

The reasons and paths of how restructuring can affect employees' well-being

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The aims

To describe the effects of restructuring on employees' well-being, and its underlying mechanisms:

- 1) What is the impact of different types of restructuring on well-being?
- 2) What are the factors that affect the relationship between restructuring and well-being (moderating factors)?
- 3) What are the mechanisms through which restructuring affects well-being (mediating factors)?
- 4) Are some subgroups of employees more at risk of developing well-being problems during restructuring processes than others and why?

Types of restructuring

- ***A change in organisation's ownership:*** The Danish case uses longitudinal data from the representative Danish Work Cohort Study 2000 and 2005 (N=3701)
- ***A prolonged restructuring:*** two Dutch datasets: 1) The Cohort-study Social Innovation 2008 and 2009 (N=1936), and 2) The Netherlands Working Conditions Cohort-study 2007 and 2008 (N=6105)
- ***A change in one's own job:*** a Finnish forest industry enterprise before (1996) and after (2000) the merger (N=1086)

Data analyses

The datasets were analysed following similar procedures:

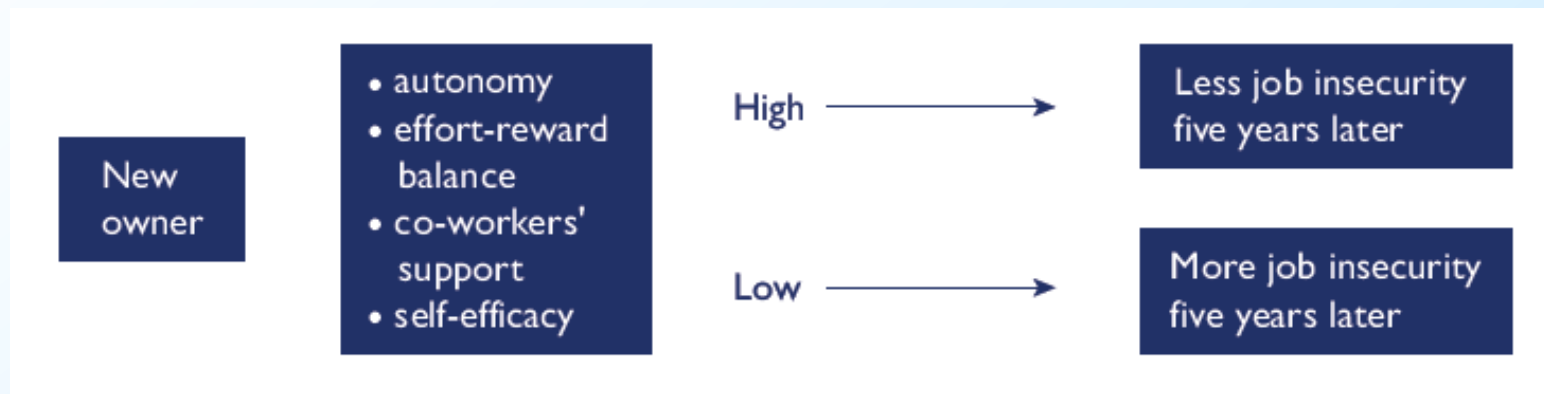
- 1) to find out whether the development of well-being differs in employees who have undergone restructuring and those who have not (*analysis of variance, controlled for age, gender, education and outcome at baseline*)
- 2) to find out whether certain groups of employees are more vulnerable to the negative effects of restructuring and the extent to which organisational and personal factors protect employees from these negative effects (*regression analysis*)
- 3) to investigate the mechanism by which restructuring affects employees' well-being (*a series of regression analyses*)

What are the effects of the change in organisational ownership?

A change in the ownership increases job insecurity

- Employees who undergo a change in their organisation's ownership experience more job insecurity even five years later compared to those with no such experience
- No other differences are found between the groups in relation to their work-related or general well-being

Factors predicting feelings of job insecurity after the change in ownership

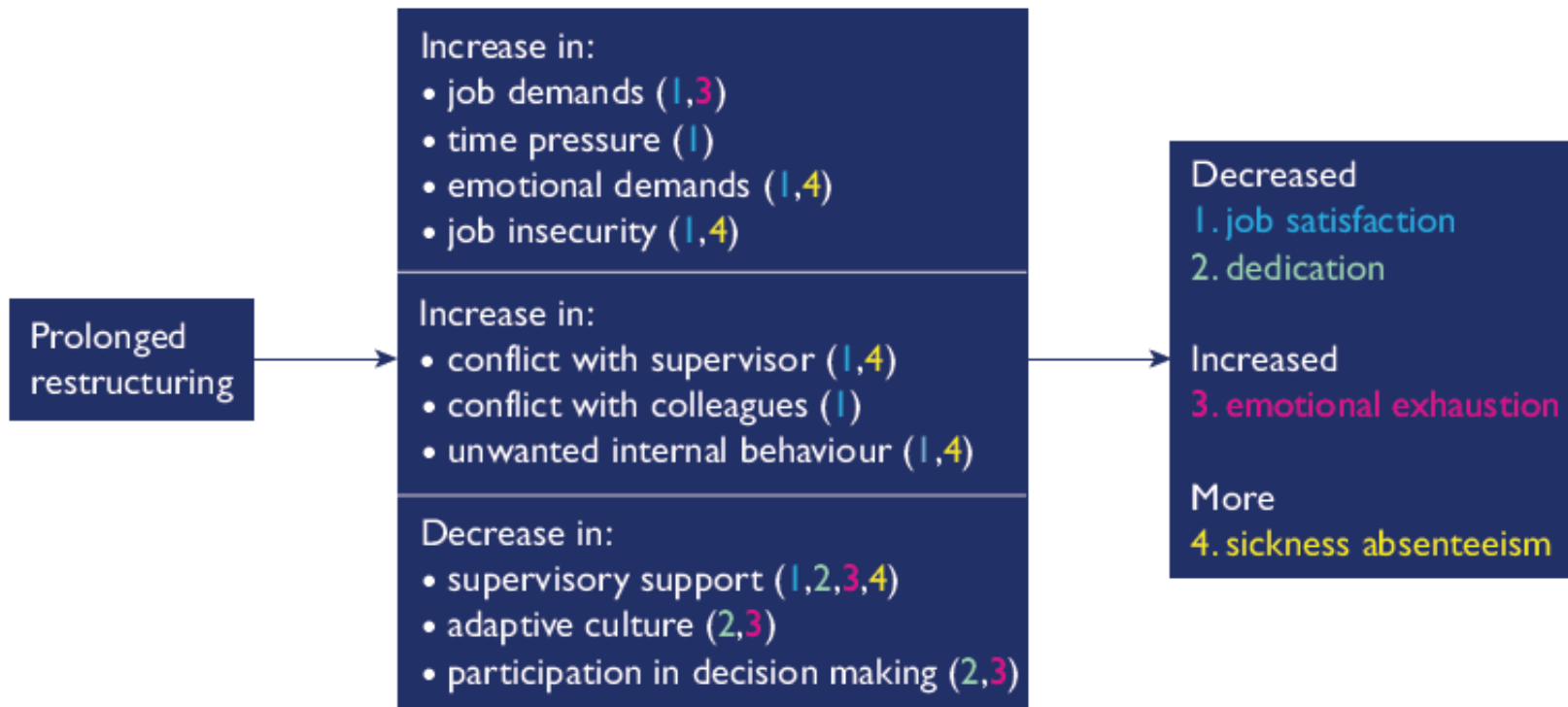


What are the effects of prolonged restructuring?

Prolonged restructuring leads to reduced well-being

- Compared to the employees who have not experienced restructuring, employees who have undergone prolonged restructuring:
 - experience slightly more emotional exhaustion
 - have lower job satisfaction
 - experience less dedication to their work and
 - have significantly higher percentages of sickness absenteeism
- Prolonged restructuring increases sickness absenteeism among older employees and employees with poor employability

Prolonged restructuring affects well-being via several mechanisms

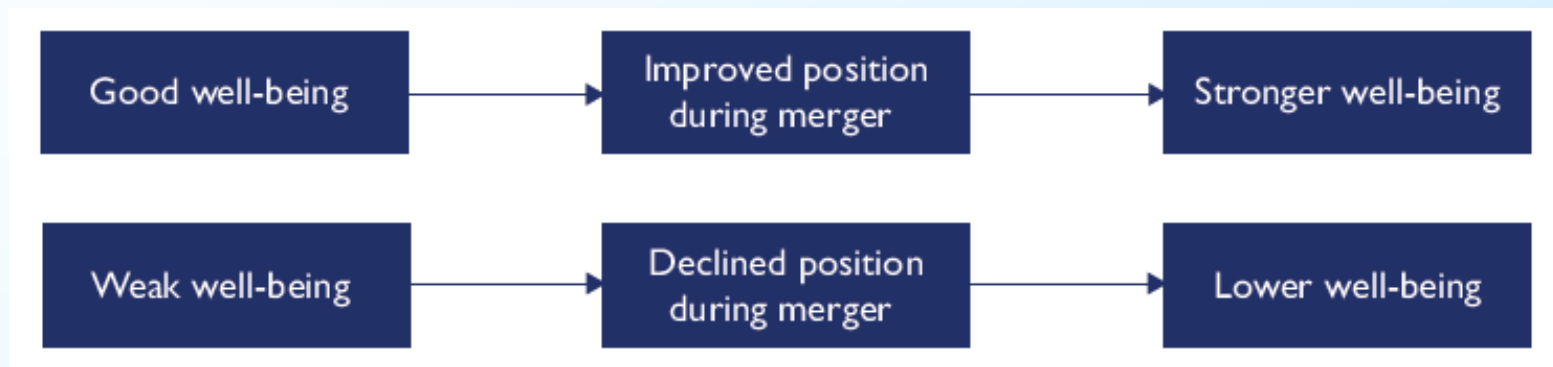


What are the effects of change in one's own job position?

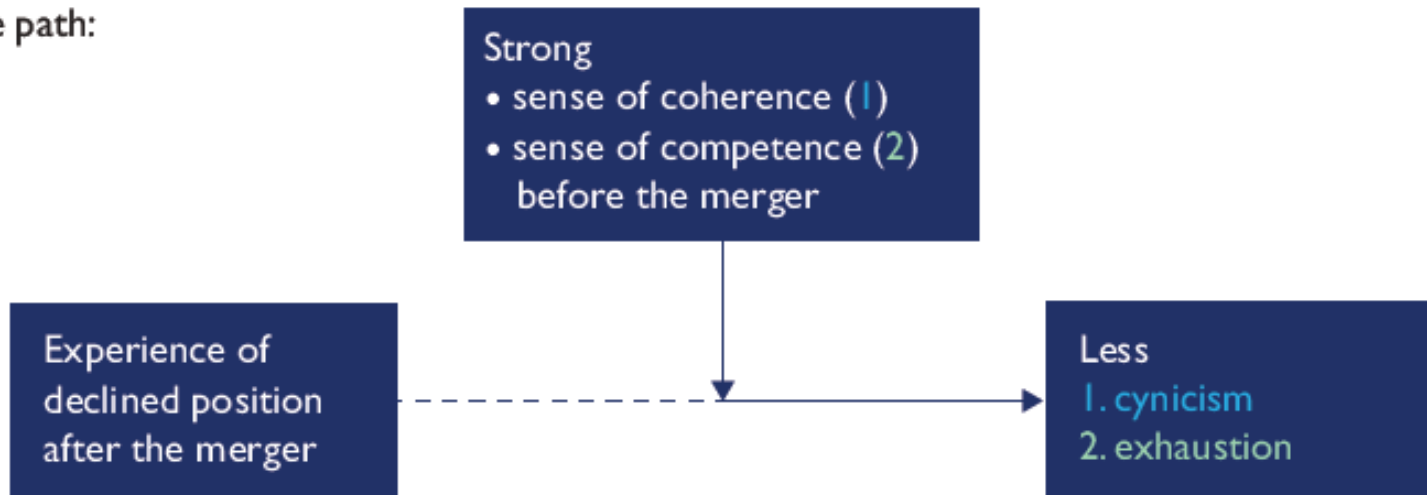
The change in one's job position is linked with later well-being

- The employees who report decline in their position:
 - experienced less support from organisation, co-workers and supervisor
 - had fewer personal resources
 - had lower well-being already before the restructuring
- Employees who report that their position has improved are younger and more educated than those who experience their position as declined
- Employees who perceive their own position as declined after the restructuring:
 - suffer more from exhaustion and cynicism,
 - have more stress symptoms, and
 - have lower work ability

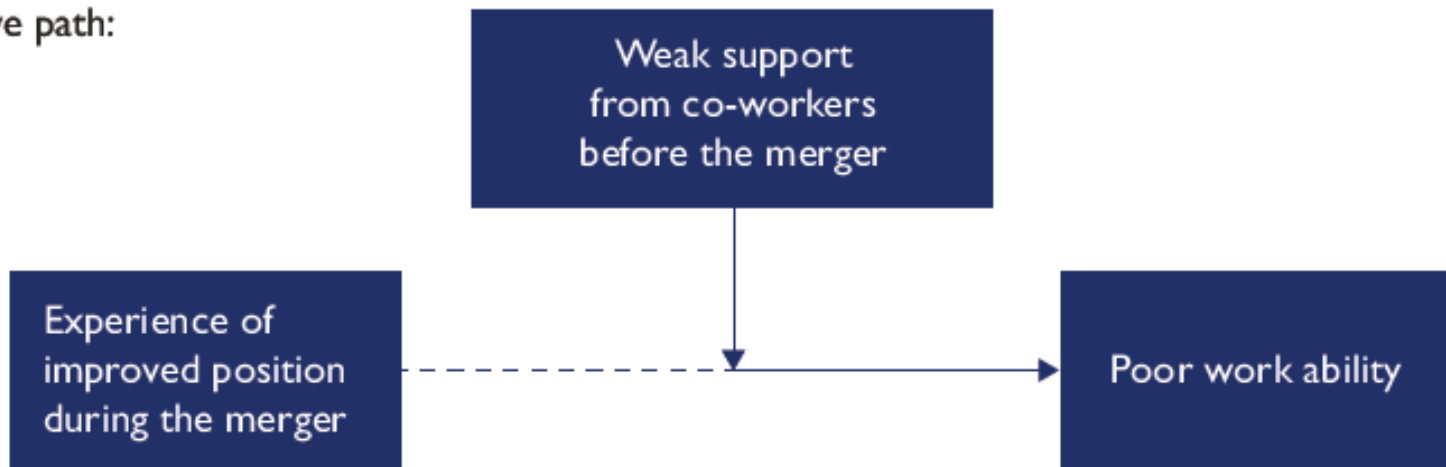
The effect of well-being on change experince and its effect on later well-being



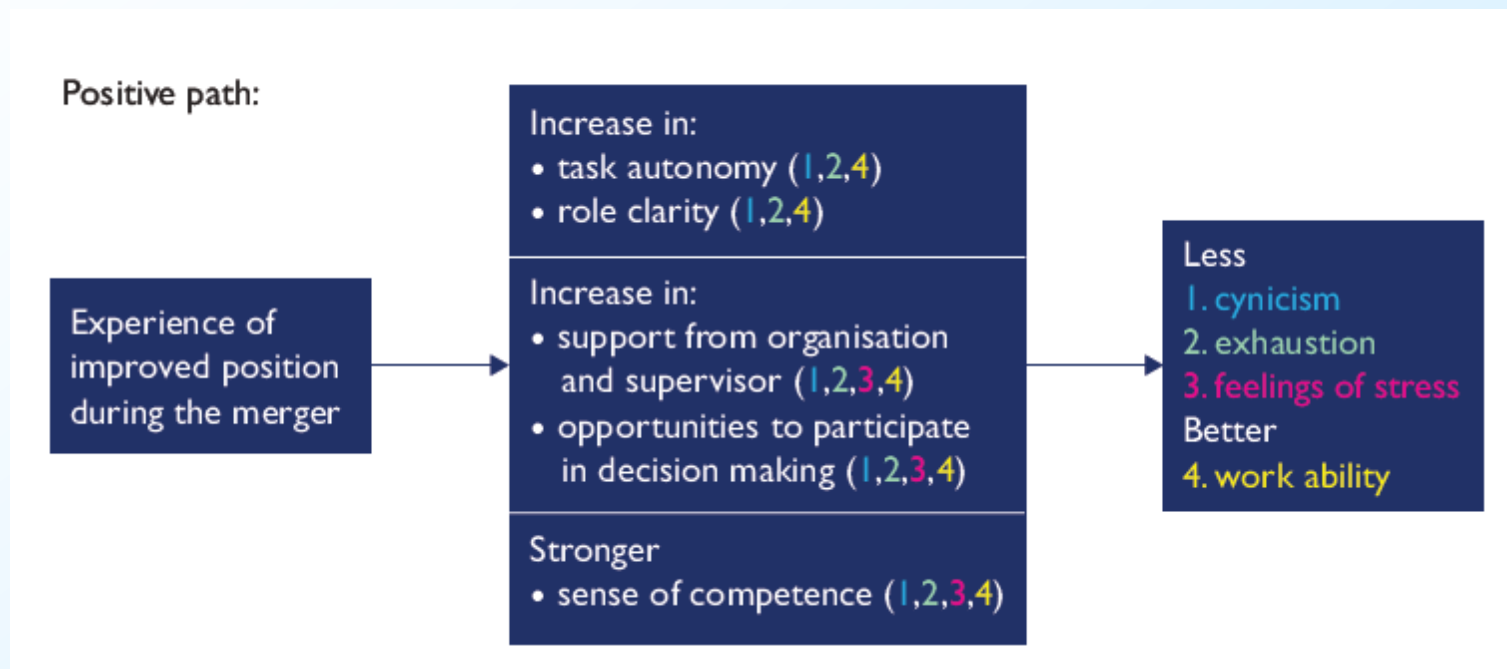
Positive path:



Negative path:



Improvement in job position is associated with good resources at work



In conclusion (1/2):

- It is evident that restructuring is a process which affects the well-being of employees:
 - after some time the negative effects on well-being may no longer be detectable, but the feeling of job insecurity remains strong
 - prolonged restructuring has a negative impact on well-being
 - the consequences of the changes on well-being depends on the change experience
- Employees at risk are those whose well-being is low before the changes or whose personal resources or employability are weak

In conclusion (2/2):



Thank you for your attention!

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