



# Employer perspectives on local authorities and county councils

FACTS AND ANALYSIS 2010



Swedish Association  
of Local Authorities  
and Regions



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## Preface



In the report *Employer perspectives on local authorities and county councils*, the Swedish Association of Local Authorities and Regions (SALAR) highlights prioritised employer policy issues. SALAR sets high standards for its employer policy, as do the members of the Association. The aim is to contribute to efficient and effective operations and to interesting and attractive workplaces. Our hope is that the everyday working life of the 1.1 million employees of the local authorities and county councils will be continually improved by our work.

Issues relating to working life and the labour market are of great interest to most people and of decisive importance to everyone. As the employees of the local authorities and county councils make up one quarter of Sweden's total labour force, these issues are of course of particular interest in these sectors. Issues range from the everyday working situation of individual employees and the quality of operations to the state of the economy as a whole. We believe, therefore, that it is particularly important as the employer organisation for this major part of Sweden's labour market to be clear about how we think and act. All perspectives are important, but we are of course especially concerned to ensure that the employer perspective is clear. This report is one of several channels through which we hope to create an understanding and to provide knowledge of our approach to employer policy issues. Here we highlight and analyse each year some of the issues that we believe are particularly important to describe and work on. The report once again contains a section on *pay formation* and a section on *improving health – reducing sick leave related absence*. This year, we also highlight the two areas *result-oriented employer policy* and *employer branding*. The report is primarily intended as a channel for communication with the media, the government, parliament, public authorities and other interested parties. We know from experience, however, that our members also find the report useful.

We hope that you will find the issues discussed here as interesting and stimulating as we do.

Stockholm, June 2010

Agneta Jöhnk

*Employer Policy Division*

The Swedish Association of Local Authorities and Regions

## **Local authorities and county councils in Sweden**

Sweden is divided into 290 local authorities and 20 county councils. The local authorities and county councils exercise independent political control and have their own areas of responsibility. The degree of autonomy is high. Their task is to meet the needs generated by common public interests in their geographical areas. The county councils are responsible for those tasks that require a somewhat larger population base, for example healthcare. The local authorities (municipalities) have a more sharply-defined local base and are responsible, for example, for schools and the provision of social services. Together, the local authorities and county councils constitute the major part of the Swedish public administration system. The local authorities have approximately 785 000 employees, while the corresponding figure for the county councils is 263 000. Together, this accounts for almost one fourth of the Swedish labour force.

## **Swedish Association of Local Authorities and Regions**

The Swedish Association of Local Authorities and Regions monitors and represents the interests of the local authorities and county councils in Sweden. This assignment includes acting as an employers' organisation and it is from this perspective that the report has been written.

The term "county council" as used here also includes Region Skåne and the Västra Götalands Region.

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# Pay formation

Pay formation in Sweden is based on a model in which employee and employer organisations play a central role. Instead of legislating on minimum wages, for example, wages and wage increases are set in discussions and negotiations between representatives of the employers and employees. They have a responsibility to ensure that pay formation is stable and sustainable and that the effects on the economy as a whole are taken into account in the negotiations between the social partners.

SALAR's ambition is that the pay formation process should be responsible and create the preconditions that enable the employers to run high-quality operations and deliver the best possible welfare services to the public. By responsible we primarily mean that Sweden's inflation target and the general economic climate must be taken into account at the same time as the employers' possibility to recruit and retain the right personnel must be ensured. Pay formation is therefore about reaching agreements that provide scope for wages at a level that does not entail excessive costs to the employers, which could result in increased unemployment. On the other hand, the wage increases should not be so low that the Swedish economy stagnates or that it becomes more difficult to maintain the supply of personnel to the sector.

Pay formation is complex and factors such as the economic climate, the supply of labour and the operations concerned must be taken into account in the assessment of what wage increases can be considered at any one time. In order to be able to take into account all the factors in the best possible way, one of the tasks of SALAR is to conclude agreements based on local pay formation.

## Local pay formation

In its role as an employer organisation, SALAR concludes collective agreements that, among other things, regulate the pay and general working conditions of the 1.1 million employees of the local authorities and county councils. The employers represented by SALAR are the 290 local authorities and 20 county councils and regions, where the preconditions for conducting and running operations differ widely.

Some local authorities and county councils operate on a dynamic local labour market where the employers compete not only with neighbouring local authorities and county councils but also with other employers in Sweden and in Norway and Denmark. Other local authorities and county councils are practically the sole employer on the local labour market, and there are all possible variations between these two extremes. Demographic factors and the operational preconditions of course affect the needs and the structure of the operations concerned, as well the possibility to recruit and retain employees. The ability of employers to ensure that they have the personnel they need is of decisive importance to the quality and results of the operations.

It is not only the operational preconditions that can differ in different local authorities and county councils, but also the financial status of the various organisations. There are major differences between the demographic structures and populations of the various local authorities. Consequently, the tax base also differs widely. The priorities of the elected representatives may also differ. It is important that the local authorities and county councils are able to offer wages that are at the right level in terms of the situation of the individual employer. Given this background, it is clear that there will continue to be a need for the pay formation process to enable each local authority and county council to determine for itself, as far as possible, the need for wage increases and the allocation of these increases on the basis of the financial scope and operational needs.

SALAR therefore has the task of concluding pay agreements that are based on local pay formation and that give all the local authorities and county councils the possibility to manage the differences that exist. In a local pay formation process, the pay agreements either specify a minimum level for wage increases or do not specify any level at all. This gives every local authority and county council decisive influence over wages and the level and allocation of wage increases.

When local authorities and county councils are able to determine the level and allocation of wage increases themselves, they also have to examine the need for wage increases on the basis of each employee's contribution to improving the operations concerned, the degree of target fulfilment and the need for changes in relative rates of pay.

## **Pay development in different sectors**

It is not reasonable that, over time, the employees of the local authorities and county councils should have a rate of wage increases that deviates from that of other employees on the Swedish labour market. If the rate of wage increases is lower, other than temporarily, this may mean that the sector is perceived as being less attractive. This could make it difficult for the local authorities and county councils to recruit employees with the right educational background, skills and expertise. If the rate of wage increases is higher than in the rest of the labour market the local authorities and county councils may, on the other hand, find it difficult to finance the wage increases over time, which could have a negative impact on both the operations and the employees.

## **Individual pay**

Pay generally represents around 70 per cent of the budget and is therefore easily the largest item in the budgets of the local authorities and county councils. Pay increases normally represent the largest annual investment in the operations that the employers have to decide on. Individual rates of pay give the employers the opportunity to increase target fulfilment by rewarding employees who perform well and who contribute to the development of the operations concerned.

All of the employees of the local authorities and county councils are covered by pay agreements that are based on individual and differentiated rates of pay. This makes it possible for the employers to meet each employee's expectations regarding an individual rate of pay, set in a dialogue between the employee and his or her manager, which helps the local authorities and county councils to be perceived as attractive employers.

On average, the local authorities and county councils hold discussions with 18 different trade union organisations in the course of the annual pay review process. For individual pay setting to work in practice, the different pay agreements must, as far as possible, be identically worded and based on the same principles for setting pay. Most of the managers who have responsibility for setting pay have employees who are members of different trade unions and the greater the differences between the pay agreements are, the more difficult it is for managers to handle the pay review process.

## The application of pay agreements in the local authorities and county councils

The pay agreements work well in most local authorities and county councils. This is revealed, for example, by a survey of the employers in the local authorities and county councils that SALAR conducted in the autumn of 2009. The results of this survey showed that, over the preceding two years, more than 90 per cent of the employers had arranged training for their line managers on individual pay setting. The fact that so many managers have had access to such training in recent years promotes effective pay setting, as these managers play a central role in the individual pay setting process.

The survey revealed that the most common method of setting pay is in a dialogue between the managers and the employees. It also showed that many employers have a local negotiating procedure in which the pay of employees who are members of the Swedish Municipal Workers' Union is also set in dialogues between managers and employees.

### NEGOTIATING PROCEDURES

According to the Central Pay Agreement, pay can be set on the basis of three negotiating procedures with all the trade union organisations, excluding the Swedish Municipal Workers' Union.

- › Dialogue between managers and employees
- › Collective bargaining
- › Local negotiations

In a system with individual pay setting it is natural that pay is set in a dialogue between managers and employees. However, pay should be set in a collective bargaining procedure between the employer and employee representatives if one of the parties so requests. The social partners can also agree on a local negotiating procedure. In the case of the Swedish Municipal Workers' Union, pay is set in a collective bargaining procedure unless the parties agree to handle pay setting in another way.

## The dialogue between managers and employees

One of the most important prerequisites if individual pay setting is to work and gain legitimacy is that a dialogue is conducted between managers and employees that covers objectives, expectations, the results achieved and how they relate to pay. The survey showed that a large majority of the managers discuss results and pay with their staff, irrespective of the negotiating procedure that is used. The fact that discussions take place to such an extent shows that the employers accept the responsibility they are expected to take. It also indicates that individual pay setting works well. For a dialogue to be successful it is important that both the managers and the employees are prepared and take responsibility for ensur-



ing that the dialogue is based on the results achieved in the course of the work and that there is a link to the new rate of pay. How an employee perceives the dialogue with the manager is partly linked to what expectations the employee has of the dialogue.

Almost 90 per cent of the employers that responded to the survey stated that they to a great extent or very great extent work to develop and systematise pay setting, while almost as many responded that this work has increased since 2005.

## **Changed roles**

If local pay formation and individual pay setting are to continue to work as a means of managing the operations concerned and as a way for employees to influence their rate of pay, then the development of pay formation will need to continue along the same lines.

When central parties conclude agreements that do not specify a figure for wage increases or agreements with minimum levels for wage increases, influence over the wage increases is transferred to the respective employers. This places different demands on the preparatory work of both the employer representatives and the trade unions. It is important that the parties find ways of cooperating that enable them to work actively on pay-policy issues. If the trade union organisations are able to participate in the discussion of analyses and assessments, the chances of reaching consensus on what should be achieved in the pay review process will also increase. Being well prepared ahead of contacts between the social partners, for example for discussions and the exchange of information, is one of the key factors for achieving a successful pay review process. This applies to both the employers' representatives and the trade unions.

## **The roles of managers and employees in the pay formation process**

It is clear that managers have an important role to play in the pay formation process. The pay agreements in the local authorities and county councils require brave, insightful and clear managers with a high level of integrity. All of the managers need to understand and support the principles on which the pay review process is based. The employees are entitled to meet a manager who stands up for the employer's points of view and can explain them.

Employees also play an important role in the pay formation process when pay is set in a dialogue between managers and employees. Employees therefore also need to be given the opportunity to participate and contribute, and to understand what is expected of them. If their expectations of the dialogue do not

match reality, there is a risk that the employees will reject the system as a forum for discussion and as a means of setting pay. Questions that employees could consider may include:

- › What do the discussions at the workplace on targets and results mean to me?
- › What are the results of my work?
- › What is my contribution to the development of the operations?

By thinking this through ahead of the dialogue the employees can also contribute to a positive dialogue.

## **Summary**

SALAR's objectives as an employer organisation include:

- › maintaining industrial peace by signing central agreements,
- › working to increase local pay formation,
- › taking into account the financial status of the local authorities and country councils and the status of the economy as a whole when concluding collective agreements,
- › contributing to improved efficiency and productivity in the operations of the members.

### **Would you like to know more?**

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# Improving health – reducing sick leave related absence

The effort to improve health and reduce the incidence of sick leave related absence represents an important issue that SALAR works with from several perspectives. The background to this is the interest of the members in this issue – as major employers and as the principals for the healthcare system.

The incidence of sick leave related absence in Sweden is prone to cyclical fluctuations. In the early 1990s, the level was relatively high but then declined until around 1996. This was followed by a significant increase that did not level out until 2002–2003, when the level of sick leave related absence was very high and the associated costs were considerable. As sectors, the local authorities and county councils had by far the highest level of sick leave related absence. Subsequently, there has been a long period of decline in the incidence of sick leave related absence, which has continued to the present day. In 2009, some 3.0 per cent of local authority employees were on sick leave (sick leave with sickness benefit) and 2.8 per cent of the employees of the county councils and regions.<sup>1</sup>

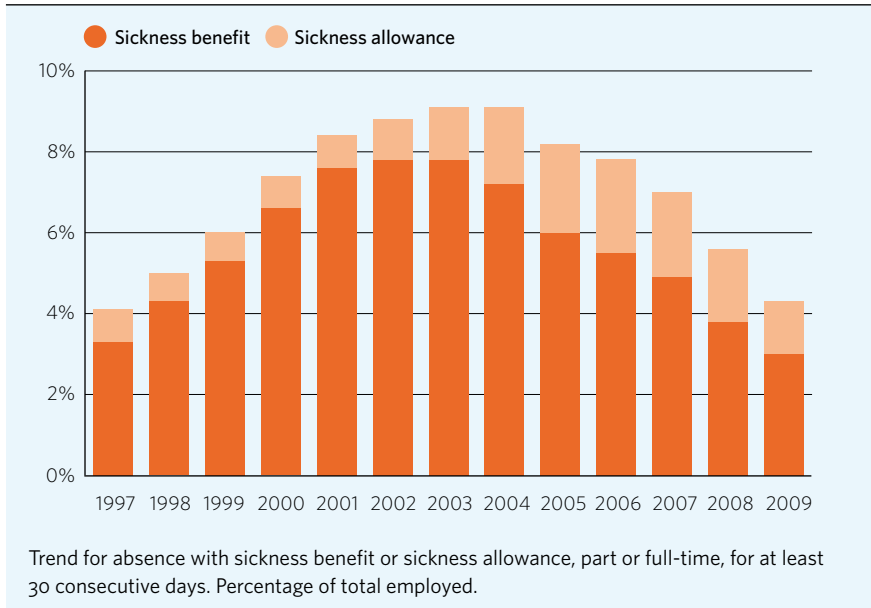
## **The decline in sick leave related absence – many reasons**

Ill health and sick leave related absence have complex causes. Some of these can be dealt with within the framework of employer responsibility, while others are

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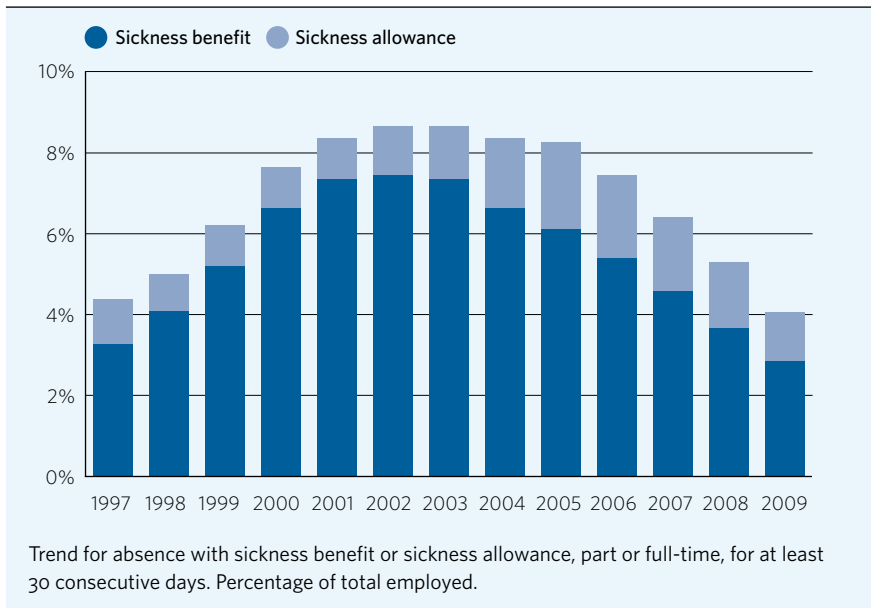
1. The definition of sick leave related absence is based on the information on sick leave related absence reported to SALAR, that is sick leave of at least 30 consecutive days (irrespective of extent) during the measurement period October–November for which a deduction has been made from the November salary.

Sick leave related absence with sickness benefit and sickness allowance in the local authorities, 1997-2009



Source: Bipartisan pay statistics

Sick leave related absence with sickness benefit and sickness allowance in the county councils, 1997-2009



Source: Bipartisan pay statistics

addressed in other policy and operational areas. There are several explanations for why the level of sick leave related absence has declined for some time now – in the same way as there were several causes for the increase in sick leave related absence in the late 1990s. These may include changes in the attitudes of the population and of society as a whole, changes in the sicklisting routines followed by the doctors, demographic changes and the state of the economy. The reform of the health insurance system which, among other things, entailed the introduction of a rehabilitation chain, as well as the work of the employers on the work environment and rehabilitation, have also contributed to this development.

Today, the majority of the employers in the local authorities and county councils have routines and structures for their work with sick leave related absence and rehabilitation. Many employers work actively with both preventive measures and solutions for those on long-term sick leave within their organisations. The employers strive to make it possible for people to return to work full time or part time. It is only when it is not possible for an employer to utilise an employee's capacity for work and no further rehabilitation measures for a return to work at the employer concerned are possible that a rehabilitation programme is ended.

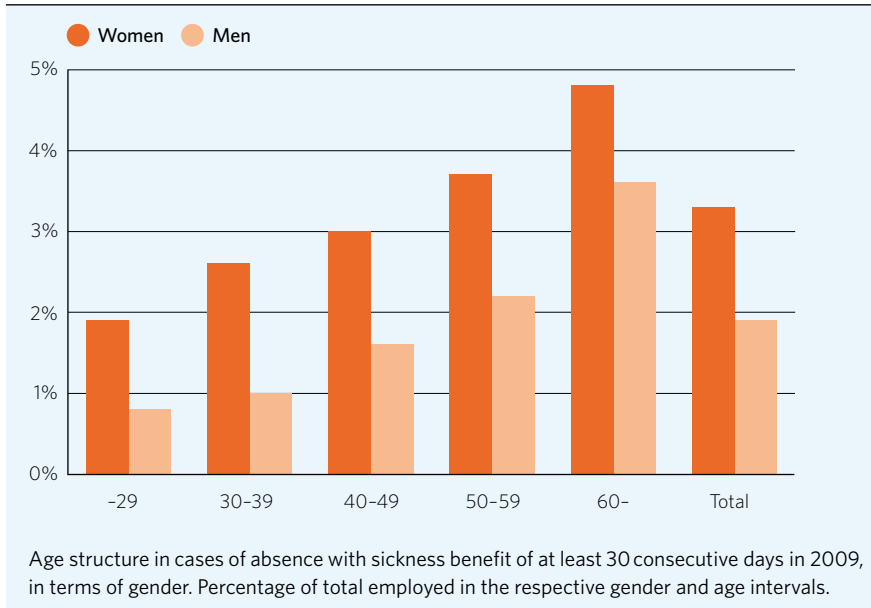
There is a positive link between a good work environment and a low level of sick leave related absence. Experience and studies – not least within the framework of the programme SuntLiv (HealthyLife) – indicate that the most important factors for creating a healthy workplace are good and health-promoting leadership, a good and expedient work organisation, effective and systematic efforts to improve the work environment and the employer keeping a close check on sick leave related absence and having a clear and recognised structure for the work with job adaptation and rehabilitation.

## **Sick leave related absence among women**

A particular challenge for the local authorities and county councils – but also for the rest of the labour market – is that women are overrepresented among those on sick leave. The pattern is the same in other sectors of the labour market, as can be clearly seen in the gender-based comparisons of the various sectors. This is a sign that sick leave related absence among women is a social problem and not only a challenge for the individual employers.

