips”* and *“having a few beers”* when talking about recreational events – these phrases reveal the broad range of events that hides under this concept. At the first glance talking about parties and celebrations when it comes to employee wellbeing may sound superficial, but the logic of the employees is clear. The interviews revealed that many employees measure their value as an employee through recreational activities; they thought that the management does not appraise their work when there are no recreational activities organized for them. So the symbolical meaning behind these events is probably bigger than the real impact.

Most of the employees (8/11) who mentioned recreational events in the interviews connected these kinds of events to social relations at workplace: recreational activities enhance the work environment and atmosphere and this way influences on working. Many employees emphasize that collaboration is easier when one knows the colleagues in person. The rest (3/11) saw that recreational events serve as a counter balance to hard work. They did not see this big connection between recreational activities and actual working.

“If we had a possibility to have some... some recreational events where people could get to know each other, it might enhance the atmosphere at work as people would then know each other” [t3-2]

“Wellbeing and commitment towards the company could be easily increased by arranging Christmas and summer parties as well as team level free-time events. It's not possible to over-execute daily works day-after-day always unless sometimes loading batteries prefer together like the head of R&D unit also expressed.” [t2-1]

I find it really interesting that employees of the R&D unit connected employee wellbeing tightly with parties and celebrations. In other wellbeing studies, the recreational events have not gotten this much attention. The reason why recreational activities and especially parties were highlighted in this study can be the history of Company. The employees of the R&D unit used to have recreational celebrations more often earlier, when the ownership and the financial situation of Company were different. Most of the employees have been in the organization for years and remember the old times and compare the current situation with the past. They felt that one of the most important things is that the employer would offer and organize some kinds of recreational events for the employees in spite of the financial situation. One employee said it out loud in an apt way: *“Nowadays everything here is about saving money, and most of the time we're saving from the wrong places.”*

7.4 Supervisor work: work management

7.4.1 Scrum Process

About three years ago there was a transition into using Scrum Method instead of the Waterfall system, which has changed the working method at the R&D unit significantly. The most notable changes have happened to work schedules; the transfer to using four-week-long sprints has changed the employees' way of thinking about a workload and planning. At the same time the freedom and also the responsibility of an employee has increased because of a self-managed method, and also the variability of work tasks is now wider.

Discussions concerning the workload were similar to each other; most of the employees said that the workload at the R&D unit has been sustainable for years, and that it has an

influence on the meaningfulness of the work, when the quality suffers because of the rush. The working atmosphere was compared to a sport game and the Winter War in Finland during the Second World War, which represents that the employees are not happy with the current work management and the workload.

“Our platform [department] is always late, it’s like some mantra that when we have some release coming, they’ll say that now we’re gonna put our best effort in it... so that we’ll get this done. It’s like a Winter War atmosphere... and when the same thing has been going on for three years straight it’s like “NONE OF THIS ANYMORE”. Not even The Winter War lasted longer than the couple of months.” [t1-1]

Employees told that Scrum Method could increase their wellbeing because it makes the (too heavy) workload visible. Many employees were concerned about the management not responding to employees’ demands of calming down for a second. Many employees thought that their workload has increased because of Scrum: “Earlier we had a rush once a year... and now once a month”. Employees felt pressure to take too much work tasks for one Sprint and many times they did not achieve their goals for the Sprints. This decreases their wellbeing: “I can’t feel any pride of my job... I am, or not only me, we are just hassling around”.

It is characteristic of an expert employee that he/she easily collects too much work. (Sipilä, 1996: 32) Therefore it was a positive finding that most of the interviewed employees told they are able to maintain the balance between their work and personal life despite the workload. Only one admitted that he is suffering from work related stress at the moment, and another told that he is working at home at night time, and two reported that they sometimes have difficulties with leaving the work place because of the heavy workload. Instead, many interviewees told that they have had a situation when they have worked too much but they have learnt to accept the situation and not to take too much stress of their work anymore. They told me that they are able to leave the workplace after a standard workday and that they do not work overtime without requests.

However, a couple of (4/12) the employees said that they know a colleague or colleagues who are overloaded or stressed, and many of the interviewees agreed that the workload has spread unequally in the R&D unit because of the different skill levels and knowledge of the employees'. Some differences are, of course, natural, but at the R&D unit most of them are a result of subsuming employees from other departments to the R&D unit about a year ago. These newcomers are still learning many things and practices and need help every once in a while. The know-how and silent information that the older colleagues possess should be shared with them as well. The new employees were hoping that via codifying and doing this in collaboration the know-how would reach them, too.

“There should be more grooming... and sharing the work somehow... It could be considered that the team would always check if it's possible to do a task together, even if it would slow it down a bit. This way the know-how could be transferred better (from one designer to another)” [t2-3]

The employees' experienced that a proper planning of the work could be the solution for taming the rush. At the moment the Scrum Teams have the freedom to organize their own work, but many employees think that also planning is forgotten when they work overloaded, which leads to a treadmill. In the interviews, the employees spent a lot of time explaining their opinions about how the work should be organized so that their working would be more comfortable. Unfortunately many employees also experienced that their contribution to the work development is not needed or appreciated.

7.4.2 Managerial practices

Managerial practices have a significant effect on employee wellbeing (Grant et al., 2007): if employees perceive that their employer does not care about their wellbeing, it is likely that this can affect a worker's motivation, commitment and performance. For that reason it was interesting that employees did not directly point out that management or supervisor work has an influence on their wellbeing and told that in general they are pleased with the supervisor work at the R&D unit. Later, when having a more detailed discussion, several

things that were connected to both employee wellbeing and supervisor work came out. The employees experienced that Scrum related practices – the agility of the management, role of several supervisors and communication – affect their employee wellbeing. One interviewee described the situation with an opposite comment: *“There’s nothing that’s actually wrong here, really, we’re just lacking a shared direction we’re going to”*.

A few (5/12) of the employees were claiming that the R&D unit is cumbersome, unsystematic and bureaucratic and did not respond to the idea of an agile organization. The employees felt that the organization is missing a vision – what they want to be – as well as a strategy; how to get there. Contrary to the rules of Scrum, the organization is not flexible, but the bureaucracy and hierarchies make concentrating on the actual work difficult. Working in collaboration with colleagues from other R&D units in other locations increases the bureaucracy, as the information is not easily available and there are the time, cultural and procedural differences in the way. The employees especially criticized the decision making at the R&D unit.

“All the decisions are made too late here... We already said a couple of years ago that this situation is going to blow up in our hands and everything’ll crash and burn and no one listened. Everyone was just like no no no, this is going to work out, it’s gonna work... and what happened..?” [t2-2]

The hierarchical organizational structure along with a silent organizational culture where information is not delivered openly causes problems for the communication inside Company. The communication inside and between the Scrum Teams is working well and according to Scrum Method, but the vertical communication is problematic. The employees pointed out that the communication in neither Company nor at the R&D unit is as open as they would like it to be. Defective communication complicates prioritization, planning and executing the work and decreases the motivation and wellbeing.

“I mean, I like it when people communicate openly. It, it’s the be all and end all of everything that people communicate openly, and like in my opinion people make way too many decisions behind closed doors in here.” [t2-2]

When it comes to communication, some employees do not understand or are not aware of the current organizational culture of Company. In most of the cases the management of the R&D unit does not have the information before the employees do or they have to follow their non-disclosure agreements. Still, many employees felt that their supervisors do not appreciate them when they do not have any possibilities to contribute to the decision making, their opinions are not asked and all the information is delivered to them in the last minute.

Communication causes problems also when examining it from another perspective: how the information is delivered to the employees. At the same time, the employees were criticizing that the communication in meetings is chattering and the information delivery via e-mail is criticized. The information overflow and difficulties in efficiently finding the relevant information were told to have reduced employee wellbeing.

“Open discuss is the... We should alter our way of communication; it is not good to inform others with e-mail. We need to stand up and go and talk to each other more” [t4-2]

“One time I suggested that could we just break this team meeting and get back to work. But supposedly it wasn’t a good idea... and so we just sat there although we could’ve been working.” [t1-1]

Applying Scrum Method in the R&D unit has led to a complicated division of responsibility among the management, which became visible from the interview answers of the employees. The organizational structure and unclear roles may result from the transition from the old project management system to Scrum Method. In the change the new Scrum organization was combined with the old organization. Half of the interviewees were not sure about the roles and responsibilities of the different “supervisor” positions (Line Manager, Area Product Owner, Scrum Master). Some employees claimed that the disorganized role differentiation has lead to the situation where no one does anything. The management was seen too lazy or ineffective to change anything at the R&D unit.

“Well... the management should at least understand that they can’t just keep asking the employees ‘what would you do about it?’ I mean, it’s like nothing concrete has ever happened and that of course is really sad that anything concrete is never done in order to change the situation.” [t2-2]

It seems that after the implementation of Scrum Method, the position of the Scrum Master has attained a significant meaning at the R&D unit, and the Scrum Masters have plenty of power and responsibility in the organization. Many interviewees commented that it is easier to approach the Scrum Master than the management because he or she is working with the team and understands the current situation. The support and coaching from the Scrum Master was seen as one of the most important factors for employee wellbeing

7.5 Work content: *continuous improvement*

Scrum Method is created for supporting software development in continuous change. A changing environment requires constant improvements in software but also in people’s competence and ways of working. Eight of twelve employees told that the challenges of work changing requirements have an influence on their employee wellbeing. All of these employees said that variations in work tasks are likely to enhance employee wellbeing if the employee gets proper feedback, coaching, support and training so that he is able to rise to the challenges. According to the employees, one thing that makes changes more difficult is the attitude of some people at the R&D unit.

Nearly half of the employees (5/12) told that there are some employees in the R&D unit organization who have a negative attitude towards almost everything, and “unfortunately they’re also the loudest”. A couple of employees also explained that they can sense resistance against changes in the organization. For instance, some employees resist Scrum Method without any good grounds and do not even try to get the advantage of it. The interviewees felt it bothering that some employees are always in the way when trying to

try something new and they also told that this kind of tensioned atmosphere also affects their own willingness to make the change happen.

The employees connected feedback with employee wellbeing for two reasons. First of all, they explained that positive feedback increases motivation when the employees know that they have done their job well. Secondly, the employees told that pertinent feedback helps them in enhancing their performance and to learn more. Also, Hillman et al. (1993) separate pure feedback and coaching from each other: “Feedback indicates to staff members how well they are doing on their performance expectations, while coaching addresses how they can improve their performance” (Hillman, 1993: 27).

“After all, I’m quite a new employee here and proper feedback is important to me. I’m not... I mean, I can’t estimate in every situation whether I’ve managed to do everything right or not. I’d rather hear some feedback and do things right the next time...” [t3-1]

The employees told that it is essential that the management knows and understands what the employees are doing and supports them in challenging situations. The employees said that in their opinion it is crucial that the management also has a technical background so they really understand how the software development work is done. Instead of prosecution and pressure the employees would like to have support and hear constructive feedback.

“Yeah, feedback from the supervisor usually makes you feel happy... or not, but still, I mean everything can affect it. Our team’s character just is the kind of that we get almost exclusively negative feedback, never anything positive. It’s really grueling and sometimes I’ve needed to send the team some extra e-mails to say that ‘hey don’t beat yourselves up even if this guy complains about it.’” [t4-1]

An interesting finding related to feedback and employee wellbeing was that a couple (3/12) of employees out of twelve told that they clearly differentiate feedback from praise.

Employees were explaining that they are not looking for praise about their work but real feedback. Giving praise instead of real feedback seems to be an established practice in the organization. Hence, I suppose that there is a deeper meaning in separating these two: feedback is understood as more formal, reasoned and useful than praise.

"I don't know what they are doing when they're trying...when they give some meaningless compliments to us in front of everybody like 'good job' or 'well done'. Riiight, so useless and it has nothing to do with feedback." [t3-1]

Training and education came up in the discussions with seven interviewees. Three of them had recently taken part in training organized by Company and were mostly satisfied with their content. However, one of them was criticizing the quality of the training. The rest of them told that training and seminars can have a significant influence on employee wellbeing when an employee has the possibility to learn something new and observe things from other perspectives. The employees were speaking mostly about trainings concerning technical skills, but the social skills of the team members should be developed equally with the technical skills to improve the team's performance in software development. (Sawyer and Guinan, 1998)

"Continuous training is missing here... at least I would like to visit some seminar maybe once... or twice in a year and hear the recent news and updates there... and meet new people. I'm sure that it'd keep me also motivated" [t4-2]

Many of the interviewees mentioned rewarding as one of the key components of improving their performance. Individual rewards will motivate employees when they receive rewards that they feel they deserve, and in this way also affect employee wellbeing. People were conscious that reward and personal incentive system would cause feelings of inequity between employees, but most of them were still hoping for some kind of recognition of work well-done. Employees spoke about a raise and receiving rewards with a different tone; salary was not so tightly connected with actual work and achievements at

work. A salary raise was connected with continuous working but receiving rewards with recognition of work well done in the single case.

7.6 Conclusion

As mentioned earlier, in an expert organization the actual work and the content of it have a significant meaning for the employees. Chapter 5 also reveals that employees evaluate their wellbeing at work through elements which are tightly related with work content and the ways of working, *motivation* and *autonomy*. Thus, it is not a surprise that different practices and consequences of applying Scrum Method also have an effect on employee wellbeing in various ways. Overall, the employees' experiences were mainly positive when it comes to Scrum Method and how it has affected their employee wellbeing. Scrum is more likely to enhance employee wellbeing than to decrease it.

Many negative opinions concerning employee wellbeing came up from the defective implementation of Scrum Method or from the difficulties in the consolidation of Scrum Method and the old organization structure, not particularly from applying Scrum Method. The change process of implementing a new way of working takes time, but the interviews gave me an impression that maybe the change has not been conducted properly; the management is not organized and the roles are not divided clearly enough, a working method is not following Scrum purely, but there are some vestiges of an old way of working still in use. Also, the feedback or reward systems do not support the idea of constant improvement of the product and skills, just to mention a few of the shortages.

Scrum Method aims not only for better performance but also for the self-direction of employees. This given autonomy is likely to enhance employee wellbeing if an employee controls his or her workload and life-balance. At the R&D unit the employees were tired with a heavy workload but were still able to maintain the balance between their work and personal life.

Working with a Scrum Team also increases the social wellbeing for the majority of the employees by enhancing social intercourse between the employees. However, individual

differences between employees need to be taken into account as well: in my interviews, one employee told me that he does not feel himself comfortable with the team and is at times nervous when spending time with his colleagues. To make the collaboration more fluent and natural there should be investments in team-building activities so that the employees would get to know each other better. Most of the employees forecast that it would increase the collaboration as well as the atmosphere at the R&D unit.

8. DISCUSSION

The study revealed to me how difficult concept employee wellbeing actually is. Even though the employees understand wellbeing as a term itself, understanding it at a work context is more difficult. The difficulties in defining employee wellbeing may occur because wellbeing is usually understood as a concept which takes into account a person as a whole (Danna & Griffin, 1999). Also, a blurred boundary between work and personal life makes it challenging to define employee wellbeing. When expert employees are carrying their laptops and cell phones, sponsored by Company, it is difficult to distinguish when the work time ends and the free time starts (Gant & Kiesler, 2002: 121).

There were two main research interests in my study. Firstly, to clarify how the expert employees understand term employee wellbeing and, secondly, to examine how a certain way of working influences an employee's perceived wellbeing in an expert organization. I studied these two questions through a case study in one expert organization and found a few valuable findings which I present in this Chapter. I found two factors which will be the most likely to influence employee wellbeing at the R&D unit: diversified understanding and implementation of a working method. In this chapter, I will shortly look through the main findings and then present some practical development ideas for the research object.

8.1 Factors that affect on employee wellbeing

8.1.1 *Diversified understandings*

The study reveals that the expert employees' understandings of employee wellbeing remind the basic classification, which presents employee wellbeing as a combination of three dimensions; physical, psychological and social wellbeing (Grant et al., 2007). In my study, I classified expert employees' understanding about wellbeing into four dimensions based on the interviews with the employees. The dimensions emphasized *motivation* towards work, *autonomy* and independency of working, *convenience* of the work climate and environment and *work ability* that enable working in general. When comparing the

dimensions to the classical employee wellbeing model, motivation and autonomy describe psychological wellbeing and convenience social and work ability physical wellbeing.

In contrast, there was a clear inconsistency between the emphasized dimensions between the employees and Company. The difference was remarkable but it is unusual that there are two parallel realities involved at a work place: Management and employees may both have their own outlook of the situation and these realities may differ significantly from each other (Manka, 2006). In my study, I noticed that, Company tries to invest in employee wellbeing mostly by providing activities which enhance the health and physical conditions of the employees. At the same time, the employees felt that their physical wellbeing is in good shape and were expecting to have activities which would increase their psychological and social wellbeing.

