
Background, aims and purpose. This research project is an effort to explore how work careers and well-being at work have developed over the past three decades, from the 1990s recession through to the financial crisis of the 2010s. Specifically, the focus is to investigate the development of employees’ work careers and career stability and to find out what kind of working conditions and job uncertainty factors are associated with sickness absences and job permanency in different cyclical situations.

Data and methods. The project is based on two Statistics Finland data sets, i.e. the Finnish Longitudinal Employer-Employee Data (FLEED) for 1990–2012 and the Quality of Work Life Survey (QWLS) for 1984–2013; the latter are additionally linked with register-based data. In this report the analyses based on QWLS data are restricted to the 1990–2013 period, which includes the largest number of relevant comparative questions. The analyses presented in other project publications extend back to the 1980s. The research employs the methods of trajectory analysis (FLEED), cross-tabulation and regression analysis (cross-sectional analyses of QWLS) and negative binomial regression (QWLS + register-based data).

FLEED is a register-based data system covering one-third of all 15–70 year-old persons resident in Finland. It contains extensive information on employees and their employers, work careers, employment start and end dates, data on the finances of private-sector establishments (annual net turnover, personnel number), etc. For our analyses, we drew a 10 per cent sample from the 1990–2012 FLEED data in order to follow the work careers of 20–55 year-old employees of private companies in different turnover classes. Work career stability is examined based on mean annual employment months in companies on a stable, fluctuating, growing or declining turnover trajectory.

Quality of Work Life Surveys are representative cross-sectional data sets obtained from 3,000–5,000 respondents in each survey in 1984, 1990, 1997, 2003, 2008 and 2013. QWLS data are based on employee samples and face-to-face interviews collected in Statistics Finland’s Labour Force Surveys, and they are representative of 15–64 year-old employees resident in Finland and working regularly at least 10 hours a week. These data are linked with register follow-up data extending to 2011. The longitudinal register data include extensive monthly and annual information on individuals’ subsequent labour market position, and they can be used to assess the length, stability and intermittence of employees’ subsequent work career and to explore associated factors.

Results and relevance of project. The research report is divided into two empirical parts. The first part focuses on analysing employees’ career trajectories in private-sector establishments in different turnover classes. Results based on the FLEED data indicate that career stability has increased from the 1990s through to the 2010s. This applies across all turnover classes, regardless of whether the company is on a stable, fluctuating, growing or declining turnover trajectory.

It is noteworthy that despite the financial crisis in 2007–2012 and the recession that followed, the majority or some four-fifths of all private sector employees were on stable or strengthening career trajectories, while at worst only one-quarter were on declining career trajectories. People employed in companies on a steady turnover trajectory had the most stable position. A strong business growth orientation, on the other hand, may present a risk to the individual’s career stability: from this point of view it is safer to work in a large business with an established position.

Another key result was that regardless of the company’s turnover trajectory, employees who were on a stable career path were better-educated than others. This was consistent with expectations. Closely related to this finding was the discovery that training for new qualifications was most common in groups characterized by stable career trajectories. Training for new qualifications was consistently associated with stable career trajectories, regardless of cyclical fluctuations. In other words, training always pays, and it has an important protective effect against labour market risks and insecurities.
The second empirical part of the report explores the associations of well-being at work and work-related insecurity with work careers and sickness absences using representative QWLS data (1990–2013) and linked register sources. According to the results based on cross-sectional analyses, the balance between job demands and job control and perceptions of fair management (relational justice) are associated with lower than average intentions to change jobs. Fears of losing one’s job, declining staff numbers in the workplace and perceived financial insecurity in the workplace are in turn associated with higher than average intentions to change jobs.

Financial insecurity in the workplace is reflected in a weaker than average perceived work capacity. If, on the other hand, there are no problems with job control, job demands or fair management, then perceived work capacity and job satisfaction are better than average. Perceived fairness of management may also influence the length of work careers. According to the results perceived fair management is associated with intentions to stay on at work until at least age 65, whereas declining staff numbers in the workplace were found to correlate with a desire to retire before age 65.

According to the results based on register data, the risk of sickness absences is increased by perceived unfair management and changes in staff numbers at the workplace level. No corresponding association was seen between perceived financial insecurity in the workplace and sickness absences.

Development ideas. Training for new qualifications appears to be a recommended avenue to improving individuals’ labour market position under conditions of recession or restructuring. At the workplace level greater emphasis should be placed on job autonomy and learning on the job. Especially in an environment of economic recession, maintaining and developing employee skills is an investment that will pay back when the economy rebounds and competition for skilled labour intensifies.

In the workplace greater focus should be given to managing job-related uncertainties. Based on the results of this project we know that fears of losing one’s job and changes in staff numbers at the organizational level are associated with job change intentions and with an elevated risk of sickness absences. Furthermore, an unstable financial situation in the workplace is associated with a lower than average work capacity and reduced staff numbers with a desire for premature retirement.

In order to contain these uncertainties it is important that workplaces develop strategies for more transparent and up-to-date information sharing about organizational changes. Fair management is crucial for preventing and alleviating problems at the workplace level, particularly so in variable organizational environments in times of economic uncertainty.

Final report: