

Measuring and managing wellness - A qualitative research in Finnish companies

Master's Thesis 30 credits
Department of Business Studies
Uppsala University
Spring Semester of 2017
Date of Submission: 2018-05-01

Kasper Heikkilä

Supervisor: Leon Caesarius

Abstract: This research explores management of strategic wellness in Finnish companies by adding a qualitative perspective to the previous research and by filling gaps related how wellness is measured and which categories of wellness management have the most effect on the financial performance, customer interaction, business processes, and learning & growth of a company. The wellness categories are connected to balanced scorecard categories based on criteria: wellness categories need to have quantitative measurements and they need to be connected to BSC improvements. The study is done via interviewing company representatives through semi-structured interviews. The results were analysed with the help of previous research related to wellness management and the balanced scorecard. The main theories used in this research are based on strategic wellness management and the Balanced Scorecard. The sample studied for this research consists of Finnish companies of different sizes and industries, limited to office work.

The findings show that companies are interested and motivated in measuring and managing wellness of their employees. The biggest issues are related to the setting of realistic and achievable wellness goals, and the measurements in many areas of wellness management make it difficult measure the exact effects in different performance aspects, and what exactly causes these effects. The only wellness management category which has proper quantifiable measurements which makes its outcomes measurable with the BSC are the wellness processes. From the perspective of BSC categories, the most impact from wellness processes was seen under the learning and growth category. This research fills some gaps in knowledge of what wellness management can cause in a company.

Keywords:

Wellness, Strategic Wellness Management, Balanced Scorecard of Wellness

Contents

1. Introduction.....	- 1 -
1.1 Background.....	- 1 -
1.2 Problem Statement.....	- 2 -
1.3 Purpose	- 3 -
1.4 Research Question	- 4 -
1.5 Structure of research.....	- 4 -
2. Theory.....	- 5 -
2.1 Definition, trends and benefits of wellness.....	- 5 -
2.1.1 Definition of wellness.....	- 5 -
2.1.2 Trends in wellness	- 5 -
2.1.3 Profitability and benefits of investments in Wellness	- 6 -
2.2 Previous research and Background.....	- 8 -
2.2.1 Background and cost of Finnish occupational healthcare	- 8 -
2.2.2 Strategic Wellness Management.....	- 10 -
2.2.3 Measuring health and wellness.....	- 13 -
2.3 Background to the Analytical Framework.....	- 15 -
2.3.1 Balanced Scorecard	- 15 -
2.3.2 Modified Balanced Scorecards	- 17 -
2.4 Analytical Framework.....	- 18 -
3. Method.....	- 22 -
3.1 Research Strategy	- 22 -
3.1.1 Panel Discussion/group interview	- 22 -
3.1.2 Semi-Structured interviews	- 24 -
3.2 Data Collection Process.....	- 25 -
3.2.1 Population/Sample.....	- 27 -
3.2.2 Validity, Reliability and limitations of the research.....	- 28 -

3.2.3 Ethical Aspects to consider.....	- 29 -
3.3 Operationalization	- 30 -
3.4 Data Analysis.....	- 33 -
4. Results	- 34 -
4.1 Initial group interviews, results	- 34 -
4.1.1 Current measurements	- 34 -
4.1.2 Desired measures	- 35 -
4.2 Semi-structured interviews, results.....	- 36 -
4.2.1 How is wellness viewed in companies?.....	- 36 -
4.2.2 Leadership Measurements	- 37 -
4.2.3 Strategy and Corporate policies measurements, personnel policies	- 38 -
4.2.4 Partnership and Resources measurements	- 39 -
4.2.5 Wellness Process measurements.....	- 40 -
5. Analysis	- 44 -
5.1 Strategic wellness management of interview companies	- 44 -
5.2 Connecting wellness categories to the Balanced Scorecard	- 44 -
5.2.1 Leadership	- 45 -
5.2.2 Strategy and Corporate policies/personnel policies.....	- 45 -
5.2.3 Partnership & Resources	- 46 -
5.2.4 Wellness Processes	- 47 -
5.3 Revised model	- 50 -
6. Conclusions	- 53 -
7. Contributions and limitations, suggestions for future research	- 54 -
8. References	- 57 -

1. Introduction

1.1 Background

For decades, it has been regarded as a fundamental right of each worker to enjoy the highest attainable standard of health, and an employee's health at work should be protected (WHO, 1994, ILO, 1985). Accordingly, companies in Finland have fulfilled their role in preventive health care, first on voluntary bases, and since 1964, after introduction of compulsory health insurance, on legislative bases (Kankaanpää et al., 2008).

The legislation obligates employers to organize preventive healthcare and wellness services. Wellness can be defined as the optimal state of health of individuals and groups (WHO, 2017). Wellness has multiple subcategories, such as mental wellness, social wellness, physical (in this research, physical wellness is related to physical activities. Illnesses and other medical issues are excluded) wellness and intellectual wellness (Hettler, 2017), which all can be used to build up a healthy and fulfilling life. Striving towards wellness gives the individual potential to reach his fullest, and gives him a better toolset to survive life's challenges (WHO, 2017). An individual who is optimizing his own wellness is a functional person who is fulfilling his expected roles physically, socially and economically in the family, community, and workplace (WHO, 2017). As wellness has an effect on work performance (in this research, work performance is defined as the job related activities and how well they are executed), companies have various reasons and motivations to organize wellness services above the minimum legal obligation. Employee wellness promotion is an important factor for companies, since the employees and their knowledge are vital factors for a company's success (Aura et al., 2010), especially on knowledge-based companies and industries (Kaplan & Norton, 1996).

Wellness has received increasing amounts attention from companies (Aura et al., 2016). There are studies proving both beneficial and non-beneficial financial results based on wellness investments. In addition to direct financial impacts, there are several other important factors companies can try to achieve with improved wellness. These include improved productivity (Pronk et al., 2004), opportunity to recruit and keep the best candidates (Noe et al., 2003), reductions in issues related to a poor state of wellness such as obesity (Ala-Mettälä, 2014; Carey, 2004; Meadows, 2016), low physical activity, mental health problems, stress levels (Norris et al., 1992), and alcoholism (Ilardi,

2009). Berry et al (2010) define workplace wellness as “an organized, employer-sponsored program that is designed to support employees as they adopt and sustain behaviours that reduce health risks, improve quality of life, enhance personal effectiveness, and benefit the organizations bottom line”. With this in mind, an investment into goal-oriented, organized wellness management can provide companies with beneficial rewards.

Higher level of investments is motivated as long as the marginal benefits of additional investments exceeds the costs. However, systematic measurement of impacts of health related investments is missing in majority of companies (Aura et al., 2016), thus makes the tracking of the results difficult. In addition to that, many companies are not connecting health related activities to their company objectives (Aura et al., 2016), which creates another difficulty to motivate further investments related to wellness.

1.2 Problem Statement

Previous research on wellness management identifies how companies are using wellness as a supporting tool to achieve strategic goals. It also identifies some practices companies have for strategic wellness management. The research proves that companies have increased their demand and application to the field of strategic wellness management in the past six years (Aura et al., 2016), thus proving that it is an interesting and valuable field to study, and is a currently ongoing important phenomenon which receives increased attention.

However, earlier research does not exactly identify which factors of wellness management are causing positive effects in key performance indicators and other relevant business measures (Aura et al., 2010), but only hints that wellness management is enabling certain changes which are discussed in chapter 2. Thus, there is a gap in the theory related to measurable effects of wellness management and where they are directed; it is unclear what key performance indicators are affected by which parts of wellness management. This research aims to increase the understanding and fill the gap by identifying the *exact* and measured causes of different categories of wellness management (Leadership, Corporate strategy and policies, people, partnerships & Resources and wellness processes; better descriptions are found in chapter 2) by identifying quantifiable measurements and connecting them to a performance measurement system (the balanced scorecard

(BSC), a performance measurement system with high focus on also non-financial measurements, and high focus on quantifiable measurements).

In order to manage and steer health and wellness investments, companies need a measurement framework for assessing and quantifying impacts of wellness, setting up proper goals for wellness, and to link wellness activities to strategic objectives. A measurement framework should help companies to select relevant measures and to quantify impacts of wellness related strategic activities in order to justify investments. The framework should also help companies to link health & wellness activities to business objectives.

1.3 Purpose

Wellness can be defined as “a multidimensional and multidisciplinary concept. Although definitions may vary depending on the context, generally, wellness is thought to be a balanced state of a healthy body, mind, and spirit” (Seppälä et al., 2012), and thus, should also include several factors, such as mental, physical, intellectual and social factors that better capture the essence of a balanced and whole state of wellness. The balanced and multidimensional state of wellness and healthiness can be used as a strategic tool by companies (Aura et al, 2010), but only if it is actively and systematically measured and managed and linked to company improvement. This thesis aims to contribute to the field of wellness management by identifying and fulfilling research gaps related to the wellness management; more specifically, how the wellness management enablers affect performance of a company measured by the balanced scorecard, and adding a qualitative perspective to complement existing quantitative research.

The purpose of the study is:

- 1. To analyse how strategic wellness management affects a company's performance measured with the balanced scorecard*

This purpose aims to fill the research gap by researching measurable results from wellness management, thus explaining which factors of wellness management cause positive results in a

company measured with the BSC. The purpose will be researched in the Finnish sector; further motivations for this are found in chapter 3: Method.

1.4 Research Question

The focus of this study revolves around themes of the following research question:

Which wellness management categories cause the most effects to company performance measured by the Balanced Scorecard?

1.5 Structure of research

This research continues with a look into the theoretical background used for this research, mainly the background to wellness in Finland, the theoretical backgrounds of strategic wellness management, principles of balanced scorecard and its uses, modifications of the balanced scorecard, and an analytical model based on the BSC and strategic wellness management. After that, the research methods are described. The methods include the data-gathering method and motivation, pros & cons behind it, a look into the sample/population of the research, and an operationalization of the theory into the questions used for interviews. Then, the results of the gathered data are presented, categorization is done based on the categories in wellness management. Following the results is an analysis and discussion of the data, where the results of the data gathered are analysed and a revised model based on the results is presented. To conclude the thesis, conclusions are presented with a discussion if the purpose of this research is fulfilled. Finally, the contributions and limitations of the research are discussed, followed by suggestions for future research.

2. Theory

2.1 Definition, trends and benefits of wellness

The purpose of this section is to identify what wellness is, observe some current trends, causes and effects of wellness, and to identify why focusing on and improving wellness can be a beneficial project for companies. This chapter focuses on why wellness is an important topic to study.

2.1.1 Definition of wellness

As stated in the introduction, Wellness can be defined as the optimal state of health of individuals and groups (WHO, 2017). Wellness has multiple subcategories, such as mental wellness, social wellness, physical wellness and intellectual wellness (Hettler, 2017), which all can be used to build up a healthy and fulfilling life. These subcategories of wellness will be discussed in this thesis. Wellness is a complex area where the different pieces of the puzzle directly affect each other. For instance, social isolation is a major cause for eating disorders, alcoholism and drug abuse (Carey, 2017; Meadows, 2016), which all have an impact on physical wellness. Also, isolation leads to increased stress and other mental issues (Khullar, 2016). This means that improving one aspect can also have a positive effect on other unexpected parts of wellness.

2.1.2 Trends in wellness

Currently, there are many harmful trends in the physical and mental health of the working adult population. There are several reasons behind this which relate to an unhealthy lifestyle. Some of the worrying physical wellness trends include alcoholism, drug abuse and other forms of addictions, and eating disorders (Carey, 2017; Meadows, 2016; Mokdad, 2004). Obesity is another severe issue, as obesity and poor physical condition has significantly increased in recent years (Ala-Mettälä, 2014; Mokdad, 2004). Poor physical health leads to reduced work performance, social issues with colleagues increase, sick leaves increase, quality of work decreases (Pronk et al., 2004), and stress increases (Norris et al., 1992).

One of the negative trends related to social wellness is the increasing amount of social isolation. Social isolation can be defined as a lack of contact with other people which usually lasts for extended period of time (Williams, 2017). Social isolation is increasing anxiety, hindering the ability to cope with everyday life (McAndrew, 2016), increases stress, vulnerability to other mental issues, and vulnerability to different forms of addiction (Ilardi, 2009), all causing issues at work. One of the negative work-related trends in wellness is the increasing amount of stress (Cohen & Janicki-Deverts, 2009), which is a cause for several work-related issues.

2.1.3 Profitability and benefits of investments in Wellness

There are some studies made on how increased investments in work healthcare and wellness relate to profitability of a company. One of those studies was performed by Eila Kankaanpää et al. (2008) in the Finnish scene. Their study covered the years 1997, 1999 and 2001 with a scope of over 6000 companies. The results were gathered by doing a regression analysis on companies that had recently invested in increased work healthcare and wellness, and used annual reports to see if performance had increased. The chosen companies were in different industries, including both labour and non-labour industries. The results were measured by five different key ratios. Their research shows that an increase in preventive healthcare (i.e. investments in wellness) did not increase company financial performance in two to four years, so purely from an investment-benefit perspective, an increase in preventive healthcare costs might not be warranted. However, they state that the study itself doesn't explain much of why it is so. They also state that an economic performance of a company is much more based on other factors than preventive healthcare and wellness, and that it is difficult to correlate to performance. They suggest that the effects of preventive healthcare are better observed in other variables than profitability, and that it can add value to these other variables, thus do not suggest against investments in wellness related programs.