The interviewed employees understood the concept of employee wellbeing mainly through motivation and autonomy, the factors describing psychological wellbeing. They highlighted the importance of the meaningfulness of the work and control over working for their wellbeing. The employees connected their wellbeing with eudemonic experiences (Grant et al., 2007) and experienced that by aiming to be good professionals they can also attain a higher level of wellbeing at work.

It was a positive finding that the employees did not feel themselves exhausted even though the psychological employee wellbeing was not paid that much attention to in a positive way in Company. In the future, instead of providing the repairing services to stressed or exhausted employees, the psychological wellbeing should be taken into account also in a preventive way. Psychological wellbeing can also be approached from the positive perspective by providing the employees the possibilities to feel appreciated and valued.

Also the importance of the social interactions for employee wellbeing was emphasized in the interviews with the employees. The explanation for the importance of social relations is probably the continuous collaboration which is needed when developing software with Scrum Method. The social relations need to be uncomplicated and fluent when working in teams. The employees told that knowing the colleagues in personal would not only make working easier but also enhance the social atmosphere at the workplace.

On the contrary, Company emphasizes more the physical level and focuses on enhancing and maintaining it with its activities such as fitness services, work ergonomics and occupational health services. A certain physical condition is a primary factor for employee wellbeing and usually guarantees work ability of an employee (Dailey & Parfitt, 1996: 130). However, investing only in activities which emphasize employee physical wellbeing does not execute the traditional idea of wellbeing as an ensemble of many factors or as a respond to employees' expectations.

If wellbeing activities are not properly considered, it is possible that the management of the company carries out wellbeing practices without a concern about how these activities affect employee wellbeing (Grant et al., 2007: 59). The interviewed employees told that they feel that their physical health and condition are in good shape. Instead, the other dimensions of wellbeing would need more attention in the future. Therefore, Company should notice that investing in things that do not enhance wellbeing directly may increase the wellbeing even more in indirect way. The results of the study reveal that in order to enhance employee wellbeing, Company should also invest in wellbeing activities that would increase the social and psychological wellbeing of the employees and also consider their employee wellbeing policy again to combine and promote it to the employees more effectively.

8.1.2 Implementation of a working method

Another interesting finding was defining employee wellbeing tightly through their actual work. According to the employees, the interest towards work content and fluency of the work practices and processes affect employee wellbeing significantly. It is characteristic to expert employees to emphasize the importance of the work (Sipilä, 1990) and therefore the actual work also influences employee wellbeing intensively. In the expert organization, where the importance of work is emphasized among employees, the working practice affects employee wellbeing substantially.

In my study, the findings about how the working method used in the organization – Scrum Method – affects employee wellbeing were diversified. Scrum aims to enhance employee wellbeing by strengthening the employees' autonomy when working and making the work process easy and collaboration possible. However, the employees of the R&D unit perceived that the current implementation of Scrum Method did not affect their employee wellbeing purely in this way. On one hand, Scrum was seen as an opportunity to enhance wellbeing. On the other hand, many of the employees told that in their opinion the implementation of Scrum Method is not applied properly, which causes problems.

The literature also includes a separation between accurate and defective implementation of Scrum Method in the organization. *Doing Agile* refers to teams that are trying to follow only the simple rules of agile methods such as iterations and daily stand-up meetings. *Being Agile* refers to teams who have internalized the inherent values, behaviors, and mind-sets of agility: adaptive, evolutionary, value-driven, and quality-driven development (Collier, 2011: 293). The current situation in the Company reminds of the first situation where Scrum is implemented, but not properly. When trying to enhance employee wellbeing via Scrum Method, the basic mindset has to be understood and internalized as well.

According to my findings, in an expert organization the actual work and the way of working significantly influence employee wellbeing. Hence, the employer should invest in a proper implementation of the working method to ensure functioning working arrangements and practices. On the contrary, employees need to take responsibility of their own work and try to look for interesting and challenging enough work tasks and be committed to follow the rules of the implemented working method.

Scrum Method seems to be a good working method when examining the employee wellbeing context in general. Increased autonomy (Sparks et al., 2001) and team-working (Sivasubramaniam et al., 2002) enhance employee wellbeing in the organization. Despite of this, the implementation of Scrum requires a significant amount of work in the organization to raise the implementation into the level which would benefit the employees also on the stage of employee wellbeing.

8.2 Practical development ideas for R&D unit

In the first section of this subchapter, I discuss how the wellbeing policy of Company affects on employee wellbeing and give some recommendations on how to develop employee wellbeing at the R&D unit. In the latter sections, I discuss in a general level how employee wellbeing could be enhanced at the R&D unit. The more detailed plan for developing employee wellbeing is provided to Company and the R&D unit. The development ideas pointed to the R&D unit have risen from the interviews with the employees. I have classified my development ideas on the basis of the work ability construct, which includes three elements; *supervisor work*, *work content* and *work community*.

8.2.1 Influence of Company policy

Organizational culture and management style have an influence on employee wellbeing (Schein, 1990). When a company is stuck with an old-fashioned mindset and ignores wellbeing at work in its decision-making, it can threaten the wellbeing of the organization (Manka, 2006: 280). Therefore, I have also paid attention to the employee wellbeing policy of Company, even though the main focus is to examine employee wellbeing in a smaller context, in a department of Company.

At the moment there are only a few official employee wellbeing activities and they are all conducted companywide. The slight emphasis on wellbeing activities reflects the attitude of the highest management to the employees. According to Company, the reason behind the missing wellbeing activities is financial, but the employees experience the lack of attention given by a higher management as an indicator of non-confidence and disinterest. Therefore, it would also be important to re-check the commitment of the top management towards employee wellbeing and to pay more attention to employee wellbeing in the Company level. Removing the activities can be saving in the short run but may cause problems in the future.

Employee wellbeing should be seen as an investment, not only an expense in the organization. At a company level, a company benefits from healthy workforce in numerous ways such as increasing levels of job fulfillment, reduced levels of stress and greater participation in decision making (Caicedo et al., 2010). In contrast, if employers do not invest in employee wellbeing, they may encounter problems with high health insurance costs, the costs of lost productivity and absenteeism (Danna & Griffin, 1999). Defective employee wellbeing can lead to early retirement and to shortening of the career, which cause costs to the employers and also to the state. By enhancing employee wellbeing, the employers can save in employee pensions as well as in sick compensations.⁹

At the moment Company's wellbeing policy is conducted by the Human Resource department without any support from the highest management. The department-specific decision-making and the budget for departmental wellbeing activities are mainly missing from the organization. The department-specific activities and decisions are done case-by-case. Therefore, the importance of employee wellbeing should be perceived also by the higher management, because they influence the organization through their example. (Erämetsä, 2004) The current policy of Company makes it almost impossible to conduct any wellbeing related reforms or improvements in the lower departments that would need monetary investments.

In the future, at least some wellbeing activities of Company should be organized in a case-by-case basis and special characteristics of the departments should be taken into account. The actions of the lower management level are not enough in a long sight when the managers do not have enough resources, power or authority to make the changes needed in their organization. Therefore, the first step to take at a company level is to adopt a new attitude towards employee wellbeing.

⁹ www.varma.fi

8.2.2 Work content

In the interviews, most of the comments concerning work content were positive. Most employees thought that their job is interesting and that it offers enough challenges and variety. An important factor, which decreases employee wellbeing in the context of work content, is the meaningfulness of the work. In addition, there were problems with work processes and workload which make the work more complicated and decreases employee wellbeing at the same time. The development ideas concern the increasing of meaningfulness of the work and work motivation as well as developing work processes, which could also help in balancing the workload of the employees.

The meaningfulness of work raised opinions. Employees told that they do not know how their work benefits the end-customer. Thus, it would be good to explain the employees the strategy of the company as well as the co-operation inside Company and with the customers. In addition, it would be good to develop a vision of the R&D unit (principles, ambition and mission) so that the employees could be aware of the aim of working in this exact department. There were also employees who were not **motivated** enough. These employees told that their current work tasks are not interesting or challenging enough. In order to serve also these employees, the job rotation and relocation system should be promoted effectively to the employees. Supervisors should talk to the employees and be ready to reorganize the work tasks of unsatisfied employees.

According to the employees, the **working processes and Scrum application** need more attention. In my opinion, these practices should be developed together as there is no sense in making slapdash changes but rather re-check the whole process. For instance, reducing a heavy workload and increasing the planning and innovativeness are connected with each other and can be developed together. A more organized way of working would enhance quality, which may have an effect on the workload when the number of faults goes down. If there is not that much maintenance work, employees would have more time for more innovative work.

Employees were tired of the continuous **heavy workload** which makes them weary and has influences the quality of their work. Scrum Method emphasizes the importance of

planning the work (Hu et al., 2008), which minimizes extra work. Planning has not worked at the R&D unit because of several reasons 1) co-operation with other departments does not work properly 2) there is no chance to take steps back if something goes wrong 3) teams do not have time to analyze backlog items before Sprint (grooming). At the same time, employees thought that the R&D unit is more bureaucratic than innovative. Bureaucratic practices take time and because of the heavy workload there is no time for designing anything new.

8.2.3 Work community

Social relations between employees need more attention. The organization should provide their employees enough time for spending time with their colleagues in both formal and informal activities. To enhance the social relations, the organization should launch team building activities of new kinds and for instance organize a common coffee break for every team once in a week. The new employees should be properly introduced to the team members as well as to the other employees. When the employees are familiar with each other, the collaboration is easier. According to the employees, codified information about the experiences that employees have and a list of employee competences could simplify the collaboration.

In the interviews there were also development ideas about how employee wellbeing could be developed by enhancing practices in the work community. Employees were, for instance, talking about recreational events, working in an open office and employees' possibilities to contribute to the organization. Employee wellbeing would increase if more attention was paid on these practices for instance by organizing recreational events for them, creating rules for working in an open office, enabling employees to take part in organizational decision-making and planning, which would enhance the social interaction in the organization.

8.2.4 Supervisor work

When it comes to **management**, there were many development ideas but also positive findings that should be maintained in the organization. An encouraging atmosphere was the most praised thing and it has connections to autonomous working as well as to the support of the management. Employees had a feeling that the management of the R&D unit has a trust on and supports them if needed.

However, an important development need related to management is the **role clarification** of the managers. One of the biggest problems concerning the management of the R&D unit is missing leadership and the mixed roles of the managers. These are consequences of implementing Scrum Method and changing from the old project organization into using Scrum. The management of the organization has to change when the organization begins to apply Scrum Method (Collier, 2011: 293) and also the roles and responsibilities should be re-checked. The clarification of these subjects would enhance taking responsibility as well as the social atmosphere in the R&D unit.

Also the **communication and openness** of the organization were seen as an important factor for employee wellbeing, and the management has a significant impact on them. Employees thought that at the moment they are not properly informed or that information does not reach them. Employees told that they feel that the management is concealing information from them and is not acting in the same way as they communicate, which may lead to harsh conflicts. The R&D unit should re-check their communicating methods and try to find the right ways to deliver the message to employees. The employees were hoping that the communication would be more effective and that information would be more easily accessible.

Possibilities to get **feedback** and **support** and participation in the trainings were also important for employee wellbeing. According to the employees, the trainings and coaching are crucial when developing oneself as a professional. At work the employees would like to hear constructive but also positive feedback. The organization should provide their employees possibilities to take part in the trainings and provide more coaching for them.

Supervisors should concentrate on supporting the continuous improvement of the employees by providing a process to ensure giving adequate feedback and rewarding.

8.3 Implementing the change

The R&D unit has taken its first steps in enhancing employee wellbeing in the organization, but many changes are still waiting for their turn. When considering the changes with a view to enhance employee wellbeing, it is necessary to remember the **wideness** and **subjectivity** of the concept. Employee wellbeing really covers the social, physical and psychological aspects of the work (Grant et al., 2007; Marjala, 2009). In addition, employee wellbeing is also a very subjective topic and there are significant differences in how individuals evaluate their wellbeing at work. These two matters need to be taken into account to prevent possible well-being trade-offs (Grant et al., 2007: 59)

To avoid these trade-offs it is necessary to think about the ensemble and to **consider their actions in a broad way** as well as to collect **more information on employees' attitudes** about the current practices before conducting any changes. Managers may be unaware that their understanding about the organization is incorrect. Therefore, it is crucial to unearth the real feedback concerning the attitudes and opinions of the employees. Considering the idea from different perspectives may open the management's eyes to see also un-wanted consequences. The managers may often only focus on a certain level of wellbeing and do not pay attention to how their actions affect the other dimensions. (Grant et al., 2007)

When the possible changes are properly considered, the actual change can be implemented for instance with **a model of planned change** which is a model for developing employee wellbeing in an organization (Manka, 2006). This model aspires to change the *objectives of work* instead of changing only the ways of working. The alteration of objectives causes changes to the performance of the organization as well as the wellbeing of employees. The change can be executed in two different ways: by an organizational development method (OD), which is suitable for small changes, or an

organizational transformation method (OT), which aims to change the broader meaning concept of the organization by creating new vision.

When considering the development of employee wellbeing, it is necessary to think about the **long term impact** instead of applying quick fixes (Grant et al., 2007: 58). In contrast, short term changes motivate employees to believe that a change will happen (Erämetsä, 2004). Therefore, I suggest combining OD and OT methods at the R&D unit because even though bigger changes are also necessary, it is easier to start the changes with small steps, which give the employees a feeling that the organization can change and that they too can have an influence on the change in the organization (Manka, 2006: 287).

To make the change happen, managers also need to **be motivated to act on** the feedback, their own observation and suggestions (Grant et al., 2007: 58). At the first stage, the Management must be the driving force of the change, but when developing the organization by small steps, the employees can get involved, too. Continuous informing and communication together with the possibility to take part in the change process at any stage make the change possible. However, it is important that all people involved in the change process are truly committed to and enthusiastic about driving the change (Erämetsä, 2004: 220).

In conclusion, it is important to keep in mind that the development of employee wellbeing is an organization-specific and continuous process. There is no universally applicable wellbeing program (Manka, 2006), but there are several organization-specific factors that affect employee wellbeing and its development. Managers should take responsibility of planning and conducting the changes. In contrast, they should also be ready and willing to reconsider the practices they have decided to implement into the organization if they proved to be unfavorable.

8.4 Ideas for further research

My study aimed to look at employee wellbeing in the context of an expert organization. The research interests were firstly to examine how expert employees understand

employee wellbeing, and, secondly, to investigate the effect of a certain working method for employee wellbeing. The study was conducted as a case study among the one research object and therefore the findings are organization-specific and may not work as a generalization. Therefore, it would be interesting to conduct comparative studies to reveal differences between expert organizations in understanding employee wellbeing.

The results of my study reveal that employees construct their understanding about wellbeing in various ways and that their perceptions are contradictory to Company's wellbeing policy. This finding formulates an interesting starting point for further research in examining how the wellbeing policy of Company and its promotion affect on employee wellbeing. It has also been shown that there is a connection between employee wellbeing and job satisfaction and national culture (Eskildsen et al., 2010). Thus, another interesting aspect would be examining the employees working in the same company but in different locations and comparing their experiences of employee wellbeing.

The study also reveals that Scrum as a working method has an effect on employee wellbeing. According to the study, Scrum Method could significantly increase employee wellbeing, but in the current situation there were only small-scale effects to be seen. A comparative research between the companies that are applying Scrum in different ways would reveal more about the relationship between Scrum and employee wellbeing. Also, the connection between employee wellbeing and working methods in general could be a fertile research object. For instance, a comparative study between the employees' wellbeing in the companies applying different Agile methods could benefit organizations in the software development industry.

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APPENDIXES

Appendix 1. Interview outline

GENERAL	<p>Working history in Company/general?</p> <p>How do you feel about working here?</p> <p>In which things has Company/R&D unit succeeded?</p>
EMPLOYEE WELLBEING	<p>Describe what does employee wellbeing mean to you?</p> <p>Which things influence the most on your employee wellbeing?</p> <p>Best employee wellbeing related practices/best sides of working here?</p> <p>Which things should be developed according your opinion?</p>
WORK COMMUNITY	<p>How does the work community influence on your wellbeing at work?</p> <p>How would you describe the working climate here?</p> <p>Tell about your team and colleagues?</p>
ACTUAL WORK	<p>Tell about Scrum as a working method?</p> <p>Does Scrum have an influence on your wellbeing?</p> <p>Can you tell about your actual work tasks and content of your job?</p> <p>What things in your actual work affect or may affect on your wellbeing?</p>
SUPERVISOR WORK	<p>Describe the current situation of leadership & management here?</p> <p>How can the supervisors affect on your employee wellbeing?</p> <p>Which are the best practices at the moment?</p> <p>How would you develop work management?</p>
OTHERS	<p>Name 3 best things in which R&D unit has succeeded/ 3 most crucial things that need to be developed?</p> <p>How would you like to see Company/R&D unit in one year? What things should have been changed?</p> <p>What expectations do you have for this employee wellbeing development project?</p> <p>Something else?</p>