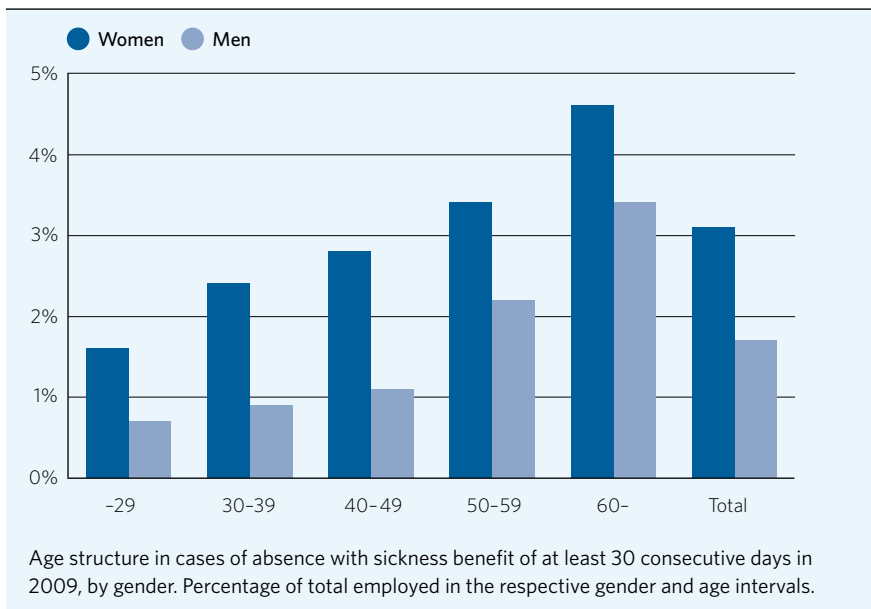
Most local authorities and county councils do their utmost to utilise the working capacity of their employees in the best possible way and to facilitate the return to work. However, this is easier in some cases than in others. Difficult cases often relate to women with musculoskeletal disorders or less severe mental disorders. These women are often in the 50–60 age range. They are assessed as being fit to work on the regular labour market, but not for their current employer.

Age and gender distribution for sick leave related absence in the local authorities, 2009



Source: Bipartisan pay statistics

Age and gender distribution for sick leave related absence in the county councils, 2009



Source: Bipartisan pay statistics

## Changes in the health insurance scheme

During the current period of office, the government has carried out a reform of the health insurance system that aims to increase the return to work and avoid unnecessarily long periods of sick leave related absence. The reform entails, for example, the introduction of a rehabilitation chain with set times, or checkpoints, for the Social Insurance Office's assessment of the entitlement to sickness benefit. The rehabilitation chain specifies that assessments should be made at 90, 180 and 365 days. A maximum period for the payment of sickness benefit has also been introduced and the time limited sickness allowance scheme has been abolished.

In its comments in the referral process prior to the introduction of the rehabilitation chain with fixed time limits, SALAR said that there is a major risk that the women in the 50–60 age range mentioned above, i.e. those who are considered to be fit to work on the regular labour market but not for their employer, will eventually be excluded from the labour market – particularly if they also live in local authorities in lightly-populated areas where there are few jobs. There is a risk that these women will have to live on social benefits from their local authorities. Although the proposals in the government's reform package are in themselves gender neutral, their effects are not. The pattern of sick leave related absence differs for men and women. SALAR has therefore called for a thorough analysis of the impact of the changes in the regulations on men and women.

Otherwise, SALAR expressed its backing for greater clarity in the rehabilitation process with set limits, although the specified checkpoints were rejected on the grounds that they are far too narrow and therefore not realistic in enabling the employers and other stakeholders to carry out their parts of the rehabilitation chain in the best possible way. SALAR supported the introduction of a maximum time limit for the payment of sickness benefit, but pointed out in its comments that it must be possible to extend this period for those individuals who are themselves unable to influence their return to work. SALAR also said that the introduction of a time limit for sickness benefit means that there is now an even greater need for the time limited sickness allowance scheme. The maximum limit increases the need for a bridge between sickness benefit and allowance for employees who have a long-term, but not permanent, reduction in their capacity for work. The change in the law has led to an increase in the number of situations in which the assessment of the working capacity of an employee in relation to the labour market as a whole can be postponed after a sickness period of 180 days. Even in cases where the capacity of an employee has been reduced for 365 days it is possible to postpone this assessment if such an assessment is deemed to be unreasonable. It is also possible to pay sickness benefit for more than 364 days in connection with cases of serious illness.

SALAR has also backed the basic idea of facilitating a return to working life fol-

lowing a long period of sick leave related absence and in principal supported the proposal concerning measures for those individuals who are no longer eligible for sick leave benefits because they have gone beyond the maximum time limit for the payment of sickness benefit. However, SALAR has particularly pointed out that the provision of introductory training for such individuals with the aim of facilitating their return to work should also cover those individuals who are no longer able to carry out their regular jobs but who are assessed as being able to support themselves by working in other parts of the labour market and are therefore not entitled to sickness benefit.

It is as yet too early to evaluate and draw conclusions about how the changes in the health insurance system and the associated measures have affected the return to work from the employers' point of view. SALAR intends to monitor this in 2010 and in the period ahead. Areas that will be particularly monitored include the effects on the employers of the rehabilitation chain's checkpoints, the consequences of the withdrawal of sickness benefit due to the capacity to work in other areas of the labour market – despite the fact that the employee concerned does not have the capacity to return to his or regular job, the consequences of employees, despite the fact that they are not fit for work, losing their right to sickness benefit because they have passed the maximum time limit and are therefore no longer eligible for sick leave benefits, the consequences of the abolition of the time limited sickness allowance scheme, whether an increase in the capacity to work has reduced the need for temporary staff and so on.

The reform of the health insurance system is mainly about supporting the return to work of those on sick leave with the help of the system and measures and support for the return to work when people are no longer covered by the system. Other associated measures focus on the activities of the healthcare system. A rehabilitation guarantee is designed to strengthen the position of the individual in the rehabilitation process and involves support for evidence-based and medical rehabilitation measures. The major diagnoses covered by the guarantee are non-specified pain in the back, shoulders and neck and mild or medium anxiety and depression. The so-called “healthcare billion” consists of earmarked grants that aim to help the healthcare system to improve quality and efficiency in the effort to reduce sick leave related absence. Other grants focus on providing support for the medical/insurance decisions of doctors in the healthcare system and officials at the Social Insurance Office in the sicklisting process. This support is designed to increase the quality of the process and make the decisions more consistent and uniform. Since the turn of the year, it has also been possible for corporate health services to apply for government grants for early measures (before day 45) in the sicklisting process with a focus on a return to work. One of the preconditions for receiving such grants is that the employer contributes a sum equal to the government grant.



## **The significance of the changes for the employers**

Despite the fact that the introduction of the rehabilitation chain and other measures have not in themselves entailed any changes in the responsibility for rehabilitation, the new regulations have led to certain changes in the behaviour of the employers and employees, although it is still too early to draw any firm conclusions. There are also elements of the reform that influence the employers' routines for rehabilitation. The rehabilitation chain requires the employers to increase the pace of the rehabilitation process. The first two steps in the Social Insurance Office's assessment of working capacity in relation to an individual's regular job and thereafter in relation to all the operations of the employer should normally be completed within six months. Even if the Social Insurance Office requests information on the employer's possibility to utilise the capacity of the employee concerned by means of "redeployment" on day 90, there is no obligation in labour law for the employer to redeploy the employee at this stage. An employer is only obliged to redeploy an employee within the framework of a termination of employment procedure, when the only alternative to redeployment is to terminate the employment of the individual concerned.

In the reformed health insurance system with the set checkpoints for the rehabilitation chain, the entitlement to sickness benefit is withdrawn when the Social Insurance Office assesses that the individual concerned is fit to work for his or her employer or in relation to the labour market as a whole. This may mean that an employee will wish to return to work even though the occupational rehabilitation process has not been completed. If employees make themselves available for work, the employer must also conduct an assessment of their capacity for work. The conclusion may have consequences for the employees' right to receive pay. If the employer's assessment is that an employee's capacity is still reduced and the Social Insurance Office has withdrawn sickness benefit with reference to the employee's fitness for work in other parts of the labour market, the employer can pay sick pay for a maximum of 180 days. However, in those cases where an employee has used all of his or her sickness benefit days – and is therefore no longer eligible for sick leave benefits – but is still sick, it is not possible for the employer to pay sick pay for a maximum of 180 days.

## Reduced costs for sick leave related absence

At the same time as the decline in the incidence of sick leave related absence and the changes in the health insurance system have entailed major changes in the lives of many people, they have also entailed considerable improvements in the financial situation of the State in terms of both lower expenditure and higher income. They have of course also had positive effects on the operations and financial situation of the employers. A fall in the number of those on sick leave reduces the employers' costs for sick pay for the initial two-week period of illness but also for the form of sick pay that is paid, in line with collective agreements, as a supplement during the period of sick leave. AFA Försäkring (the labour-market insurance company owned by the social partners) has also been able to reduce premiums in various collectively-agreed group insurance schemes due to major changes in the National Insurance Act, the dramatic fall in the number of sickness allowance cases and the improvement in the return on capital.

In addition to this there are other positive effects of a reduction in sick leave related absence such as increased productivity, reduced costs for the employment of temporary staff, reduced administration, improved preconditions for planning and so on.

All in all, this entails a significant increase in the resources that can be devoted to the core tasks of the local authorities and county councils.

## Summary

- › The level of sick leave related absence in the local authorities and county councils has fallen by more than 50 per cent over the last eight years. However, the difference in the level of sick leave related absence for women and men is still a major challenge.
- › The changes in the national health insurance system are probably a major factor behind the decline in sick leave related absence. However, it is difficult to appraise their effects on employers and employees, which is why SALAR intends to monitor developments in this area in the period ahead.
- › A fall in the incidence of sick leave related absence – as a result of an improvement in health – makes resources available throughout society and increases the ability of the local authorities and county councils to perform their core tasks.

## Would you like to know more?

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# Result-oriented employer policy

Sweden's wellbeing is largely dependent on the operations of the local authorities and county councils working effectively. The main objective of SALAR's efforts in the field of employer policy is to support this. The fact that the employees are the most important basis for effective operations in the local authorities and county councils means that employer policy is highly important.

The link between how the employees perceive the workplace/employer and how the clients perceive the operations is central in this respect. Knowledge about this link is of course also vital to an understanding of the dynamics in working life that employer policy attempts to govern. SALAR is firmly convinced that employees are the key to successful operations that produce good results.

## **The importance of the employees**

“The employees are the most important resource we have!” This may seem to be a cliché, but like many clichés it also appears to be true. Employees are a resource for the creation of effective and high-quality operations and in labour-intensive service operations – like most of those offered by the local authorities and county councils – it is reasonable to assume that they are also the most important resource. These operations are in turn, of course, for the customers/clients.

As employer policy is about optimising the operations in which the employees work, a great challenge lies in determining how the employees should be managed and what they require in order for the customers /clients to be as satisfied as possible with the services provided. Are there qualities or characteristics on the part of the employees, in addition to competence or other areas within what is traditionally referred to as human capital, that are particularly reflected in improved operational results? Managing employees is of course in part to do with how they should work, that is in what way, how quickly and so on. It is also partly about the skills and expertise they should have. However, it may also have to do with what the employees feel about their work and their employer. SALAR believes that the latter is very important to the operations of the local authorities and county councils and that there is therefore a lot to gain from attempting to focus on and work with this area. It is also the case, however, that what people feel or think about their work is influenced by how the people around them see this work.

## **The connection between employees and results**

Part of SALAR's work involves measuring the quality and the results of the members' operations with the aim of developing these operations and making them more efficient. This aim also means that SALAR, as Sweden's largest employer organisation, has a great interest in finding ways to develop employer policy in the local authorities and county councils in order to improve the quality and results of the operations in this way too.

The fact that there is a link between productivity, and above all quality, in the operations and the customers'/clients' perception of these operations is almost self evident, just as it is natural that there is a link between the resources devoted to an operation and the results it achieves. There is also theoretical and empirical knowledge on the connection between employees and the operational results achieved that focuses on the properties and characteristics displayed by the employees in the course of their work. One concept that has had a major impact, for example, is employee satisfaction.

## **Theoretical and empirical knowledge on the importance of the employees**

The link between the level of service and profitability began to attract increasing attention just over 10 years ago. It was soon concluded that there was evidence to suggest that satisfied employees were the most important factor for growth and profitability in service operations. The theory behind this is referred to as "the service-profit chain".

The idea is that employee satisfaction increases when the quality of internal services is improved, in short by equipping the employees with the ability and power to serve the customers. Employee satisfaction in turn gives rise to loyalty on the part of the employees, which increases their productivity. Higher productivity leads to improved external services for the customers, which increases customer satisfaction and customer loyalty.

Internal service quality → Employee satisfaction → Employee loyalty  
→ Employee productivity → External service quality → Customer satisfaction  
→ Growth and profitability

Small increases in customer satisfaction are expected to result in substantial increases in profits. To increase profits, all the links of the chain should be strengthened.

This view means that the key to growth and profitability is the quality of internal services, or the quality of the internal work environment as it is also described. This is determined by the attitudes of the employees to their jobs, their colleagues and their employer. However, the aspect that is usually focused on is stage two, that is employee satisfaction and the idea that satisfied employees provide satisfied customers – a link that has been demonstrated in many contexts. The particular focus on satisfaction may, however, be a weakness.

Is the correlation between satisfied employees and satisfied customers really causal? Employee satisfaction can be created in a number of ways, several of which definitely do not have to lead to improved operations and more satisfied customers. There is a risk that employers will implement misdirected measures if they adopt employee satisfaction as their primary objective.

Another objection is that the theory disregards the fact that satisfied and engaged employees cannot contribute to an increase in customer satisfaction unless a number of other criteria are also met in the organisation. There must be an understanding of what the customers want and a picture of how the organisation wants the customers to perceive and experience its operations. The organisation must also be able to utilise the employees' satisfaction, engagement, participation, loyalty and so on. This relates to everything from techniques and management to informal rules and the culture at the workplace.

The theory has been tested empirically in several cases, for example by the mail order company Sears Roebuck. In the late 1990s, this company tried to illuminate the link between how employees, customers and investors saw the company. Data from 800 transactions revealed that employee satisfaction accounted for 60–80 per cent of customer satisfaction. It also emerged that an increase in

employee satisfaction of 0.5 percentage points entailed an increase in customer satisfaction of 1.3 percentage points. This in turn led to a 0.5 per cent increase in profits. The consulting company Towers Perrin has also studied this. In its annual “Global Workforce Study”, in which a questionnaire is circulated to approximately 90 000 employees in medium-sized to large companies in 18 countries, the company has identified factors that govern attraction, the propensity to stay in the same job and engagement. By asking the employees about their motivation and their rational and emotional ties to their employers and their jobs, Towers Perrin measures their level of engagement, thereby reaching a better understanding of how engagement affects behaviour, effort and results. Towers Perrin has shown that the companies that achieve the best results in terms of engagement also have the best financial results and are better at retaining their key personnel compared with companies with a lower level of engagement. Towers Perrin also notes that it is the organisation itself that has the greatest impact on the engagement of its employees.

In Sweden, the theories about these links have been tested by the quality rating organisation Svenskt kvalitetsindex (SKI) which carries out both advanced customer surveys and surveys of employees, thus enabling in-depth studies of the links between these. SKI also conducts national surveys by phone in which the attitudes of customers and employees are canvassed. Analyses of this material reveal a positive correlation between employee satisfaction and customer satisfaction. This link is also relatively strong and an increase in employee satisfaction generates a clear increase in customer satisfaction. However, there is an even stronger link between employee satisfaction and the quality of the services provided. SKI’s analytical model also shows that the factors that contribute most clearly to increased employee satisfaction are motivation, line managers and personal development opportunities. Salaries and other benefits and image are also important factors. However, these are considered to be the most important areas to work with in order to increase the quality of services and customer satisfaction.

The link has also been demonstrated in the employee and patient surveys regularly carried out by the County Council of Östergötland. In 2007, the County Council decided to compare a sample of the questions in the survey for employees working in primary care with a sample of the questions for primary care patients. This revealed a clear link between the working situation of the employees (employee satisfaction) and the experience of the patients (patient satisfaction).

However, the service-profit chain is most clearly applicable to the private service sector, even though it is by and large only the last, financial link “growth and profitability” that is difficult to relate to the public sector. The theory of the “public sector value chain” has therefore been postulated on the basis of research into the results of the public sector and the public’s views concerning these results.

Employee engagement ↔ Citizen/Client service satisfaction  
→ Trust and confidence in public institutions

It thus seems that satisfied clients in the public sector lead to long-term trust and confidence in public-sector institutions rather than to growth and profitability. Trust and confidence are based on the perception that the public institutions provide good service, are beneficial and are adapted to the needs of the population. A generally positive view of public services is extremely important in a democracy with tax-funded welfare services. It probably means, put simply, that the public feels it is getting value for money.

Here the focus has been transferred to engagement and a number of factors that drive the engagement of the employees are also identified: support for operational objectives and trust on the part of the organisation, effective leadership and management, supportive colleagues and workplaces, tools and instruments, the authority and freedom to do one's job, career and development opportunities and a reasonable workload.

## **The connection in the local authorities and county councils**

It is probable that the impact of the employees on the operations concerned is different in different areas and sectors. It should be the case that operations that involve a high degree of direct contact between employees and clients exhibit a clearer link between them. As most of the operations of the local authorities and county councils presuppose such contacts it is also reasonable to assume that the impact of the employees is tangible. Nevertheless, many purely service occupations are not based on direct contacts between employees and clients, and nor is this a precondition for the service-profit chain theory.

It is also possible that in publicly-funded operations the link is strengthened by the fact that only a small part of the services are self-financed. Most of the price of a service has already been paid via taxation, so the main focus is on high quality instead. This means that the clients tend to value high quality and long-term profits ahead of short-term savings.

Further aspects that must be considered are what the desired results should be and who should benefit most from the operations concerned. Is it the individual client or society as a whole, that is all of those who together pay for the "product". Is the aim to produce as much healthcare, education, eldercare and so on as possible for as little money as possible, or is that the individual patients, pupils and so on should be satisfied with the services provided and perceive them as being of high quality? If providing benefit to society as a whole is the main

aim, then the perception of quality and the satisfaction of individual clients are perhaps not as important. If, on the other hand, the aim is a satisfied patient or pupil, then the role of the employees is probably more central. However, it is important here to underline the basis of the public sector value chain; that is the link between the engagement of the employees and the satisfaction of the public. In practice it is likely that there is a connection between these aims and that both are important.

## **Result-oriented employer policy**

Most of the studies of the operational importance of employees indicate that the main success factor is the engagement of the employees, although factors such as job satisfaction, pride in one's work and loyalty are also highly important.

In its comprehensive surveys of employees working for the National Health Service in the UK, the British market research company Ipsos Mori has identified a number of characteristics of engaged employees. They are satisfied with their jobs, feel that the organisation gets the best out of them, feel appreciated by the organisation, speak well of their employers and are motivated at work.

The Institute for Employment Studies (IES) has also arrived at a picture of what characterises engaged employees. They believe in the organisation, respect and help their colleagues, work to improve the organisation, are prepared to do that little bit extra and understand how the organisation as a whole hangs together and its objectives.

It sounds reasonable that engaged, satisfied, proud and loyal employees are good for an organisation. It is just as reasonable to assume that such employees are important for the financial results of the organisation and the quality of the goods or services produced, and there is also evidence that this is the case. Nevertheless, the latter is still not always accepted as self-evident and this link must be continually reaffirmed when organisations have to decide on the balance between employer-policy investments and other investments. SALAR believes that investments in and programmes for employees provide a very good return, especially in the local authorities and county councils, and that it is therefore important to forge a clearer link between employer policy and the other operational strategies of the organisation. It is, however, equally important to emphasise that employer policy should focus on achieving good operational results rather than specifically on, for example, satisfied employees.

SALAR strives to practice and promote an employer policy in the local authorities and county councils that contributes to improved operational results. The links between employees and operations that are highlighted here indicate that the engagement of the employees, which is so central and so valuable, is driven by strategic employer-policy work within relatively recognised areas. These in-

clude leadership, the work environment, cooperation, work organisation, training, career opportunities, pay policy and so on. However, the links also say something about what the focus should be in these areas. It is probably less a matter of controlling how the employees should work and more a question of trying to influence how they feel about their work. Irrespective of how one chooses to measure the results of the work done in these areas, SALAR is convinced that such work helps to improve the operations of the local authorities and county councils and thereby increases the benefit to the clients, pupils, patients, taxpayers and so on. It is therefore important that all those with responsibility for local authority and county council operations are well aware of these links and regard the strategic employer policy as a self-evident and important element of the operations concerned.

## Summary

- › The connection between the well-being of the employees and the quality and results of the operations is clear.
- › There are several reasons for questioning a strong focus on satisfied employees, but there are many indications that engaged employees contribute to the creation of effective organisations that thus have the potential to achieve good results.
- › Employer policy is in many respects decisive in determining what desirable characteristics employees possess and how they contribute to the operations concerned.
- › A strategic employer policy should be interlinked with, and be a self-evident part of, an organisation's other operational strategies.

## Would you like to know more?

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Örjan Lutz, e-mail: [orjan.lutz@skl.se](mailto:orjan.lutz@skl.se)

If you would like to read more about SALAR's thinking in this area please see the report "Medarbetarskap och arbetsresultat" ("Employeehip and Results", only available in Swedish) which can be ordered on SALAR's website.



# Employer branding

Irrespective of the resources available in terms of funding, management, premises and so on, it is impossible for the local authorities and county councils to provide good-quality welfare services if they fail to attract and recruit the “right” employees.

The welfare services that are funded by, and often also performed by, the local authorities and county councils are of fundamental importance to the workings of society. Operations such as pre-, primary-, secondary and upper-secondary schools, personal and family counselling services, healthcare and public works are prerequisites for effective commercial and industrial operations and for a quality of life at a level that most people expect these days.

Conducting such operations with quality requires financial and organisational capital. However, it is still not possible to be successful in this without competent, motivated and engaged employees. A common denominator for most of the operations of the local authorities and county councils is that they are characterised by interaction between their own employees and people in need of support, service, healthcare, care, education or some other form of development. Providing that this interaction is marked by competence, respect and engagement, there is every chance that the customers/clients will feel that the services provided are of high quality.

## **Employer branding – shaping perceptions**

Employer branding is about developing and shaping how an organisation is branded as an employer. Other terms that are sometimes used in this context are employer profiling, the employer trademark or, simply, reputation.

Employer branding concerns the employer's brand in relation to existing employees as well as to presumptive employees. An employer's brand is defined, like all brands, in terms of a number of associations that describe how the employer is perceived. By influencing these associations, organisation can mould and shape the brand until it takes on the form they want. The brand can be described as the associations and images that arise when one thinks about a certain employer. These may include ideas about what it is like to be employed by the organisation, for example meaningful, boring, developing or entailing low status, but also ideas about what the employees of the organisation are like and the values, characteristics and interests that one, more or less consciously, associates with them. How well these images correspond to the observer's own ambitions and goals has a major impact on the observer's perception of the employer – attractive or uninteresting.

An interesting question is how well the images in the minds of different target groups, for example employees, presumptive employees and students, correspond to the image that the organisation itself wishes to project. By comparing these different images it is possible to identify central areas where it is important to generate other associations. Employer branding is about organisations taking action to exert a positive influence on the perceptions of the chosen target groups.

## **The need for employer branding in local authorities and county councils**

In general, the quality of the operations conducted by the local authorities and county councils is good. A low level of ambition for the work on employer branding could therefore be to ensure that the level of competence and quality does not decline. In SALAR's view, however, this level of ambition is not high enough. The future funding of welfare services, fluctuations in the state of the economy, increased competition between service providers and higher demands from the public are factors that are expected to require ongoing improvements in operational efficiency. In the longer term it is also important that young people who are about to make educational or professional choices for the future can be attracted to the sector. One of the several important success factors in the work to change an organisation's brand is to have considered and credible communication with both external and internal target groups.

## Issues to be addressed

For more than half a century we have known that an unusually large number of children were born in the 1940s. It has therefore not been difficult to calculate that an unusually large number of people will retire at approximately the same time and that many individuals in this group will also eventually need eldercare. Nevertheless, it is not entirely easy to predict how this wave of retirement will affect the labour market at large.

From a national point of view, the number of people of working age (18–64) will not be significantly affected when those born in the 1940s leave the labour market, as a large group of young people will enter the labour market at about the same time. However, the number of people who are not of working age will increase, that is the burden of supporting an ageing population will increase. This raises questions such as how great the demand for labour will be and what geographical differences there will be in the pattern of this demand.

The Employment Office has predicted in an analysis that many small local authorities and rural county councils will face problems. This is partly because



they have a negative population trend as many of the younger people of working age are choosing to move to study or work elsewhere, and partly because the percentage of employees who are retiring is twice as high as in the large towns and cities. It is predicted that 64 per cent of the population of the major urban areas will be in the 18–64 age group by 2025, compared to 51 per cent in sparsely-populated or other rural areas.

A crucial question is therefore what will happen when the next economic boom arrives and the demand for labour increases. Will local authorities and county councils continue to be the first choice for those who are already employed there and will they be able to attract and recruit new employees with the right competence and engagement?

Local authorities and county councils recruit approximately 60 000 to 80 000 employees each year, which means they recruit around 300 new employees per day. Given the importance that these employees will have for the rest of the population it is of course important that the providers of local authority- and county council-funded operations can attract and recruit those who are most suitable for the work involved. A strong and positively-charged brand as an employer will increase the chances of success.

Svenskt kvalitetsindex (SKI) conducts annual surveys of employee satisfaction in different sectors of the labour market. These surveys reveal only small differences in employee satisfaction between the private sector, the central government sector and the local authorities and county councils, but that the private sector has a much better image than the other sectors. In 2009, SKI measured engagement and attractiveness as well as satisfaction. Comparisons show that engagement is at approximately the same level in all the sectors, but that the local authorities are behind the others in terms of attractiveness.

## **Changing the view of local authorities and county councils as employers**

We can begin by noting that it is possible to change the way people view the local authorities and county councils as employers and that the image has already been improved. Ten years ago, the researcher Teresa Larsen was commissioned to study how attractive the local authorities were as employers. Her conclusion was that “the local government sector seldom appears to be an employer that people work for as the result of an active choice, it is rather the case that those who work in the sector do so because they have no alternative”. Today, the situation is that the level of satisfaction, engagement and motivation among the employees of the local authorities and county councils is largely the same as for employees in the private and central government sectors.

It is worth considering how the current image has been created. The media are

often mentioned as an important player in this context; we can refer, for example, to the now hopefully forgotten discussion of the “producing sector and the consuming sector” (that is the private sector and the public sector). It is probably more constructive to think about the factors that the organisation itself can influence.

The local authorities and county councils are democratically-governed organisations that are highly open and transparent. This means that they are discussed publicly and there is thus a risk that fundamentally positive discussions concerning how the operations can develop and improve the situation of the employees may be perceived as negative. This may also be reinforced if there are clear differences of opinion on how to conduct the operations between the political majority and minority and between the trade unions and the employers, despite the fact that such differences are completely natural, because they are sometimes publicised to a unique degree. In this context it is important to consider the jargon that one uses as an employer or employee and whether this kills or feeds the myths.