Another similar study was performed by Mattke et al. (2013). Their study showed that a workplace wellness program did not justify the investment in financial terms (the return on investment was not positive). Their study shows that a lifestyle management program designed to improve wellness significantly reduced absenteeism, but that was not enough to pay off the money invested into the program. Their study suggests that a program based on disease management was a much better investment than one based on lifestyle management from a return on investment perspective. They conclude that the investment and results of a preventive healthcare program which aims to improve wellness can be significant, but it is very dependent on the individuals working at the company. If

there are many “risky” unhealthy employees at a company, the investment can be worthy even in the short run. They also suggest that a lifestyle management program can improve the health and wellness of an employee, but does not increase returns enough, and thus, offer other suggestions that are cheaper and easier to implement than a full wellness program. (Mattke et al., 2013)

There are also some studies supporting preventive healthcare and wellness programs from a savings perspective. A study done by Baicker et al. (2010) in the USA suggests that wellness programs decreased costs by 3.27 dollars for every dollar spent on the program, and that absenteeism costs fell by 2.73 dollars for every dollar spent; and thus suggests that a wider adoption of wellness programs may be justified even from a return on investment perspective. For each employee, the cost of the programs was, on average, 144 dollars per year, and the savings were 358 dollars. They also suggest that wellness programs may have an attractive quality and provide a competitive advantage in finding new employees for a company, and that the benefits of wellness programs likely do not end at increased savings and reduced absenteeism. (Baicker et al., 2010).

For the individual, work-related wellness programs have beneficial effects on how ready they are for health-related lifestyle changes, changes on dietary habits, reduced stress, and in general, adopting and maintaining healthy behaviours (Stave et al., 2003). A very significant finding was also the readiness for change: when individuals are participating in wellness programs, they become more ready for further changes which they see beneficial to their personal wellness, and also organizational changes. Susan R. Madsen (2003) suggests that individual wellness has a positive impact on increased energy and coping skills, but also, helps to improve attitudes towards organizational changes (Madsen, 2003). Thus, corporate efforts in increased wellness can have several benefits to the individual as well.

For companies, investments in wellness programs have shown increases in several factors. Currently, many companies offer wellness programs to employees, with only 17% not offering one (Willis, 2015). The wellness programs, in addition to return-on-investment, are often valued by a term called value-on-investment. This means that when investing on wellness programs, companies expect to see beneficial results in other, non-financial areas of operation, such as productivity, employee satisfaction, performance and worker loyalty (Willis, 2015). Participants of wellness programs feel that the programs have increased employee health and helped creating a culture of wellness.

Another study showed that lifestyle-oriented wellness programs can reduce health risks such as smoking, obesity, and lack of physical activity (Mattke et al., 2013). It is also suggested that wellness programs have a positive impact on employee morale and engagement, which consequently leads to improved performance and increased financial returns (Willis, 2015).

Companies can also expect to have higher presenteeism, less unscheduled time off, better employee retention, and a significant competitive advantage (Purcell, 2016). A study by Berry et al. (2010) suggests that an effective and well established wellness programs also increase employee pride and trust toward the employer.

Well prepared and conducted work health projects are conducive to good business and high performance. Research on this assumption gives a bit mixed outcome depending of the research question and arrangements. Several studies indicate a positive correlation between work health and wellness projects and business results (Aura et al., 2016; Baicker et al., 2010) whereas some other research indicate that no positive correlation exists between investment in health care and company result (Kankaanpää et al., 2008; Mattke et al., 2013).

With these results in mind, it is clear that corporate efforts towards increased employee wellness can provide significantly positive results. However, due to the different natures of the benefits observed in the section above, results can be difficult to see to the management who make the decisions. Thus, a more structured measurement approach can help the management to understand the benefits. A solution to this issue is provided in the analytical model, where a model is used which considers many important factors related to company performance.

2.2 Previous research and Background

The purpose of this section is to identify why the Finnish healthcare system is suitable for research purposes on wellness, to provide a background to what is Wellness Management, which is the theoretical background on what this research is based on, and to elaborate why wellness management is an important topic to research and apply in general.

2.2.1 Background and cost of Finnish occupational healthcare

The Finnish society wants employers to protect their employees against health hazards at work. Traditionally and historically, social and ethical arguments have been used to support preventive occupational health services. It has been regarded as a fundamental right of each worker to enjoy the highest standard of health. Legal obligations set the same minimum standard for organizing preventive health care. Because the obligation is stated in the law, employers should not fear of

losing cost competitiveness related to increased expenses in health, safety and wellness.

Historically, the Finnish occupational healthcare system consisted mostly of curative healthcare where the employer pays for medical costs related to curing diseases. Since 1964, the employer has a legislated obligation to provide employees with health insurance. In 1969, it started to include preventive occupational services, which became more prominent with the Occupational Healthcare Act of 1979. This made it compulsory for an employer to provide a form of occupational healthcare, be it a contract with a healthcare supplier or a contract between other employers. The purpose of the act was to prevent work-related illnesses and accidents, increase healthiness and safety at the workplace, to improve health, working capacity and functional capacity of the employees, and to improve the workplace community. These aim to comprehensively improve wellness in companies, thus making Finland an interesting country to study wellness in.

Currently, the employer first pays all costs of occupational healthcare. Afterwards, they are reimbursed an amount, which has varied during the 40 years the reimbursement has existed. Up until 1995, it was based on the total cost of healthcare, but then, it was split into preventive and medical healthcare. Higher focus was put on to preventive healthcare; i.e. the employer would get back more money for said services. The Social Insurance Institution of Finland pays back 60% of preventive costs and 50% curative medical costs to the company. This means that the employer still pays a rather significant part of the medical costs of an employee. The total costs of occupational healthcare have increased by 6% annually in the past 10 years (Kankaanpää, 2012). In short, the healthcare legislations started with basic curative healthcare, but over the decades leading to the present, has evolved towards a system where companies have an obligation and a willingness to provide more advanced wellness programs, further justifying why wellness in Finland is a shining example for research. Below, you can find a chart which show's some numbers related to occupational healthcare costs.

Cost benchmark

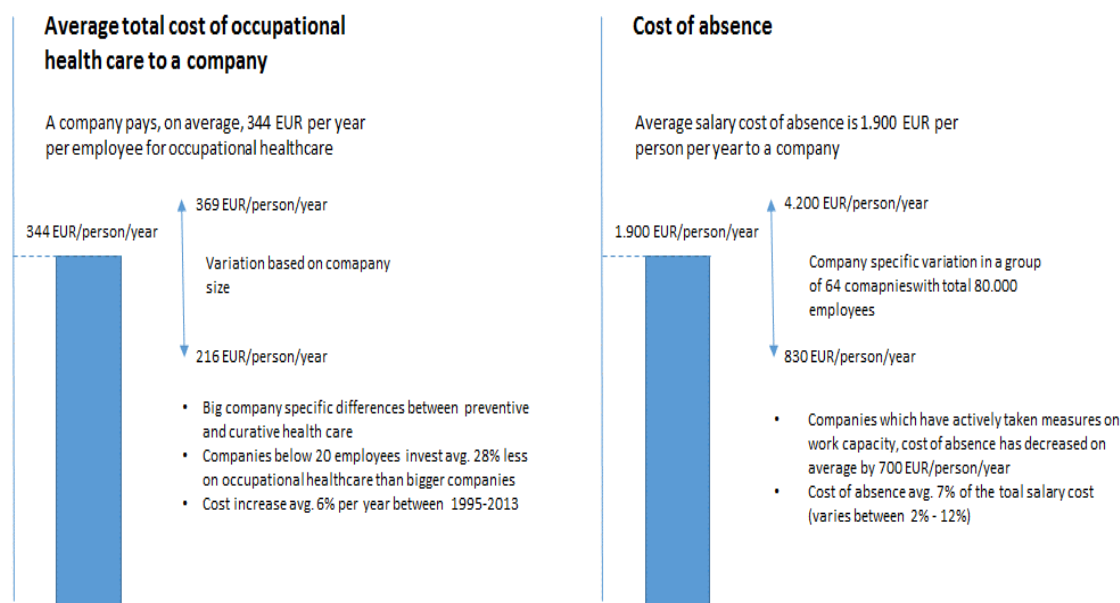


Figure 1: Costs of occupational healthcare (Kankaanpää, 2012).

Together legislation, politics, society, institutions, competition and even geography set limits, or give the chances for employers and occupational health service providers to achieve their objectives. Occupational healthcare has evolved quite a lot since it initially started in Finland, and with some new entrants to the market, there is an even higher focus on wellness instead of curative healthcare. This has led to an increased competition on the market where employee wellness is a bigger concern than before as the customer companies are looking for a cost-efficient way to get the best wellness-benefits from their occupational healthcare provider (Kankaanpää, 2012).

2.2.2 Strategic Wellness Management

Renewal and adapting to increasing competition is a critical, long term success factor to all companies. Renewal and innovation does not happen without highly motivated and skilled individuals who work together to achieve common goals. Motivation, learning and teamwork can be improved by making investments in the personnel (Deci & Ryan, 2009).

Strategic wellness is defined as the part of personnel well-being which directly or indirectly affects corporate performance (Aura et al., 2010). Strategic wellness management is accordingly defined as all those processes by which strategic wellness is promoted (Aura et al., 2010). In this context, the term “strategic” is seen as an implication that management and the board are supportive and provide resources to this area as a part of organizational strategy and planning (Aura et al., 2010).

“Processes” include corporate strategic management, human resource management, management and leadership practices, and occupational health and safety. The processes involve activities such as setting objectives and goals, analysing the environment, analysing organizational processes, evaluating current management practices and observing that they are executed correctly. Therefore, strategic wellness management requires resources, has set goals and objectives, and provides the organization a different set of performance goals and processes (Aura et al., 2010; 2016).

Strategic Wellness Management can be seen as a sub-field of both strategic management and performance management. Performance management is the practice of seeing that organizational goals and objectives are reached (Berkeley, 2017). It involves the entire organization, and is measured with different evaluations. The end goal is to perform work in as efficient way as possible (HRCouncil, 2017). Strategic wellness management is the management of performance through carefully planned and executed management of wellness. The roots of strategic wellness management go back to 1980 when Finnish Institute of Occupational Health developed a concept called “maintaining and promoting of work ability” to cover activities in individual and organizational levels targeting to prevent the decline of work ability and to reduce work disability risks (Kankaanpää et al., 2008). The concept became the common goal for trade and employers unions and the targets were written in Occupational Health Act of 2002 and Occupational Safety Act of 2003. Strategic wellness management concept was developed to get a realistic picture what organizations are doing for their personnel well-being and to evaluate the effectiveness of the activities.

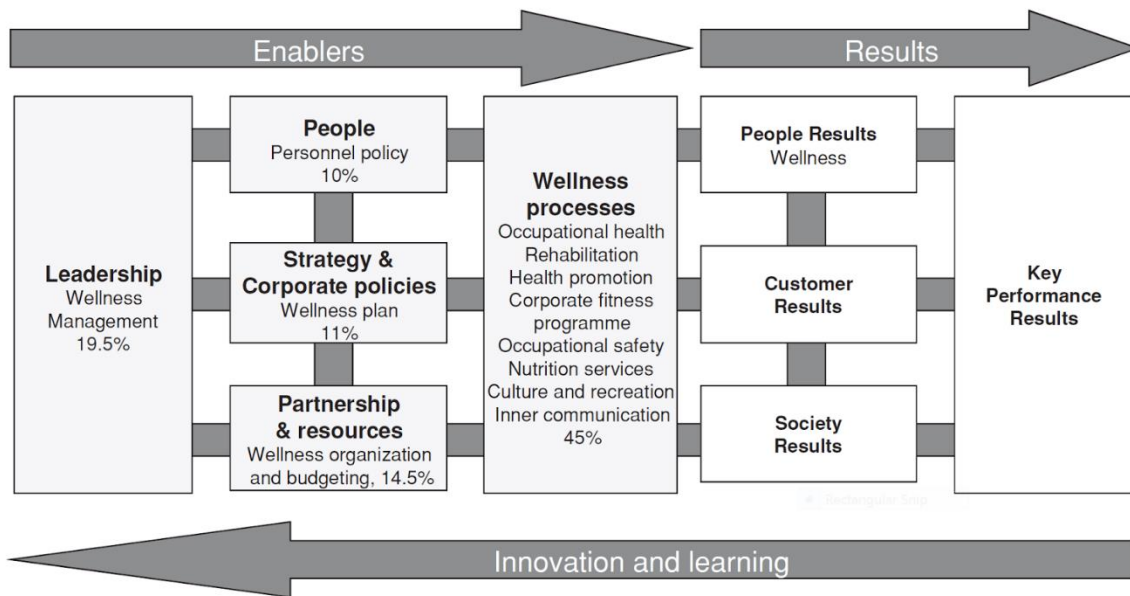


Figure 2: Model for strategic wellness management (Aura et al., 2016). Percentages indicate the share of the specific item in the strategic wellness management index

The above figure defines the key categories of strategic wellness management, and the enablers on the left side of the figure are the main categories of wellness management used in the analytical model. The enablers of the model above will be referred to “the categories of wellness management” later in the thesis. The analytical model will also consider the results of wellness management from a balanced scorecard (BSC) perspective, using the BSC performance indicators. On the left side are the most important enablers which cause results in a company, the important factors required to properly execute strategic wellness management. The most important enablers are the wellness processes within the organization, which include objectives such as occupational health, different forms of health promotion and occupational safety, and generates 45% of the expected results. This means that the wellness processes have the largest expected outcomes of wellness management. Also, the role of management is important in strategic wellness management, as they are expected to show leadership and example in order to improve corporate wellness (Aura et al., 2016). On the right side of the chart are the expected results of a well-executed strategic wellness management. Mainly, it is expected to show results in employee wellness, customers, society, and key performance indicators of a company (Aura et al., 2010). The strategic wellness management index developed by Aura et al. (2010) describes the level of management of strategic well-being. It gives points based on the level of commitment a company has for strategic wellness management. The higher the points, the higher level of strategic wellness management the company has. The index takes into account all areas of activity aimed at managing strategic wellness. The index consists of four sub-areas:

- the strategic base of strategic wellness
- the role of wellness in management activities
- foremanship and HR-activities
- wellness supporting activities

Strategic wellness management index ranges between 0 and 100, with 0 points equalling to no strategic wellness management at all. In 2016 its value was 52, which is clearly above the 2009 value (41), when the index was measured for the first time. In 2016, the result consisted of answers from 393 companies which represent 160 626 employees. The rise in points of the index proves that more and more companies are getting involved in the area of strategic wellness management.

The strategic base of strategic well-being is on the lowest level of all the four main areas of the index. The responsibilities of strategic wellness management in companies have been reasonably well determined, but measurement and reporting are too weak to let wellness become an integral part of strategic management of companies, and to make solid and exact connections to performance measured by the BSC. The level of traditional wellness supporting activities is fairly high. Occupational health services and labour protection activities get the grading 70 out of 100. Traditional personnel fringe benefits (corporate fitness, cultural and recreation activity and personnel nutrition) are in a middle range. The promotion of healthy lifestyle gets the lowest points.

2.2.3 Measuring health and wellness

According to a survey (Aura et al., 2016), 59% of Finnish companies measure health and wellness in some form. Differences between industries and types of organizations are significant. The range varies from 89% (governmental organizations) to 39% (companies in the construction industry). Big companies measure health and wellness more actively (89%) compared to mid-sized companies (65%) and small companies (24%).

Most commonly used measurement is related to sickness related absences. 70% of the companies which in general have any measures, have measures related to absence hours. Other general findings related to companies which measure health and wellness include:

- 64% of companies make employee surveys
- 21% of companies have measures related to knowledge

- Only 11-12% of companies have measures which are related to actual work ability and wellness.

Below is a chart which shows the most commonly and least commonly used measurements

Measure	All organisations	Personnel <50	Personnel 50<249	Personnel >250
Measures exist	59%	24%	65%	89%
Measures exist in the following areas (in organizations who measure health and wellness):				
Absence	70%	47%	74%	74%
Atmosphere, overall satisfaction	72%	50%	57%	72%
Absence related to safety incidents	23%	9%	20%	29%
Overall wellbeing at work	23%	31%	22%	23%
Job content, leadership	21%	13%	12%	29%
Skills	18%	16%	19%	17%
Cost of occupational health	15%	9%	10%	21%
Work ability	5%	3%	2%	7%
Life style	4%	3%	2%	6%

Table 1: Different measures of health and wellbeing used in organizations (Aura et al., 2016)

2.3 Background to the Analytical Framework

This chapter introduces the theoretical framework behind the analytical model. The most important theory is the model of the Balanced Scorecard, which is a commonly used model for performance management. This section identifies the key principles, and lists the most important principles which will be applied to the analytical model of this thesis.

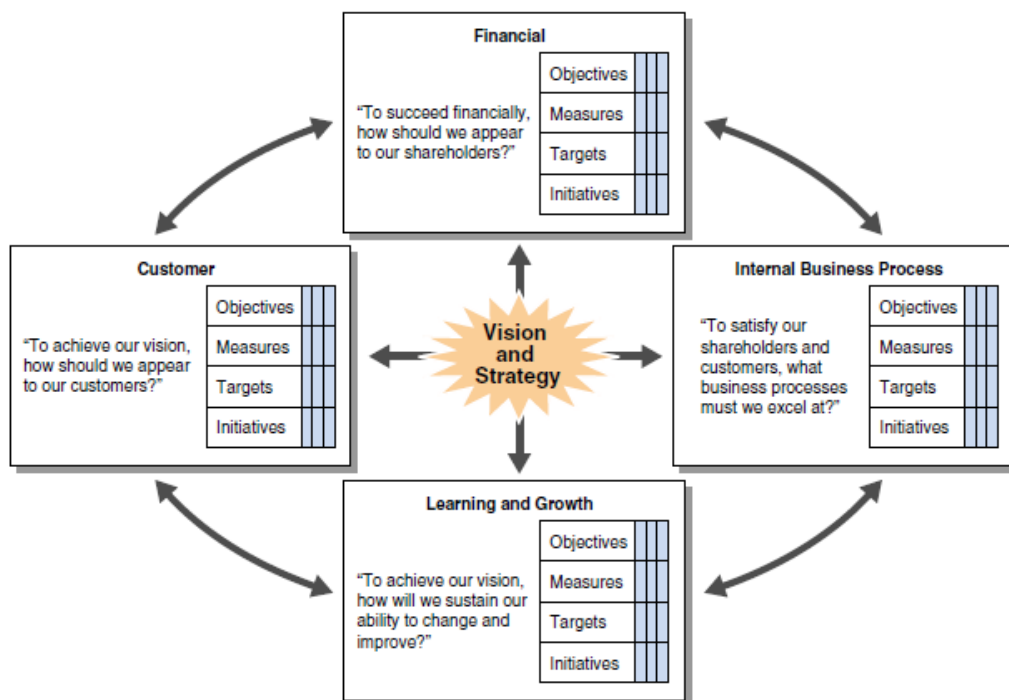
2.3.1 Balanced Scorecard

One well-known economic theory teaches that the purpose of business is create value for the shareholders. However, corporate value as the only indicator for corporate performance is not very suitable for managing daily business and affecting the daily activities of employees. Problems related to corporate value indicators include (Morisawa, 2002):

- Current financial performance is essentially the outcome of a number of business activities carried out in the past. Thus, pursuing results alone is nothing but reactive management, such measurements are more valid for historical analysis only.
- Those who have the real responsibility and authority for financial performance such as Return on equity and Economic value added are limited to only handful of executives at the highest level of the organization. Most supervisors and general employees are responsible for only a part of firm's financial performance (such as sales or inventory levels)
- Employees in general have only limited understanding of such concepts as the cost of capital and corporate value. It is necessary to create a link between financial performance and the daily performance indicators of general employees.

Balanced scorecard (BSC), developed by Professor Robert S. Kaplan of the Harvard University, is designed as one possible solution to the above problems. BSC enables employees to recognize their own objectives in relation to accomplishment of company financial performance and objectives and allows them to identify effective actions for increasing corporate value. While the ultimate objective of the BSC approach focuses on financial performance, it broadly defines "performance" as diverse non-financial outcomes such as the customer's perspective, the internal business process perspective, and the learning and growth perspective (Kaplan & Norton, 2001). Therefore, it combines financial performance measurements with other relevant performance measurements

companies find valuable, and thus it can also include aspects and the most important enablers of wellness management affect the performance measurements.



Source: Prepared by NRI based on Robert S. Kaplan and David P. Norton, "Using the Balanced Scorecard as a Strategic Management System," *Harvard Business Review*, January and February 1996.

Figure 3: Basic concept of Balanced Score Card

The balanced scorecard suggests that we view the organization from four perspectives, and to develop metrics, collect data and analyse it relative to each of these perspectives. The perspectives are the learning and growth perspective, the customer perspective, the business process perspective, and the financial perspective (Kaplan & Norton, 1996), all of which can be connected to wellness activities and outcomes of wellness management. The perspectives above are referred to as “the BSC categories” later in the thesis.

The Learning & Growth Perspective includes factors such as employee training and corporate cultural attitudes related to both individual and corporate self-improvement. In a knowledge-worker organization, the people are the only holding place of knowledge and thus are the main resource (BSC, 2017; Kaplan & Norton, 1996). This perspective seeks to find answers on how companies can generate future continuous growth, and are often seen as the enabler of the rest of the perspectives (Kaplan & Norton, 1996). From a wellness perspective, a healthy and functional employee is more valuable than an unwell one, because they are more productive (Willis, 2015). Wellness can have an impact on corporate growth and learning, as suggested by Aura et al. (2016).

The Business Process Perspective refers to internal business processes, and tries to find answers on where companies need to shine in order to reach economic and customer goals (Malmi, Peltola & Toivanen, 2006). Metrics under this perspective are related to running the business, and if the products and services provided by the company are up to customer requirements. Wellness can also improve economic goals (Baicker et al., 2010; Aura et al., 2016) and customer goals (Aura et al., 2016), thus can be an effective part of improving business processes.

The Customer Perspective understands the importance of focusing on customer relationships, and how much value they can be to a business. A satisfied customer is likely to remain a loyal client, whilst an unsatisfied one is more likely to look for a substitute that better serves their needs. Thus, the customer perspective takes into account what strategic choices companies make in order to satisfy customer needs (Lindroos & Lohivesi, 2004). As suggested by Aura et al. (2016), correctly pursued wellness goals also have an effect on customer relationships.

The Financial Perspective aims to identify factors that shareholders find valuable, since the owners of the company are interested in the financial performance of the company (Malmi, Peltola & Toivanen, 2006). There are studies suggesting that the financial performance of the company can be positively affected by improvements in wellness (Kankaanpää et al., 2008; Mattke, 2013; Baicker et al., 2010).

BSC highlights that not all performance indicators need to be financial indicators, but they do all need to be quantifiable and have set goals (Morisawa, 2002). This makes it possible to avoid qualitative and vague objectives and measures, and also makes it applicable to wellness goals due to wellness goals and measurements often not being of financial nature (Aura et al., 2016; Kankaanpää, 2012; Baicker et al., 2013; Mattke et al., 2010). BSC helps organizations to find key performance indicators which are effective in helping the organization to reach strategic goals. It also helps employees at different organizational levels to communicate about the actual performance and its progress through relevant quantifiable measurements.

2.3.2 Modified Balanced Scorecards

One of the reasons for the BSC's popularity is due to it being easily customizable for a company's specific needs. Since different kinds of organizations have different strategies, they can use the BSC in different ways (Kaplan & Norton, 2001). For instance, the healthcare industry, such as hospitals,

have adopted the BSC, but came to the conclusion that modifications to the standard framework are required in order to make it relevant to the desired measurements and strategies of hospitals (Zelman et al., 2003). One hospital changed the 4 pillars into Financial Performance, Patient Satisfaction, Clinical Utilization and Outcomes, and System Integration and change. In essence, the goals for the scorecard were similar and the core concepts, such as the importance of measures, were kept, but the concept was slightly different (Zelman et al., 2003).

2.4 Analytical Framework

There are several reasons why the BSC is a fitting way to analyse and manage wellness from a strategic wellness management perspective. Firstly, they are both concerned with performance management. Wellness management has an effect on corporate and individual performance (Aura et al., 2010), whilst the BSC is used to manage and measure the effects on performance from a set of varying points of view (Kaplan & Norton, 2001). Secondly, both Strategic wellness management and the BSC place a heavy emphasis on the importance of measurements and both understand the importance of performance indicators other than financial performance (Kaplan & Norton, 2001; Aura et al., 2010). Thirdly, the ability to modify the BSC to suit different needs (Kaplan & Norton, 2001) makes it suitable to use with wellness measurements. Fourthly, the research by Aura et al. (2010) proves that wellness management results can be seen in four categories: people results, customer results, society results and key performance results (Aura et al., 2010). Two of these categories are direct matches (customer results and key performance results) to the BSC categories, thus it is interesting to understand these connections further. Fifthly, research (Kankaanpää et al., 2008) suggests that the effects of preventive healthcare and wellness are better observed in other variables than profitability, thus making the categories outside the financial performance relevant for Wellness Studies.

Goal setting should be the starting point for measuring and managing health and wellness, as the BSC and wellness management support goal-setting (Aura et al., 2010; Kaplan & Norton, 2001). There should be common goals which are shared across the organization (Kaplan & Norton, 2001). After setting the goals, achieving the goals are followed with relevant measures and processes formulated based on the set wellness goals. Processes in this context are defined as a series of actions or steps taken in order to achieve a particular end. Measured results should lead to corrective actions in order to improve performance related to health and wellness goals. However, the strategic wellness management is more focused towards non-financial performance results, as

suggested by Aura et al. (2010) and others, thus suggesting that wellness measurements of the wellness BSC are more focused on non-financial performance which can be observed in the business processes, learning and growth, and customer interactions.

Goal-setting also has a significant effect on motivation and the likelihood of achieving a goal (Locke & Latham, 2002; Miner, 1994). The studies related to goal-setting suggest that a determined goal leads to a higher level of task interest than an abstract goal (Miner, 1994). Thus, goal-setting can increase the motivation towards the set goals given that the goals are realistic yet challenging, specific and clear. Research findings indicate positive correlation between goal setting and achieving higher results. Companies who set concrete goals in both of the areas do also reach better results (Aura et al., 2016). Thus, setting realistic, achievable, measurable and observable goals is a key criteria for the model of Wellness Management (Kaplan & Norton, 2001; Aura et al., 2016). Goals must involve the entire organization, they need to be properly communicated through the organization (Kaplan & Norton, 2001), and require to have specific targets for different dimensions of wellness, such as social, physical, intellectual and mental wellness. In order to reach the best results, the goals need to be actively managed, and the employees need feedback and reinforcement based on the results they achieve on individual efforts (Kaplan & Norton, 2001). If there are no goals or measurements, the connection between wellness management and BSC categories cannot be made.

The analytical model for this research uses the enabling categories of wellness management (Aura et al., 2010), and establishes a connection with those to the balanced scorecard (Kaplan & Norton, 1996). In order for the wellness categories to have a measurable effect on BSC, they need to fulfil criteria. From a BSC perspective, the main criteria for the model are:

1. There must be quantifiable measurements with goal-setting under the wellness management enablers (leadership, strategy & corporate policies, people, resources & partnerships, wellness processes) in order to avoid vagueness of the connections (Morisawa, 2002; Kaplan & Norton, 2001). If there are no quantifiable measurements, it is impossible to determine and measure which factors of wellness management are causing which effects on company performance
2. The quantifiable measurements under the wellness management are used and directed to observe effects on BSC categories (financial, customer, business processes, learning and growth) (Kaplan & Norton, 1996).

The second criteria can only be met if the first one is met. Thus, if these two requirements are filled, the wellness category can be used to impact categories of the BSC. As an example; a company

might have a quantifiable measurement of a wellness process. The process is a commonly held event for different learning purposes. The outcomes of the event are measured in order to see if it was useful for learning purposes. In this case, the wellness process is used to improve learning and growth, and qualifies for the quantifiable measurements.

The measurements will be focused on the enablers of wellness management: how do companies measure wellness processes, involvement of leadership and people, policies and resources, and how these connect to financial, customer, business processes and organizational learning & growth?

The data for the analysis will be gathered on the basis of the strategic wellness management theory. This means that the researched measurements will be based on the enablers of the figure by Aura et al. (2010) (see figure 1). The measurements will be gathered with the help of important BSC principles, namely the establishment of non-financial measurements, eliminating vagueness by having quantitative measurements and indicators and goals (Morisawa, 2002).

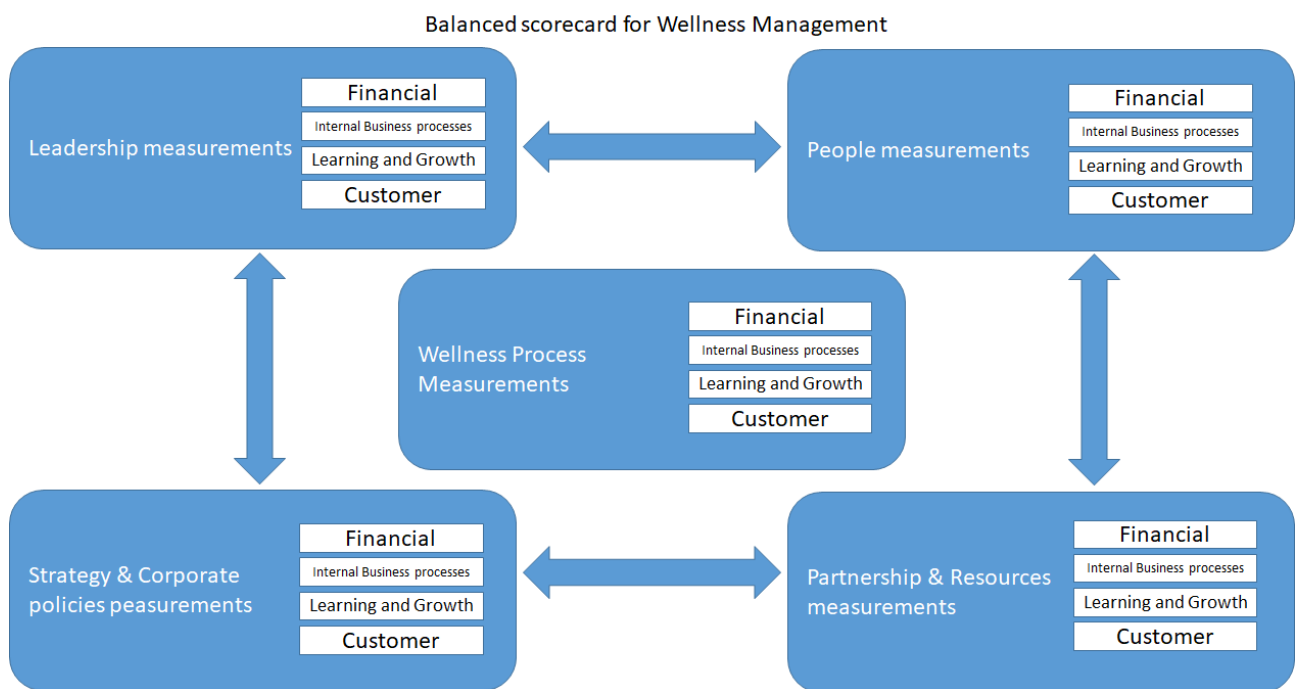


Figure 3: Effects of Strategic Wellness management to the categories of Balanced Scorecard

This model effectively narrows down the purpose to the following:

1. Does the Leadership category of wellness management have a measurable effect on the BSC categories of Financial, internal business processes, learning and growth, and customer?
2. Does the People category wellness management have a measurable effect on the BSC categories of Financial, internal business processes, learning and growth, and customer?

3. Does the Strategy & Corporate policies category of wellness management have a measurable effect on the BSC categories of Financial, internal business processes, learning and growth, and customer?
4. Does the Partnership and Resources category of wellness management have a measurable effect on the BSC categories of Financial, internal business processes, learning and growth, and customer?
5. Does the Wellness Processes category of wellness management have a measurable effect on the BSC categories of Financial, internal business processes, learning and growth, and customer?

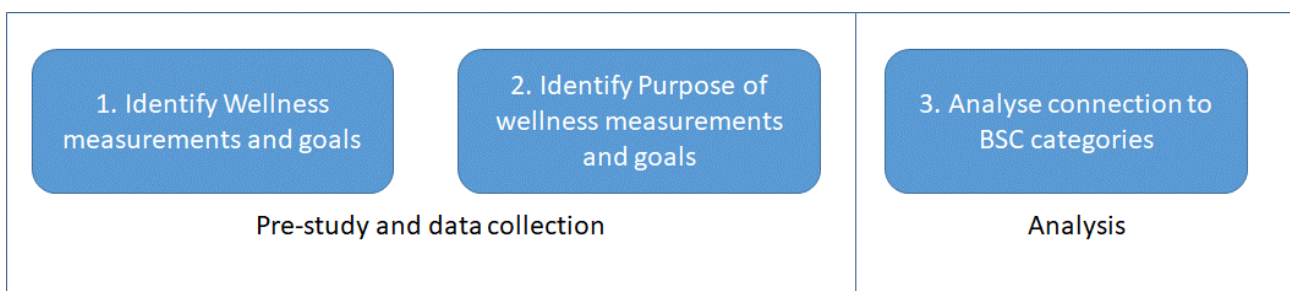


Figure 4: Research model process

In figure 4 are the steps to this research. The initial step is to identify different wellness measurements and goals companies currently use under the categories of strategic wellness management enablers. Then, the second step identifies what they expect/measure as the outcomes of measuring the wellness aspects; namely, if they connect the measurements to key categories of the BSC. Finally, the gathered data will be analysed with the help of the traditional BSC: What parts of the wellness management process causes the effects to company performance from a BSC category perspective, and which parts satisfy the quantifiable measurement criteria of the BSC?

3. Method

3.1 Research Strategy

This research is of qualitative nature, and its purpose to identify measurable connections between wellness management and company performance measured with the BSC. The research method chosen for this study is an exploratory study of qualitative nature, as the field of strategic wellness management is still a new field under development. An explorative study is a research on a subject that has research gaps and intends to improve the research (Shields & Rangarajan, 2013). A qualitative study enables the use of several different sources and to get many different views from many different people (Yin, 2013), and thus, is a valid research method for this research with the exploratory study in mind. The methods used by companies will be measured qualitatively, as the wellness measurements are ways, habits and strategies, which are best measured in a qualitative and verbal form. Therefore, a qualitative research is a better fit for this research compared to a quantitative method, as a quantitative method would provide better data for statistical purposes, which are not relevant for this study. The purpose is to study several working environments in Finnish companies, and a qualitative exploratory study is a good fit for such a research (Yin, 2009). As the study is of explorative nature, i.e. to explore how companies perform in the real world, the results can also be very different from one another, and a numerical study might not capture the core essence of the study in this case.

3.1.1 Panel Discussion/group interview

Initial data prior to the semi-structured interviews was gathered from panel discussions. The panel discussions were held in the premises of a Finnish occupational healthcare company, the attendees being clients to said company. The purpose of the event was for the healthcare company to get important knowledge from “wellness experts”, they had invited the attendees based on their knowledge of human resources management and wellness. The attendees were all in a position where they are responsible for the wellness of their represented company (such as HR managers or personnel managers), thus were legitimate sources to gather data from due to their expertise and relevant positions. The participants in the panel discussion were representing small to medium sized

companies, mostly conducting business in the Finnish markets, ranging from about 5 employees to around 500 employees. The industries of the participating companies were recruitment, IT, Communication Services, Mobile and Web services and Financing. The companies had gathered for the meeting for informational purposes and activities set by the hosting healthcare company, but the researcher was able to hold a small presentation and lead and participate in the discussions in order to get information relevant to this research.

Panel discussions are a form of group interviews. The goal for this initial group interviews was to use it as a way to identify key themes used for the later interviews (Saunders et al., 2009), and to establish connections to possible candidates for further interviews. A group interview was a good choice for the initial interview due to its ability to produce highly creative answers to the research question with several people participating and discussing the topic (Saunders et al., 2009). For this research, it provided an important ground to base future questions related to wellness; mainly, it gave ideas related to how the current wellness measurements are. The group interview situation creates a strong opportunity to allow a breadth of points of view to emerge (Saunders et al., 2009), and thus, can result in more creative information than a one-on-one interview might give, which was evident in the interview situation. The participants engaged in back-and-forth discussions related to wellness topics. However, as group interviews have a high probability of providing very neutral information where no participant strongly agrees or disagrees with the discussion topics, it was necessary to conduct more in-depth semi-structured interviews as well (Saunders et al., 2009). Also, even if the group interviews are able to provide a wide range of information, the depth of the information is often lacking compared to more in-depth one-on-one interviews. The results provided by the group interviews were treated as such, and provided mostly only general information related to wellness and a basis for the upcoming interviews.

The panel discussion consisted of 10 people representing 9 companies, and the topics were related to how their represented companies measure wellness, how measurements of wellness could and should be improved, and how wellness can be used to support the decision making of the companies. 8 out of the participants of the panel discussions were in HR positions in their respective companies, one was the CEO (small company where she was responsible for the wellness of the employees), and one was in other managerial position. The idea with the panel discussion was to get initial data which then would be used to better operationalize the theory into better set of interview questions for the semi-structured interviews. As the participants were in charge of the wellness of their companies, they were suitable informants to gather initial data from. Another significant benefit of the initial group interviews was the ability to create some personal contact to the interview subjects. As stated by Saunders, creating personal contact significantly

increases the likelihood of the interview subjects' willingness to answer the interview questions (Saunders et al., 2009). Five of the participants from five different companies participating in the group interview also later participated in the semi-structured interviews.

3.1.2 Semi-Structured interviews

The main data used later in the results and analysis is gathered via semi-structured interviews performed in 12 different companies. Semi-structured interviews were chosen due to their ability to provide in-depth information of the studied phenomenon. As the answers of the participating companies turned out to be quite large, a semi-structured interview was a good way to capture the data, as they are a sufficient way to gather large amounts of qualitative data, and when the questions are open-ended (Saunders et al., 2009). In this research, the interviews provided the researcher with initial broad answers, and with the help of guiding sub-questions, were narrowed down to more specific topics related to wellness measurements and management.

A semi-structured interview allows a formal approach without being as standardized as a completely unstructured interview, and doesn't have the limitations of a questionnaire (Saunders et al., 2009). In semi-structured interviews, there is a pre-determined set of questions, but they serve only as a guideline to the discussion. This research had a set of pre-determined questions and several determined and undetermined follow-up questions related to every pre-determined question. Semi-structured interviews are good for gathering qualitative data, and in this case, it was also important to understand the opinions and reasoning behind why the researched companies perform certain measurements and activities related to wellness (Saunders, 2009). One downside of semi-structured interviews is the possibility for the interviewer to suggest answers in the interview situation (Cohen, 2006). In order to avoid this, the interview questions were formulated in an objective way, so that the answers could take several different directions.

The structure was similar for all the interviews, but the discussions varied from each other. In some interviews, some questions were skipped due to time demands and due to the answers being covered through other questions (Saunders et al., 2009). In a semi-structured interview, the discussion is free to flow towards any direction within the pre-determined set of questions and themes desired. The semi-structured interview structure also allowed for pauses in order to better grasp concepts and topics, and both the interviewer and the subject in the performed interviews paused the discussions quite often in order to better understand the backgrounds of certain questions and answers. As a result, these types of discussions also lead the researcher to gather in data that he might not have

considered relevant or important in the first place (Saunders et al., 2009), which also happened several times in this research.

The use of pre-determined questions and themes which lead to the semi-structured interviews allows a form of cross-examination of the answers, since comparisons can be made between the different interviews. This can lead to a better understanding of the research topic, and help with getting even better answers out of future interviews (Sekaran & Bougie, 2009), and to get a deeper understanding of the researched variables (Saunders et al., 2009). Cross-examination helped this research, as it became apparent what measurements of wellness all the participating companies found relevant and used.

In this research, the initial questions for the semi-structured interview are broad and open-ended. As the discussion goes on, there is a chance to progressively and deliberately narrow down the topics whilst letting the interviewee express his statements, also called “probing” (Saunders et al., 2009; Sekaran & Bougie, 2009). This was used in order to get the bigger picture of the situation in the company, but also to get more detailed information about more specific topics related to wellness. The follow-up questions proved to be very important in order to gather as detailed data as possible, and to improve the cross-examination of the answers in order to see similarities and differences in wellness measurements and management.

3.2 Data Collection Process

The primary data from the interviews is gathered by the researcher, as it is not available from previous studies. There were no previous contacts in the interviewees before the group interview, nor were the company cultures or ways to perform and measure wellness known to the researcher. The initial data was gathered from 10 participants in the panel group discussion.

The semi-structured interviews were performed face-to-face in the offices of the participating companies. All of the necessary information was gathered face-to-face, but also, the interview subjects agreed to answer further questions if needed.

The research and interview process started with the researcher identifying different requirements and criteria for the characteristics of participating companies. The relevant criteria were determined to be the sizes of the companies (amount of employees should vary) and that the companies should be in different industries. The participants for the interviews needed to be in a position where they are responsible and knowledgeable of the current human resources and wellness situation of their respective company. An important factor was that the company had a culture of wellness, and an

interest in improving employee wellness. For the five companies that participated in the semi-structured interviews from the panel discussions, it was already clear that there was a high interest in wellness. In addition to the companies found through the initial group-interview session, the researcher also contacted 10 other companies. This was done due to the fact that the companies found through the group interviews were rather small employee-wise. Thus, some important information might have been missed due to the different measurement and management needs of larger companies (Aura et al., 2010).

After identifying the possible candidates, e-mails were sent to the subjects of the interviews (number of sent e-mails was 15), where 12 companies responded to the author and agreed to the interviews (5 out of the 12 were from the group interviews). For the companies that did not participate in the group discussions, the initial e-mail inquired of the current HR and wellness situation of the company in order to decide if the companies were suitable to participate in the interviews, and if the person contacted was the correct person inside the company to participate in a wellness-related interview. The amount of responses was high, many of the representatives were eager to participate in the research due to their own interest towards the subject. The participating companies all had an interest and deliberate effort to improve employee wellness, which was identified through the panel discussions, and for the companies that did not participate in that, through information gathered from the company web-sites and initial e-mail contact with the companies.

3.2.1 Population/Sample

	Company Size	Industry	Position of interview subject
Company 1	>50	Recruitment	Founder
Company 2	<250	IT	Personnel Manager
Company 3	50-249	Communication Services	Office Manager
Company 4	<50	Mobile- and web services	Partner/Office Manager
Company 5	50-249	Financing	Personnel Manager
Company 6	50-249	IT	HR Manager
Company 7	<250	Industrial (only the office surroundings were researched)	Office Doctor
Company 8	<250	Research	HR manager
Company 9	50-249	IT	Personnel Manager
Company 10	50-249	IT	HR Manager
Company 11	<250	Financing	HR Manager
Company 12	>50	IT	Founder

Table 2: Description of sample companies

The study focuses on private enterprises and primarily professional, expert organizations where the work is done in an office environment. Industrial organizations, such as manufacturing sites, are excluded from the scope of the study (some of the participating companies also have industrial activities. However, the results of this research do not represent those parts of the companies).

Based on information on large industrial companies, the biggest focus in industrial companies is on safety and work ability of factory personnel, which both are also significant cost drivers. These are relevant also in office type of work, but not to the same extent as in factory operations.

The companies are all based in Finland, however, some companies are global companies with operations in many different countries. The interviews were focused only on the parts and offices which operate in Finland. Finland was deemed as a good sample for this research due to several reasons:

1. Finland has a long and traditional, legislated work wellness and healthcare system which has consistently provided good results (Kankaanpää et al., 2008; see chapter 2.1)
2. Finland has a high interest towards wellness in companies (Kankaanpää et al., 2008; Aura et al., 2016, see chapter 2.1)
3. The initial research on wellness management was performed in Finland, and the purpose of this research is to add complementing data to that research with similar parameters of research
4. Convenience for the researcher, as the researcher is currently located in Finland
5. Other countries were excluded due to the amount of data becoming too time consuming and difficult to gather

The amount of companies interviewed for this research was 12. A larger sample would have been beneficial for the study, however, the results indicate that the companies who participated in the interviews showed very similar tendencies with their measurement and management of wellness. Thus, 12 interviews in addition to the initial group interview was seen as a suitable number to fulfil the information requirements for this study. During the interviews, the smallest company had below 10 full-time employees, whereas the largest one had over 15000 employees. Most of the companies fell into the range of 50-250 employees. All the companies have a Finnish origin, however, some participants have business units in other countries as well, and one is a multinational corporation with large business units and production sites around the world. For this study, it was important to have companies of different sizes due to their changing focus on wellness and measurements (Aura et al., 2010). It shows that smaller companies do not have as rigorous measurements and management of wellness as larger companies.

3.2.2 Validity, Reliability and limitations of the research

Some of the data in this research is subject to reliability issues. Since the data is gathered via face-to-face interviews, there is a possibility for both observer and participant biases (Saunders et al., 2009). With participant bias, the participant has biased answers based on some factors, such as being “forced” by the employer, the interviewees perceptions of the interviewer, or being unwilling to share certain information which might be relevant due to the questions being “intrusive”, and in some cases, the information needed can be too sensitive and may cause harm to the participant or the company he works for (Saunders et al., 2009). In this case, the results of the interview can

become partial, and give the wrong picture of the actual situation (Saunders et al., 2009). For this research, this could mean that the interviewed companies are unwilling to provide information of the aspects of wellness that they are lacking, or that they provide information that views the wellness measurements in a too positive way.

The observer bias can be described as the bias to analyse and interpret data in a way that misinterprets the data due to the observer (the researcher) having some form of a bias toward the subject or the informing person/company. However, none of the company representatives were known to the researcher beforehand, and also, were treated as objectively and equally as possible in order to minimize the observer bias.

In order to minimize the biases, informants and case companies are kept anonymous. It was decided to not reveal any participating companies in order to reduce any possible harm that might be caused by the research. The questions are also formed and presented in an objective way since the intention is to get non-biased data from the companies.

Studies based on interviews have certain issues with generalizability. The results are not statistically generalizable to the entire population because of the number of interviews not being able to represent the whole population (Saunders et al, 2009). This was minimized with a sample that represents different types of companies. However, the size of the sample might still cause issues with generalizations of the results. However, a strong and rigorous theoretical background for the research may make it more generalizable, even though the design of the study is not optimal for it (Saunders et al., 2009).

The literature research and interviews are done in Finland and in Finnish companies. Even if Finland is a suitable country to research wellness due to a strong emphasis and long traditions on employee wellness (Kankaanpää, 2012), the results cannot be generalized to all countries. Cultural differences, legislative differences and traditions related to wellness are all different in different countries, and thus, some practices might not be suitable on a global perspective. All countries are assumed to have their own legislation related to the role of companies in organizing health care services. However, it is possible that to some extent the results can be applicable in other western countries.

3.2.3 Ethical Aspects to consider

As the researcher, there is a responsibility to not cause harm to any informants or any companies that participate in the survey. Therefore, anonymity is provided and guaranteed to everyone who

participates and is being interviewed, and no company names will be provided. This is done in order to protect the anonymity and to help reduce biases. This research tries to identify best practices of companies, so the information regarding any company should not be harmful to others.

3.3 Operationalization

The questions were based on the purpose of the research, i.e. to analyse what categories of wellness management have a measurable effect on company performance measured with the balanced scorecard. The questions were formulated in a way that the informants would easily understand the questions, so the use of heavy theoretical vocabulary was excluded. The questions were open and the interviews were discussions. No numerical questions or answers were provided.

Theoretical background	Question	Purpose	Motivation for question
General	1. How is wellness viewed in your company?	To define suitability for interview (done in e-mail or group-interview)	To get a good initial picture of how the company handles and views wellness of employees.
Leadership Measurements	2. What are the most important measurements of wellness from a leadership perspective?	To understand the involvement and measurements behind the leadership of wellness, to understand role of leadership	Leadership is an important enabler for wellness management, thus should also be tracked
	2.1 How are they measured?	BSC criteria for quantitative measurements	connection to the BSC
	2.2 Does leadership have a specific role regards to wellness?		
	2.3 Are there any wellness goals set related to leadership of wellness?	BSC criteria for quantitative measurements	
	2.4 What is the purpose behind measuring leadership of wellness?	To understand if the company connects these to BSC improvements	connection to the BSC
People Measurements	3. What are the most important measurements of	To understand how the employee progress is measured	Personnel policies are an important part of wellness

	wellness From a people perspective?		management, according to Aura et al. (2010).
	3.1 How are they measured?	BSC criteria for quantitative measurements	connection to the BSC
	3.2 Are there goals related to personnel wellness policies?	BSC criteria for quantitative measurements	
	3.3 Does wellness have a role in the personal growth of employees?	Connection to learning & growth category	
	3.4 What is the purpose behind the wellness measurements and goals?	To understand if the company connects these to BSC improvements	connection to the BSC
Strategy & Corporate policies measurements	4. What are the most important measurements of wellness from a strategic and corporate policies perspective?	To understand if the effect of corporate policies is connected to wellness and its measurements	Strategy and corporate policies can be very supportive towards wellness, thus positively enforce it
	4.1 How are they measured?	BSC criteria for quantitative measurements	connection to the BSC
	4.2 Are there goals related to strategy/corporate policies of wellness?	BSC criteria for quantitative measurements	
	4.3 Does wellness have a role in your customer relationships? Are they measured in any form?		
	4.4 What is the purpose behind strategy and corporate policies of wellness?	To understand if the company connects these to BSC improvements	connection to the BSC
Partnership & Resources measurements	5. What are the most important measurements of wellness from a partnership & Resources perspective?	If the partnerships and their costs related to wellness are measured	Wellness costs can be significant, thus should be measured
	5.1 How are they measured?		connection to the BSC
	5.2 Are there any wellness goals set related to the		

	partnerships and resources of wellness?		
	5.3 Are monetary costs of wellness tracked in some form?		
	5.4 What is the purpose behind partnerships & resources measurements?	To understand if the company connects these to BSC improvements	connection to the BSC
Wellness Process Measurements	6. What are the most important measurements of wellness processes in your company?	To understand how the wellness processes are set, if there are goals, and how they are tracked	Wellness processes are the most significant enabler for positive results for wellness management, thus should be closely monitored
	6.1 How are they measured?	BSC criteria for quantitative measurements	connection to the BSC
	6.2 Who sees/uses the wellness measurements?		
	6.3 What kind of processes does your company have to improve wellness of employees?		
	6.4 How are the benefits of wellness measured?		
	6.5 Are there any wellness goals set related to the processes of wellness?		
	6.6 Are wellness related targets/benefits in any way connected to key performance improvements?	To understand if the company connects these to BSC improvements	connection to the BSC

Table 3: Operationalization of questions

The interview questions for the semi-structured interviews were formulated based on the categories of strategic wellness management and the Balanced scorecard. The main focus of the interviews was to formulate questions so that different aspects of the theoretical background for this research would be covered. In total, there were 6 main themes for the questions: one linked to a general view, and the rest to the wellness management categories. The initial pre-determined questions were broad on purpose. The discussions were then led to narrower and more specified areas related to the

theoretical background with the help of guiding sub-questions. Under the wellness category themes, there were from 3 to 6 guiding sub questions to better understand if there are measurements and goals, and if they are in any way linked to exact improvements which could be observed with the BSC.

The questions related to Strategic Wellness management had the intention of seeing what companies do in regards to measurements and management of wellness. Follow-up questions related to these were aimed towards increasing understanding of why the companies use certain measurements and processes, and to understand the connections of said measurements and processes to key categories of the BSC.

3.4 Data Analysis

During the interviews, the researcher took careful notes of the answers of the interview subjects, and were transcribed directly after the interviews. This allowed the researcher to have accurate information and quotes regarding the questions. After all of the interviews were complete, the transcripts were used to create a pool of all the answers in order to find relevant information and to better see if the answers had similarities to each other. This also helped to group the answers under different categories based on the theoretical background in order to make the data section and the analysis more transparent. After the categorization of the data, it was written down under the results section. This was followed by the analysis of the data, where the data was carefully observed and analysed with the help of the theoretical background, previous studies and relevant literature.

4. Results

4.1 Initial group interviews, results

4.1.1 Current measurements

The initial group interviews gave several interesting results for the research. The discussed topics were related to measurements that are currently in place, to measurements the companies might consider using in the future, and how they are applied into management. The interviews were set so that the interview subjects would mostly discuss some measurements which they consider to be unique for their company and were discussed on a general level; more detailed discussions were to follow in the semi-structured interviews.

The most common way of measuring wellness was through employee surveys. Surveys were done with different contents and frequency. One company mentioned that they do internal surveys related to how the employees feel about their work. In general, the idea was that the survey acts as a barometer for the satisfaction employees receive from work, and how happy they are being at the office. Questions included factors such as work-load, relationships with management, work atmosphere and being heard by the management. The subject stated that they do the surveys quite often, about once a month, in order to track changes from the previous month. The survey was done by the entire personnel, and did not give any details on the individual (such as name or position); only the group as a whole. This was done in order to reduce any likelihood of unpleasant encounters and rumour spreading due to survey answers. This survey was a similar one described by Aura et al (2016) under the categories “wellness at work” and “atmosphere, overall satisfaction”. The interview subject felt that this survey was enough to get a general idea if something needs to change. If, for example, a single category received significantly reduced results compared to previous months, the people responsible for wellness would do some form of an intervention. The biggest issues related to measurements in a general survey were related keeping information anonymous.

Most of the companies mentioned that they measure absences in the form of hours, which they considered to be a cost reducing financial performance. However, not all measured absences, as some felt that controlling and measuring work and absence hours of employees was too strict and might cause motivational issues related to flexibility of work. They rather measured performance based on work output than work hours. Different from companies with industrial operations,

absences related to safety incidents were not systematically measured. This is natural since the office was not considered as a hazardous working environment and a common reason for accidents is travel (both business travel and travel between home and office.)

Some companies mentioned that employee motivation was an important indicator for their wellness. The consensus was that the employees are more likely to feel well and healthy if they are very motivated by their current work, and motivation also improves employee performance. Currently, one of the companies informed that they have questions related to work motivation in their survey. However, many considered it to be a difficult task to measure motivation, albeit measuring it was considered important.

It was stated that issues with management could arise for the unmotivated employees, and they felt that it could cause ethical infringements for certain individuals, as motivational issues were seen often to be caused by personal life problems. A suggestion was to measure related factors affecting motivation, such as the importance of work tasks and relationships to management. Another possible solution provided by the participating companies was the use of one-on-one discussion sessions with employees, where the employees describe their current situation at work, what motivates them and what does not. These kind of coaching discussions were done by the HR personnel in a company, however, they were considered very time-consuming, and if there were more employees in the company (company had under 50 employees), it would be too big of a task to do on a regular basis.

4.1.2 Desired measures

All of the participating companies agreed that management has an important part in how the company perceives wellness, and this view is also supported by research. One of the common issues across all participating companies was how to measure people management and leadership. Also, the participants were uncertain on what the relevant measurements would be. In any case, there was a strong agreement that the management has an important role in being an enabler of wellness. This included leading by example (“management needs to promote a happy and healthy work environment”), being supportive, and knowing what’s going on with the employees. One company representative suggested a measurement scale on the supportiveness of the management where the employees also get to voice their concerns regarding the state of management.

All of the participating companies also agreed on the importance of monitoring the stress levels of employees. However, they also felt that measurement of stress was a complicated topic due to two issues: first, the privacy concern, and second, exact measurements of stress (i.e. physical stress levels of the body and how to measure it). Many felt that a stress measurement especially needed to be anonymous, since many people are unwilling to discuss the matter with others. However, if stress levels were to be measured anonymously, individuals needing quick help might not receive it properly and timely.

4.2 Semi-structured interviews, results

4.2.1 How is wellness viewed in companies?

The themes related to wellness in the case companies were very similar, regardless of size or industry of the company. There were some very prominent factors that all of the companies were interested in, but also some individual differences on what and how these factors were used and measured.

All of the participating companies did not have direct quantitative measurements on wellness, however, all kept track of wellness either via surveys, or via “word of mouth”: by talking and listening to employees. This was the case in the smaller companies, as they felt that there was no need to do questionnaires as they already have a decent picture of how everyone is feeling. These results are supported by Aura et al. (2016), where they identified that only 24% of companies with under 50 employees had measurements related to wellness. However, when the size of the company grew to around 50+ employees, it became clear that tracking each individual through just talking became difficult, also in line with Aura et al (2016), where 89% of companies with over 250 employees had wellness measurements. The larger companies used both internal and external questionnaires to track employee wellness. The surveys done in the companies were mostly performed in 1-2 month intervals. One interview subject said that “Every 2 weeks has worked well for us. Previously we did surveys more seldom, however, that was too long a timeframe to actually keep track of what is going on. Bi-weekly surveys gives us an opportunity to notice issues and act accordingly” (Company 3). These kind of surveys were anonymous in all of the companies in order to promote privacy. As one interview subject put it, “we do not want anyone to feel stressed about the surveys, therefore, we keep everything anonymous and on a very general level” (Company 8). The surveys consisted of both quantitative and qualitative questions.

In addition to surveys, some companies had open meetings where work-related issues were discussed in task groups consisting of management. Occasionally, the discussions were related to certain issues related to work tasks, and were resolved together.

Most of the companies using surveys had very similarly themed questions. The questions were related to the work atmosphere, satisfaction from work, work motivation, workload, relations to superiors, and general mood. The answers were mostly numerical answers on a set scale, for example from 1 to 5.

4.2.2 Leadership Measurements

Only two companies had direct measurements on how the leadership and management is involved in the wellness of the company, as already suggested by the initial group interviews. The more prominent examples came from companies 2 and 10, where they had an open qualitative question in a survey regarding how they feel about the involvement of management, thus was not quantitative nor had it quantitative goals. This question was in place to ensure that management is doing a satisfactory job in leading and managing the office atmosphere in order to keep a positive spirit and improve mental and social wellness. The only directly measured data the participating companies had which related to the participation of leadership were concerned with the social atmosphere (how employees interact with each other, and how employees interact with management).

However, leadership was considered to have an important role in creating the culture and the measurements for wellness, and to ensure that mistakes are corrected and poor survey results are reacted upon. Thus, the role of leadership and management was considered to maintain and improve the current situation.

Leadership involvement was mostly focused on how leadership supports, views and encourages wellness. The goals for the wellness measurements regarding leadership and management were to find out and improve if management is acting and behaving in a way that supports and enhances the current wellness situation. Thus, the questions were focused on how leadership and management treat wellness (Company 2 and 10). Mostly, the questions received answers based on the social atmosphere of the work, and improvements were made in order to improve the social wellness situation at the office, and if relationships with management were decent.

Also, management and leadership goals of the participating companies included arranging different kinds of events related to improving wellness, thus arranging wellness processes and partnerships. One interview subject (Company 4) told that management had arranged events related to sleep and work load based on the survey results, and how to effectively handle issues related to those.

Management was usually also the only party within the companies who had access to the wellness data gathered via surveys or word of mouth, so they were the only party able to change the processes based on the information they receive. They were also the ones responsible for what, if anything, they wanted to do with the available information, thus the role of leadership was to understand and use the measurements, and to encourage proper wellness behaviour, and to encourage employees to set individual goals on their wellness.

As there were no quantitative measurements or goals related to leadership/wellness management, this category takes a supporting role in enabling positive results. The purpose for management was to understand and improve the current wellness situation and processes for the employees. It was considered to be the responsibility of the management to properly understand what is going on, thus it was also considered important to have as accurate data on wellness as possible.

4.2.3 Strategy and Corporate policies measurements, personnel policies

The participating companies considered corporate policies and personnel policies (the people category) to be very close to each other, thus the strategy and corporate policies category was merged with the people/personnel policies category.

Strategies and policies related to wellness were not directly and quantitatively measured in any of the companies. Two of the participating companies (again companies 2 and 10) had an open question in their surveys in order to understand if the employees are satisfied with the current wellness strategy and corporate policies supporting wellness. However, these questions received only qualitative data.

The goals for the available qualitative measurements were to create an understanding if the current policies are satisfactory to the employees, albeit only on a very general level.

However, the strategy and policies of the companies participating had an important role that was not measured, since many of the companies considered it to be a difficult task to measure. Thus,

strategy and policies were considered to also have a supporting role to wellness management, similar to leadership. Company 2 considered it to be a competitive advantage to improve wellness of the employees: “we believe our customers can see if our employees are feeling well. They see the dedication and see that our employees go “the extra mile” to provide results above expectations”, “we believe all our efforts to improve employee wellness are directly correlated to their efforts with our customers. If our employees are satisfied and happy at work, they show that attitude to our customers as well” (Company 3).” Both the companies considered employee wellness as a way to improve their competitive advantage, and to improve customer interaction, thus they considered it to be a strategic tool to improve performance. Many of the companies considered the goal of strategy and policies targeting wellness to be to support and enhance wellness in general, but it was considered difficult to quantitatively measure the effects of strategy and policies.

The purpose behind wellness strategies and policies was to improve the performance of the company through improvements in wellness of the employees, even though there was a difficulty measuring the direct consequences. Thus, the results of strategy and policies were considered to be seen in the performance of the employees, as suggested by company 3, but it is currently not measurably proven. Corporate policies were considered to be an important factor, together with leadership, of creating a culture of wellness. Thus, the purpose of the policies and strategies was to support the improvements of the wellness processes for the employees of the company.

4.2.4 Partnership and Resources measurements

Tracking of costs related to different methods of improving wellness were only loosely tracked. The interviewed companies provided several different benefits to their employees through external partnerships (some examples include corporate fitness, different sports, access to mentoring and learning opportunities) which have direct and measurable costs. Only one of the companies (Company 4) interviewed used quantitative measurements on the use of external partnerships and benefits, and also had goals set for participation. One interview subject stated that “we have a general idea of how much money goes into wellness. However, we do not track the exact costs, nor usage of the benefits we provide. They just are there for our employees to enjoy if they want to use them. I think we have a decent picture of what is wanted and what is not” (Company 2). The interview subject also realized that some of the benefits provided may be underused, thus, possibly overusing resources to wellness. One of the companies stated that they did follow the costs related

to wellness partnerships and how much resources are spent in them, and had made some recent changes (Company 4) because some partnerships were too costly.

However, measuring the use of wellness partnerships and resources received some criticism. “We think we could reduce costs and resources related to improving wellness. However, we currently do not have an effective system for that. Also, we do not want our employees feeling that we provide some of the wellness benefits for monetary reasons only” (Company 6).

Only one of the participating companies had goals set behind resources and partnerships, but they were not very exact. Company 4’s goal was to keep the costs at a stable level; if the costs and resources spent on wellness rose, there would need to be a positive result in other areas or the change would be reverted.

The purpose of the resources and partnerships was to keep employees happy, and to keep costs related to wellness at optimal levels, thus slightly connecting to the financial performance of the company. Resources offered for wellness were seen as an investment in the employees, where the payoff could be seen (but not measured) in improved social and physical wellness as well as reduced absenteeism, which could be observed in improved company performance. Partnerships had a similar purpose: to improve employee performance through external activities. The only company that measured partnerships and resources considered a connection between the goals they had and performance, but they were not connected; rather, just educated guesses. Many of the partnerships mentioned by the participating companies were in some way a part of their wellness processes.

4.2.5 Wellness Process measurements

Wellness processes was the category with most focus from the participating companies. Process-wise, there were several similarities between the companies. 7 of the companies had defined and agreed processes related to involving wellness with goals and measurements, whilst the rest had supporting activities. Most of the processes were related to some form of social gatherings, such as little office parties or social events outside of the office. Some of the processes were constant and measured. One company (Company 4), for instance, had a process and a measured goal for everyone in the company to perform physical exercise (up to the employee to decide their goals). If everyone in the company reached their goals, they would all be rewarded with a trip to a city in

Europe. All the employees would log their exercise into a software provided by their occupational healthcare company.

Other processes and shorter initiatives that were seen important and functional include occupational refreshment days (where the company does something together outside of office), mentoring of employees to improve their knowledge of their own driving factors (Company 1), coaching and educational events which could be related to different forms of wellness (for example, sleep workshops). Also, two of the companies (Companies 4 and 12) had recently checked and adjusted the ergonomics of each work-stations in their office in order to reduce physical stress caused by sitting still at the office for extended periods of time. Company 1 measured the results of improving the driving factors: there was a question regarding if they considered the improved knowledge helpful for their work, thus directly connecting to the learning & growth aspect of the BSC.

Many processes were focused on improving work atmosphere. Work atmosphere was seen as a joint effort: “Everyone in the company should be participating in the effort. A good atmosphere cannot be forced or created alone” (Company 8). This was seen as an effective way to keep the employees happy and satisfied, and to increase the social wellness of employees, and simultaneously reduce stress. Work atmosphere was also commonly quantitatively measured, and seen as an important factor in the growth of the company.

Many of the processes were focused on lowering absences, as absences was the most common factor measured in the companies (Aura et al., 2010). “I believe that a healthy employee provides a better quality of work, and is also more productive and less absent. We want to reduce absenteeism, as it is very costly for our company” (Company 4). Company 4 had seen a reduction in absence hours after implementing their physical activity goal. This had reduced costs and improved output, improving the financial performance measured by the BSC.

The learning and growth aspect was considered to be affected the most by the tracked wellness processes. Companies 3, 4 and 12 measured how many of their employees used the learning opportunities provided by the companies, and also tracked how satisfied the employees were with the opportunities. Thus, they tracked how much the improvements in intellectual wellness caused by the learning opportunities affected the learning and growth of the employees.

Only one company had any sort of measurements related on how their wellness processes affect customer interaction, but it was not quantitative, nor were there any goals. It was a common consensus that improved wellness is beneficial for customer interaction, but there was no measurements to prove it.

Five of the companies did not have any specific processes to improve wellness, however. “We do not feel we need constant action since our employees are generally very healthy. However, if there is an acute need, we would consider longer-lasting, more precise processes to improve wellness. Currently, the employees are responsible for their own processes, and this has worked well so far.” Constant processes related to improvement were seen as a good idea if the situation required so, for example, if there was constant issues with work satisfaction.

Seven of the participating companies had goals related to their wellness processes. The goals for the processes varied between the companies. The goals can be categorized to improve physical wellness (measuring and setting physical activity goals), social wellness (occupational refreshment days), and mental and intellectual wellness (coaching, learning and wellness events). Mainly, the process goals consisted of understanding and improving the health situation of the employees, to reduce absenteeism, to keep the employees satisfied, and to improve employee retention. All of the participating companies realized the cost benefits improved employee wellness can produce.

The goal with measuring participation in learning opportunities was to keep track of employee learning. Employee learning was considered important for several reasons: firstly, it satisfied the intellectual hunger, as learning opportunities can be considered as a way to improve the intellectual wellness of an individual (Hettler, 2017). Secondly, it was considered important for the growth of the company to have the employees knowledgeable both on wellness, and their own work tasks and industries. According to Company 1, learning was the best way for employees to increase their personal capabilities and work performance.

The purpose of all the processes was to improve performance of the employees through improved wellness. The participating companies could see the connection between their wellness processes and improvements in performance of the company, such as improvements in customer interactions, improvements in efficiency and effectiveness of working hours, and learning opportunities providing better skillsets to perform work. Tracking of customer satisfaction was a difficult subject, and most companies had no direct way to track or measure how wellness improves customer relationships. Only one company (Company 1) stated that they have constant discussions with their customers related to their employee performance, although the discussions were not systematic nor were there quantitative measurements.

The wellness processes are the culmination of all the previous sections, i.e. leadership, policies and strategies and partnerships & resources were in place in order to maximize the wellness of the employees through wellness processes. The interview subjects had high interest in improving

wellness, as they saw a direct connection between wellness and employee performance, which is also supported by previous research (Pronk et al., 2004; Baicker et al. 2010; Willis, 2015). In general, the purpose of the wellness goals under the process category was to improve the employee wellness in a way that maximizes performance and minimizes absenteeism and employee turnover.

5. Analysis

5.1 Strategic wellness management of interview companies

The results of this research showed similar results as the ones conducted by Aura et al in 2010 and 2016. This research further proves that the area of strategic wellness management is of interest to companies. As stated by Aura et al. (2016), the important enablers to achieve results for strategic wellness management are the wellness goals, wellness processes of companies, the proper support of leadership, personnel policies, corporate policies, partnerships and resources and wellness processes. The results of this results showed issues related to these, which will be looked into. Also, the results of this research show that the categories of wellness management are somewhat connectable to the traditional model of the BSC; these connections will be looked into in chapter 5.3.

5.2 Connecting wellness categories to the Balanced Scorecard

One of the purposes of this research was to analyse what parts of the wellness management process affect company performance measured by the balanced scorecard by Kaplan & Norton. As stated by the pioneers of the wellness management theory, goal-setting is an important factor of strategic wellness management (Aura et al., 2016). One of the main problems with current management of wellness of the researched companies was the lack of goal-setting, which is also a key element of the traditional BSC. Thus, it is strongly advised for companies to set specific, measurable goals under the different aspects of wellness in order to properly improve them, and then, build the wellness processes to support the goals.

Measurements under the different categories varied. The most rigorous measurements were found under the wellness process category, although even there, there was a lack of specific measurements. The weakest measurements were found under the corporate policies and the leadership category. These categories served a different role, which will be discussed more thoroughly in chapter 5.3.

5.2.1 Leadership

Aura et al. (2016) suggest that leadership and management has a very strong impact on what kinds of results can be expected from strategic wellness management. The interviews performed to this study suggest similarly: management was seen as the responsible party for setting initiatives, tracking, and supporting wellness activities, and also if done right, seen as a positive enabler for starting and keeping up with different wellness activities. Management involvement is not being measured, but has the responsibility of setting up the common goals related to wellness, and also setting up the processes and initiatives in order to get the best measurements. As suggested by the results of this research, the contents of the measurements, goals, processes and policies should be formulated based on a joint effort where the entire organization is involved, but initiates from the management.

However, leadership was not under direct quantitative measurements in any of the researched companies, nor were there currently any measured goals. This means that there is too much vagueness (Morisawa, 2002) to directly and exactly connect the output of wellness leadership to any of the BSC categories. Thus, the role of leadership is to manage the other categories in order to produce results which can be measured with the traditional BSC, still serving an important role

Does this category of wellness management have a measurable effect on the BSC categories of Financial, internal business processes, learning and growth, and customer? The answer is no, as the measurements are not quantifiable, and the connections to BSC categories are too vague, thus impossible to measure.

5.2.2 Strategy and Corporate policies/personnel policies

There were no direct quantitative wellness measurements or goals related to corporate strategies/personnel policies related to wellness. Thus, corporate wellness strategies and policies serve a similar role as leadership: they are used to enable the positive corporate impacts from the remaining categories: partnership & resources and wellness processes. Leadership and management was mostly responsible for setting the corporate policies, but input from employees was critical in order to set the most suitable policies available.

There were some measurements available to measure employee satisfaction towards the policies, which was a critical aspect in many companies in the creation of the policies. As it was stated, an entire organization should be involved in the creation of wellness policies in order to maximize the positive effects wellness can have (also supported by Kaplan & Norton, 2001). However, these measurements were not considered to cause an effect on performance; rather, they were used to improve wellness strategies, policies and processes. Similarly to leadership, there is too much vagueness (Morisawa, 2002) to directly and exactly connect the output of corporate strategy and policies to any of the BSC categories.

Does this category of wellness management have a measurable effect on the BSC categories of Financial, internal business processes, learning and growth, and customer? No, again there are no quantitative measurements, making the direct measurable connection to the BSC impossible.

5.2.3 Partnership & Resources

As with all businesses, keeping track of costs and outflows of money is important. Thus, it is surprising that the measurement of costs related to wellness were not comprehensive, as only one company (4) kept a quantitative measurement on how much resources are spent on wellness. A suggestion would be to closely track all the expenses related to all wellness-related activities, as was done by Company 4. This can reduce costs and save company money and improve financial performance (Kaplan & Norton, 1996). It was considered to be difficult to set goals related to the costs of wellness. The best suggestion would be to closely monitor the costs and to find cost-efficient alternatives and the best available partnerships in order to maximize the use of the available resources, as was done by company 4.

As suggested by Kankaanpää et al. (2008), the average cost of employee occupational health and safety per year is 348 euros per employee. This can serve as a benchmark for companies for their costs. As previous research suggests, purely from an investment perspective, further monetary investments into wellness may not be justified (Kankaanpää et al., 2008; Mattke, 2013; Baicker et al., 2010). Thus, the costs for wellness are better connected to other activities, where the results are better seen, such as other areas than financial performance in the BSC (Kankaanpää et al., 2008). The effects of increased wellness can be seen in the areas such as productivity, employee satisfaction, performance and worker loyalty (Willis, 2015). Measuring the effects previously mentioned factors can provide justification for increased wellness costs for a company.

Consequently, the improved wellness through increased investments can also have an indirect effect on the financial performance of a company, but the effects may be difficult to measure or relate directly to improvements on wellness (Kankaanpää et al., 2008; Aura et al., 2016). This was also the case in this research, as no companies made a measurable connection of resources spent in wellness to the financial performance of the company.

Wellness partnerships and resources spent on external contractors can be expensive for the company, but as previous research suggests, also have positive impacts on the companies (Aura et al., 2010). The impacts were difficult to observe and quantify in the interviewed companies, even though they did see connections (for instance, between external sports benefits and work satisfaction). From a BSC perspective, partnerships and resources have a direct impact on the financial performance of the company due to the costs related to wellness. However, there were no quantitative goals and too few quantitative measurements related to the resources and partnerships used to improve wellness, often as supporting parts of wellness processes. Thus, the connection between resources and partnership to BSC categories is again too vague. Indirect positive impacts were suggested by many participating companies, but not measured; thus making them educated guesses instead of facts supported by measured data. Partnerships and resources were seen to have a positive effect on learning and growth, since many companies used external partnerships and spent significant resources on activities which promoted employee learning, but again, output of these partnerships was not measured quantitatively.

Does this category of wellness management have a measurable effect on the BSC categories of Financial, internal business processes, learning and growth, and customer? Again, the answer is a tentative no, as there were only a couple of quantitative measurements based on the use of resources on wellness, but their impact to the BSC categories were not determined. However, as the partnerships were often a part of the wellness processes, they still have somewhat of a supporting effect through the processes.

5.2.4 Wellness Processes

As suggested by Aura et al. (2010), wellness processes is the most important enabler in order to reap the benefits wellness management can have. Thus, improving the current processes should be of high importance to companies. This research supports that; wellness processes were the most commonly measured wellness management category. Seven out of the participating companies had

measurements and goals set for their wellness processes, and the improvements in wellness caused by the processes were considered to be important factors in improving BSC categories for the companies. Aura et al. (2010) suggest that wellness processes cause 45% of the positive impacts of wellness management. This research puts even more emphasis on the wellness processes: wellness processes are the only category with enough measurement to connect to positive BSC improvements.

Some of the wellness processes of the interview companies were not specific. They were based on very broad wellness goals set for the companies that were difficult to measure, and mostly, showed a lack of goal-setting. Thus, as suggested by Aura et al. (2016) and goal setting theories (Locke & Latham, 2002) the companies are not achieving optimal results related to wellness and work tasks, and are also too vague to connect to BSC categories (Morisawa, 2002). Aura et al. (2016) suggest that specific goals can lead to better performance, and Locke & Latham (2002) suggest that proper goal-setting which involves specific, realistic yet challenging goals, tend to increase motivation and commitment. Companies could use of a more targeted goal-setting related to different aspects their wellness processes. In order to get the most beneficial results from wellness processes, each process should have a goal and the progress should be tracked (Morisawa, 2002; Aura et al., 2010). With proper goal-setting and measuring, the data can more easily be connected to improvements in BSC categories. The data could be used more pro-actively in order to analyse and improve the situation (Aura et al., 2016).

Financial performance of the company was considered to be affected, but the process measurements were too vague to make a direct and measurable connection.

The customer aspect of the BSC was also considered to be affected, but was only directly measured in one of the participating companies. It can be difficult to set specific measurements which capture the customer relationships of a company through improving wellness. However, as suggested by the interviews, efforts to increase the different aspects of wellness are reflected to the employee performance with customers. The results suggest that the wellness processes improve the attitudes and the efforts employees put into customer relationships, and thus improve the interactions with customers. The effects could be tracked by keeping contact with the customers and asking them about employee performance, as was done by Interview Company 1, and further adding quantitative measurements in order to connect to the BSC.

The learning and growth aspect received the most measured results of this research, and was also the most sought after improvement of all the wellness processes. This means that most of the

wellness processes had a goal of increasing learning and growth. There were set goals for participation and quantitatively measured results on how the wellness processes affected learning and growth, thus allowing a directly measurable connection between wellness activities and learning & growth of the company. This was the only category that was not vague; there were several quantifiable measurements making a connection to BSC categories a possibility (Morisawa, 2002). As an example, company 1 had coaching and learning events, and after those, they measured how much the employees had learned and how satisfied they were with the event.

Does this category of wellness management have a measurable effect on the BSC categories of Financial, internal business processes, learning and growth, and customer? Yes, the wellness processes had several different quantitative measurements connected to BSC categories. Social wellness processes (Company 1 and 8) were measured and considered to improve learning & growth through improved social atmosphere, learning opportunity processes (Company 3, 4 and 12) were also measured and considered to improve learning & growth through increased knowledge, and some processes even measured to improve customer interactions, albeit this had no quantitative measurements; only qualitative (Company 1). Company 4 had measured physical activity processes, which they considered to reduce costs, thus improve the financial performance of the company, but this connection was not quantitatively measured, making it only an educated guess. None of the quantitative measurements of the wellness processes were focused on improving the internal business processes.

With above in mind, it is clear that this category of wellness management has the strongest connection to the BSC category of Learning and Growth, thus, also suggests that improvements in wellness processes can be observed in improvements of learning and growth.

5.3 Revised model

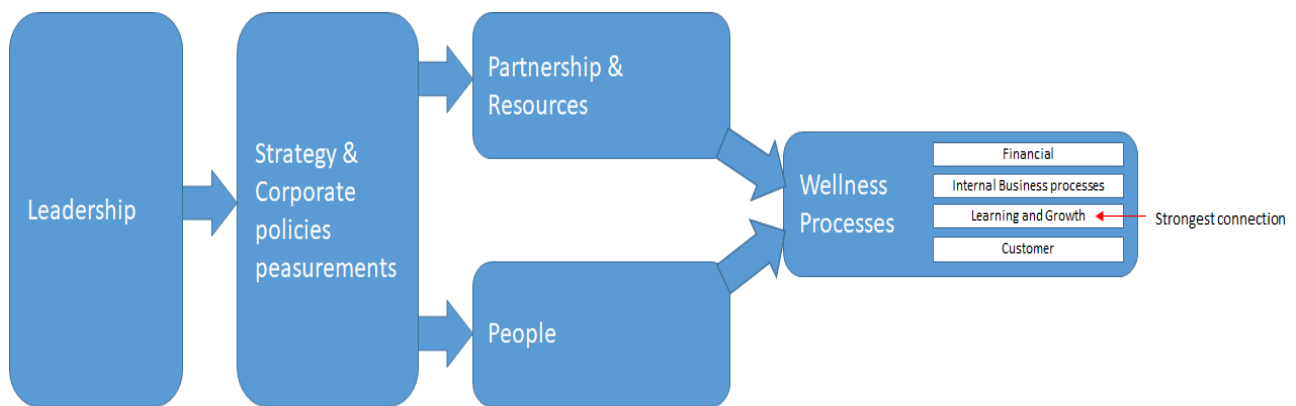


Figure 5: Revised model for Wellness management effects on the Balanced Scorecard approach

As suggested by the analysis before, some of the wellness management categories initially used to enable effects in the BSC were lacking in critical areas and were too vague establish further connections. Leadership and Strategy & corporate policies both had two significant issues: they were not quantitatively measured, nor were there goals connected to improving the BSC performance categories. This makes them impossible to apply directly to the traditional BSC; they fail to meet the criteria of quantitative measurements and goal-setting. However, they had other important roles in enabling the remaining wellness management categories. Also, as suggested by Aura et al. (2010), leadership has an important role in enabling positive effects of wellness management, and this study further elaborates it. The role of leadership is to support correct behaviour and to set policies and strategy which supports wellness. These improvements in employee wellness were measured through wellness processes, some which were also directly related to company performance from a BSC perspective, by mainly improving the learning & growth aspect.

Thus, the new model based on this research suggests the following:

Leadership and management have an important role in leading the wellness of the company. They are the responsible party for setting the foundation for wellness and the wellness strategy and corporate policies supporting wellness. The leadership and strategy and policies set the background for the people, and partnership & resources categories. The direct effects of leadership and policies are thus not possible to connect to improvements in BSC categories due to a lack of direct measurements and goals, being too vague (Morisawa, 2002). However; this is only the current situation and it might change over time if companies feel the need to improve their wellness measurements. Leadership and the policies still serve an extremely important role (also supported

by Aura et al., 2010) in setting the right attitudes and guiding the employees, processes and resources towards improving wellness and the performance of the company.

The partnerships and resources used on wellness were also somewhat measured, and some companies had goals set to them. The most important wellness partnerships were with the occupational health provider and with third parties used to provide learning opportunities and physical activities, thus being important parts of the wellness processes. Again, similar to wellness processes, the measurements closely relate to the wellness of the people, and were aimed to improve it (for instance, measuring and improving the use of external physical activities was seen to improve performance of the employees). However, only one participating company had direct quantitative measurement on the costs of wellness partnerships.

The wellness processes of the company were the most precisely measured category of wellness management, and there were set, quantitative wellness goals and measurements. Thus, the wellness processes category of wellness management is the most connectable to the traditional model of the BSC, also due to some of the participating companies directly linking their wellness processes to learning & growth and customer interactions. Further, an improvement in wellness through processes can reduce the commonly measured absences (a part of social, physical and emotional wellness), and reduced absences can be seen in an improved financial performance of the company (reduced healthcare costs, more working hours). However, this connection was only an educated guess; there was no measured, quantifiable data to prove that wellness processes reduce absence hours, and thus making the connection to financial performance vague. The current wellness measurements are more difficult to connect to internal business processes; wellness was not considered to impact business processes.

Learning and growth of the employees was commonly measured and supported by the processes. Currently, several of the participating companies had processes that had direct goals of improving learning & growth, and they measured the effects of the processes. Also, as stated by one of the interviewed companies, improving work related knowledge was key to improving performance, which can lead to corporate growth. Many of the participating companies understood that the employees are willing to put an extra effort into their customer relationships if their wellness is improved, but only one company actually measured how their employees work with their customers (Company 1). Some examples of wellness goals which were tied to BSC: improving customer relationships through wellness, learning opportunities related to wellness, and improved social atmosphere through increased learning and wellness opportunities.

The wellness management model from a performance management perspective can be seen as a step-by-step process to improve employee performance. First, leadership sets strategy and policies to improve wellness, and also supports it. Leadership is also responsible on setting relevant measurements and goals under all remaining categories. Strategies and policies together with leadership are utilized to choose the correct partnerships and resources used to improve wellness, and also to set wellness processes which the company finds most important. Finally, all the categories culminate to the processes aimed to improve wellness. The processes are measured and have set goals related to the categories of the balanced scorecard. The most significant, measured impact of wellness management can be seen under the learning and growth category. With current standards, the effects on the remaining BSC categories are only educated guesses, as the measurement data is not quantitative and thus too vague to make exact measurements. Thus, this research concludes that through wellness management processes, with current measurement standards, companies can see a direct and measurable improvement in their learning and growth, and can expect improvements in financial and customer interactions, but in order to actually measure these improvements, they need to find out relevant measurements. Business processes did not receive any significant attention from wellness management.

6. Conclusions

The purpose of this study was

1. To analyse how strategic wellness management affects a company's performance measured with the balanced scorecard

As the field of strategic wellness management is growing in popularity (Aura et al., 2016), it is important to further understand the process behind managing wellness. The current process consists of leadership supporting wellness and forming policies and a wellness strategy. Leadership with support of policies decide on how much resources are spent on wellness, as well as on which partnerships should be used to improve wellness. Leadership and policies are also in charge of what kind of processes the companies use to improve wellness, which cause the most effect performance measured by BSC categories, and have the most measurable outcomes of all the categories. All the factors mentioned are used to improve employee wellness. Employee wellness is a factor that affects company performance, supported by research (Kankaanpää et al., 2008; Aura et al., 2010) and the results of this study.

Employee wellness processes were measured in seven of the participating companies, and the same companies also had goals, and the wellness processes were used to improve performance from the perspective of the BSC. A few of the processes were related to improving the company's financial performance (no measurable connection made, only implications), improving the customer interactions of the company (no measurable connection made, only implications), and learning and growth. Out of these, the only significant and non-vague connection was made to the learning and growth category; the remaining categories did not have enough quantitative or direct measurements to see the changes. The learning and growth category had several connections to the wellness processes with clear measurements and goals.

The current practices observed in interviewed companies showed a couple issues from a BSC perspective. Firstly, there was a lack of goals to support improving wellness. Goal-setting is an effective way to increase motivation and the likelihood of reaching a goal (Locke & Latham, 2002; Kaplan & Norton, 1996), and a key factor with the balanced scorecard. There were some wellness processes in several companies that had some goals under them. Secondly, there was a lack of

quantitative measurements under the categories of leadership and strategy & policies, and too few quantitative measurements under any other category apart from wellness processes, thus it is difficult to understand exactly what these categories cause. Thus, the revised model comes to a conclusion that the important role for these categories is to support the wellness processes.

Again, the most quantitatively measured factor was the wellness processes, making it the most connected factor to the BSC. However, even the wellness process measurements were mostly not very exact, causing some vagueness. Thus, with current wellness measurement standards, wellness management mostly causes indirect positive effects which can be hard to identify due to a lack of precise measurement data. The only direct and measurable positive effects of wellness management was the connection of wellness processes to learning and growth of a company.

An important improvement for the current practices include setting goals and quantitative measurements for all the enablers of wellness management, not just the processes. The research question of this research was:

Which wellness management categories cause the most effects to company performance measured by the Balanced Scorecard?

The part of the process that most affect company performance are the wellness processes, also as suggested by Aura et al. (2010), but this research emphasizes the importance even more. The exact and measurable results of the other categories are even more difficult to observe due to a lack of quantifiable measurements. From the perspective of the BSC, wellness processes were measured to improve learning and growth, and suggested by several companies to have an effect on customer relationships and financial performance.

This research finds relevant data and solutions to the stated purpose, thus, the purpose of the research was fulfilled.

7. Contributions and limitations, suggestions for future research

This research contributes to the literature by the following:

From a theoretical perspective, this study adds to the field of strategic wellness management by the following: Firstly, it creates a better understanding of how companies use the wellness management process to improve company performance from the perspective of BSC. The wellness processes are the most important part, and were commonly measured, and the measurements were connected to for instance customer interaction and learning and growth of a company. There are several issues with the measurability to the BSC. The issues are the missing goal-setting and the tracking of progress and results through relevant measurements of some factors, more specifically leadership, strategies and policies and resources and partnerships.

The analytical model introduced can be seen as a contribution to the field of strategic wellness management. It further explains which of the wellness management categories are most important in affecting the key performance categories of a company from the perspectives of the BSC, which was the wellness processes of a company. The remaining categories were viewed as support to create the best available processes. The aim of the conceptual model is to improve the current standards of wellness measurements by improving goal setting and tracking of wellness processes, and to better understand the importance of measurements related to wellness. However, as stated, it is currently a conceptual model, and is not tested in practice.

From a practical perspective, this research can be beneficial to companies that are trying to improve their current wellness measurements and management. It shows that wellness measurements can be beneficial to management, and that the measurements can be connected to performance improvements of a company. These improvements can be used to validate further investments into wellness activities. It also identifies what factors that can be missing from wellness management, namely that measurements are important in order to understand what wellness management causes.

Some limitations this study has:

Firstly, this research is complementing a research done in the Finnish scene, and this research only also researches Finnish companies. Thus, the research results might not be applicable in other countries as the backgrounds for wellness might be different, and countries can also have very different practices related to corporate wellness standards. Secondly, the research only inspects an office surrounding, thus the results exclude other industries, for instance industries where there is manual labour. Thirdly, the sample size inspected for this research might not capture valuable information which could provide contributions to the research. Finally, the research doesn't take into account any ethical concerns related to measurements and managements of wellness. The research results suggest that companies have some issues regarding to what factors they want to

measure related to ethical standards and privacy. Mainly, the companies had the biggest issues related to very specific measurements of physical aspects, as they seemed too intrusive. Also, due to ethical and privacy reasons, a more accurate system of measurements might cause issues where the employees do not want to participate in the efforts or answer the surveys related to the measurements. The model in this research assumes that information is available regardless of ethical concerns.

For future research, this study gives a few ideas. Firstly, it would be interesting to see even more practical studies related to how wellness processes affect company performance, and to observe the effects a more systematically quantitatively measured, goal-oriented system for wellness can achieve. Secondly, it would be interesting to see similar studies done on strategic wellness management in other countries to see if and where wellness management is pursued.

8. References

- Ala-Mettälä, H. (2014) *Puolella 30-40 -vuotiaista miehistä on huono kunto*. Yle
- Aura, O., Ahonen, G., & Hussi, T. (2016). *Strateginen Hyvinvointi 2016*. Helsinki: Kustantaja Ossi Aura Consulting OY.
- Aura, O., Ahonen, G., & Ilmarinen, J. (2010). Strategic Wellness Management in Finland: The First National Survey of the Management of Employee Well-being. *Journal of Occupational and Environmental medicine*, 52(12), pp. 1249-1254.
- Baicker, K., Cutler, D., & Song, Z. (2010). Workplace Wellness Programs Can Generate Savings. *The work/health relationship*, February 2010, 29(2), pp. 304-311.
- Berkeley. (2017). *Performance Management - Definition*. Berkeley University.
- Berry, L. L., Mirabito, A. M., & Baum, W. B. (2010). What's the hard return on employee wellness programs? *Harvard Business Review*, December 2010.
- Carey, M. (2012). *Eating Disorders and Isolation*. Eating Disorder Hope [Online]. Available at: <https://www.eatingdisorderhope.com/treatment-for-eating-disorders/co-occurring-dual-diagnosis/anxiety/eating-disorders-and-isolation> [Accessed 15 Mar. 2017].
- Cohen, D. (2006). *Qualitative research guidelines*. Robert Wood Johnson Foundation [Online]. Available at: <http://www.qualres.org/HomeSemi-3629.html> [Accessed 20 Apr. 2017].
- Cohen, S., & Janicki-Deverts, D. (2009). Who's Stressed? Distributions of Psychological Stress in the United States in Probability Samples from 1983, 2006, and 2009. *Journal of Applied Social Psychology*, 2012, 42(6), pp. 1320-1334.
- Hettler, B. (2017). *Six Dimensions of Wellness*. National Wellness Institute [Online]. Available at: <http://c.ymcdn.com/sites/www.nationalwellness.org/resource/resmgr/docs/sixdimensionsfactsheet.pdf> [Accessed 25 Apr. 2017].
- Human Resource Council. (2017). *Keeping the right people: Performance Management*. Human Resource Council [Online]. Available at: <http://hrcouncil.ca/hr-toolkit/keeping-people-performance-management.cfm> [Accessed 25 Apr. 2017].

- Ilardi, S. (2016). *Social Isolation: A Modern Plague*. Psychology Today [Online]. Available at: <https://www.psychologytoday.com/blog/the-depression-cure/200907/social-isolation-modern-plague> [Accessed 1 Apr. 2017].
- International Labour Organization. (1985). *Occupational Health Services Recommendation*. Geneva: International Labour Organization.
- Kankaanpää, E. (2012). Studies on Purchasers and Providers of Occupational Health Services in Finland. *Itä-Suomen yliopiston julkaisu no. 44*. Kuopio: Itä-Suomen yliopisto.
- Kankaanpää, E., Suhonen, A., & Valtonen, H. (2008). Promoting prevention with economic arguments - The case of Finnish occupational health services. *BMC Public Health*. 2008, 8(130).
- Kaplan, R. S., & Norton, D. P. (1996). *Translating strategy into action - The Balanced Scorecard*. Boston: Harvard Business School Press.
- Kaplan, R. S., & Norton, D. P. (2001). *The Strategy Focused Organization: How balanced scorecard companies thrive in the new business environment*. Boston: Harvard Business School publishing corporation.
- Khullar, D. (2016). How social isolation is killing us. *New York Times* [Online]. Available at: <https://www.nytimes.com/2016/12/22/upshot/how-social-isolation-is-killing-us.html> [Accessed 3 Mar. 2017].
- Lindroos, J.-E., & Lohivesi, K. (2004). *Onnistu strategiassa*. Helsinki: WSOY.
- Locke, E. A., & Latham, G. P. (2002). Building a practically useful theory of goal setting and task motivation: A 35-year odyssey. *American Psychologist*, Sept. 2012, 57(9) pp. 705-717.
- Madsen, S. R. (2003). Wellness in the workplace: Preparing employees for change. *Organization Development Journal*, Spring 2003, 21(1), pp. 46-55.
- Malmi, T., Peltola, J., & Toivanen, J. (2006). *Balanced Scorecard. Rakenna ja sovelleta tehokkaasti*. Helsinki: Talentum.
- Mattke, S., Liu, Caloyeras, J., Huang, C., Van Busum, K., Khodyakov, D., & Shier, V. (2013). *Workplace Wellness Programs Study: Final Report*. Rand Corporation [Online]. Available at:

https://www.rand.org/content/dam/rand/pubs/research_reports/RR200/RR254/RAND_RR254.pdf [Accessed 1 Apr. 2017].

- McAndrew, F. T. (2016). *The perils Social Isolation*. Psychology Today [Online]. Available at: <https://www.psychologytoday.com/blog/out-the-ooze/201611/the-perils-social-isolation> [Accessed 2 Apr. 2017].
- Meadows, B. (2016). *Addiction, isolation and the circle of loneliness*. Addiction Campuses [Online]. Available at: www.addictioncampuses.com/resources/addiction-campuses-blog/addiction-isolation-and-the-cycle-of-loneliness/ [Accessed 4 Mar. 2017]
- Miner, J. B. (2005). *Organizational Behavior 1: Essential Theories of Motivation and Leadership*. New York: Routledge.
- Mokdad, A. H. (2004). Actual causes of death in the United States. *The Journal of the American Medical Association*, 291(10), pp. 1238-1245.
- Morisawa, T. (2001). Building Performance Measurement Systems with the Balanced Scorecard Approach. *NRI Papers*, 45.
- Noe, R. A., Hollenbeck, J. R., Gerhart, B., Wright, P. M. (2003). *Human resource management: gaining a competitive advantage*. Boston: McGraw-Hill/Irwin.
- Norris, R., Carroll, D., & Cochrane, R. (1992). The effects of physical activity and exercise training on psychological stress and well-being in an adolescent population. *Journal of Psychosomatic Research*, 36(1), pp. 55-65.
- Pronk, N., Martinson, B., Kessler, R., Beck, A., Simon, G., & Wang, P. (2004). The association between work performance and physical activity, cardiorespiratory fitness, and obesity. *Journal of Occupational and Environmental Medicine*, 46(1), pp. 19-25.
- Purcell, J. (2016). *Meet the Wellness programs that save companies money*. Harvard Business Review [Online]. Available at: <https://hbr.org/2016/04/meet-the-wellness-programs-that-save-companies-money> [Accessed 13 Mar. 2017].
- Ryan, R. M., & Deci, E. L. (2000). Self-Determination Theory and the facilitation of intrinsic motivation, social development and well-being. *American Psychologist*, 55(1), pp. 68-78.

- Saunders, M., Thornhill, A., & Lewis, P. (2009). *Research methods for Business Students*. Essex: Pearson Education.
- Sekaran, U., & Bougie, R. (2009). *Research methods for business: A skill-building approach*. New Jersey: Wiley & Son.
- Seppälä, A. N. (2012). Development of Personal Wellness Information Model for Pervasive Healthcare. *Journal of Computer Networks and Communications*, 2012.
- Shields, P. M., & Rangarajan, N. (2013). *A Playbook for Research Methods: Integrating Conceptual Frameworks and Project Management*. Stillwater: New Forums Press.
- Stave, G. M., Murchore, L., & Gardner, H. (2003). Quantifiable Impact of the Contract for Health and Wellness: Health Behaviors, Health Care Costs, Disability, and Workers' Compensation. *Journal of Occupational & Environmental Medicine*, 45(2), pp. 109-117.
- Williams, Y. (2017). Social Isolation: Definition, Causes & Effects. *Introduction to Psychology* [Online]. Available at: <http://study.com/academy/lesson/social-isolation-definition-causes-effects.html> [Accessed 25 Apr. 2017].
- Willis North America Inc. (2015). *The Willis Health and productivity survey*. [Online] New York: Willis North America Inc. Available at: https://www.willis.com/documents/publications/Services/Employee_Benefits/FOCUS_2015/14562_Health_Productivity.pdf [Accessed 2 Apr. 2017]
- World Health Organization. (2017). *Health Promotion Glossary Update*. World Health Organization.
- Yin, R. K. (2009). *Case Study Research: Design and Methods*. 4th ed. London: Sage.
- Yin, R. K. (2013). *Case Study Research: Design and Methods*. 5th ed. London: Sage.
- Zelman, W. N., Pink, G. H., & Matthias, C. B. (2003). Use of the Balanced Scorecard in Health Care. *Journal of Health Care Finance*, 29(4), pp. 1-16.