## **Different perspectives on employer branding**

Employer branding comprises both an internal and an external perspective. The employees that an employer already has are the key players when it comes to communicating images of the workplace and the employer – both good and bad. Employers therefore need to think about what is required to upgrade already satisfied employees to proud ambassadors. However, thinking is not enough; employers need to take action too.

The external perspective largely relates to shaping one’s message and communicating through the right channels to reach the chosen target groups. What is it about what we offer that is unique, relevant and worth remembering? That an organisation offers exciting, interesting and meaningful jobs is perhaps not a sufficiently strong argument if it wants to stand out from the crowd.

Below we present two current examples from employers in the sector who have chosen to formulate what they offer as employers and to communicate this in slightly different ways in connection with recruitment.

- › Recent years have been characterised by intensive efforts to improve operations on the basis of adopted operational plans. In the years ahead, this work will become even more intensive with the aim of improving the quality of the operations concerned.
- › Challenge your notions regarding what is important for a good working life. From day one you will be able to influence your situation at work – and society – more than you thought possible.

## **Work with what is most important – get a whole city to work!**

The City of Västerås is a good example of an employer who works both strategically and operationally to strengthen its image as an employer. An important element of this is that the elected representatives in the city are interested in the issue and understand the importance of being able to interest new groups in working in the welfare sector. There has been a range of service providers in Västerås for some time now and therefore competition for employees for jobs and operations for which the local authority previously had a monopoly. Today, all employers want to employ “the best”. The realisation that employees can in fact choose another employer has created an awareness of the importance of a good employer image. It has therefore been easy to get those in charge to prioritise and drive the development of the City’s employer brand.

In the City of Västerås, the ambition is that all of the 10 000 employees should be proud ambassadors who say positive things about their employer. However, it is not always entirely easy to change one’s image – in one’s own eyes or in the eyes of others.

– Our employee surveys show that the great majority of our employees are proud of what they do at work, says Eva Little, the Director of Human Resources for the City of Västerås. The difficulty is to also vouch for this outside work in contexts where you may feel forced to be accountable for all the operations of the local authority.

– It is a question of creating a culture in which it is OK to say aloud among colleagues that you like your job, and a culture in which people also dare to say this. I believe that the best way to increase pride in your work and the courage to say this is to develop good narratives. In other words, you should simply be prepared what to say. We are the largest employer in Västerås with a turnover of SEK 7 billion and 137 000 satisfied customers. We do a fantastic amount of good every day, but perhaps we are not so practiced in telling people about this in a convincing way. Once you begin doing this I believe it gets easier and easier.

Eva Little also believes that employees must increasingly understand that speaking well of their work is not the same as being uncritical of how the operations are conducted or uncritical of their employer. She says that employers must be able to stimulate and encourage good narratives but also be able to deal with criticism.

– If we get better at handling criticism in a constructive way it will also be easier for our employees to convey a positive image to the outside world. However, this presupposes that the employees know where they should present their criticism and that it will be taken seriously. The attempt to encourage good narratives must never be perceived as an attempt to put a lid on things or to censor criticism.

One of the ways in which the City of Västerås tries to find the right employ-



Eva Little, Director of Human Resources, City of Västerås

ees is to use somewhat bolder and slightly different job advertisements. The City markets itself using messages such as “Work with what is most important!”, “Help to build society!” and “Get a whole city to work!” The City also highlights the fact that its employees can combine working life with leisure time, in other words that they have the potential to live a good life.

The City of Västerås has not allocated any extra resources to the effort to strengthen its employer brand. It has instead reprioritised within existing frameworks and, above all, prioritised development work. So, what tangible results have emerged from the effort to profile the City as an attractive employer?

– I think that the personal attitude and response of managers, employers and recruitment consultants to job applicants and other interested parties such as trainees and students has become very positive, says Eva Little. We often get feedback from those who come for interviews that they appreciate our recruitment process. When I meet new employees they also give very positive feedback on the City of Västerås as an employer.

It is still too early to say whether this work has had an effect on the number of applicants and, above all, the quality of the applicants. It is clear, however, that it is relatively easy for Västerås to recruit competent employees for most of its operational areas, although there are of course posts for which it is a little more difficult to recruit staff.



## The work of the Swedish Association of Local Authorities and Regions

“Attractive jobs” is an issue of the highest priority that SALAR has chosen to highlight in 2010. SALAR’s Congress has commissioned the Association to work for a situation in which the local authorities and county councils are perceived as attractive employers for both women and men and for a situation in which the national education system meets the future competence requirements of the employers in the fields of healthcare, care and schooling.

On the basis of a survey of how current employees, students and the public view the local authorities and county councils as employers and a comprehensive recruitment forecast for the sector, SALAR intends in the late autumn to conduct a communications programme involving various press activities. The aim is to communicate the message at both the national level and the regional and local levels together with some of our members.

In order to facilitate the efforts of the members to strengthen their employer brands, SALAR has developed a web-based tool called Digital Mentor – Employer Branding. By using the Digital Mentor, the members can learn about the theory behind employer branding and its practical implementation. The Mentor presents various surveys and examples of organisations that have worked to strengthen their employer brands. A comments function enables the users to influence the form of the Mentor and also to contact colleagues in other organisations that work with the same issues.

In cooperation with the Swedish National Agency for Education and other stakeholders, SALAR is working to produce better regional forecasts and statistics as a basis for the supply of competence in the teaching field.

In cooperation with a number of universities, colleges, county councils, regions and municipal associations, SALAR is also developing a method for following up the professional knowledge of new nursing graduates. The aim is to monitor how the various training courses actually provide the knowledge required by the employers. The idea is that the model could subsequently be used to evaluate other types of course.

SALAR is also working with nursing and care colleges and with professional competitions for young people who are training for, or working in, the healthcare and care sectors. When SALAR’s members communicate in various ways with target groups that they want to recruit, they need to be able to present in a simple way the operations and occupations that are available, the education and training that is required, what the development opportunities are and so on. SALAR will therefore produce information materials that describe a range of occupations in these sectors. The Association will also produce material for educational and vocational guidance officers on the various occupations and future recruitment needs.

## Summary

- › The level of satisfaction, engagement and motivation among the employees of the local authorities and county councils is largely the same as among the employees of the private and central government sectors, although this is not generally perceived to be the case.
- › In order to attract the right employees, the local authorities and county councils should work to strengthen their employer brands and consider what images and associations they wish their brands to convey.
- › One of several important success factors in the effort to change one's brand is well-considered and credible communication with internal and external target groups.

### Would you like to know more?

Please contact the Swedish Association of Local Authorities and Regions,  
telephone: +46 8 452 70 00

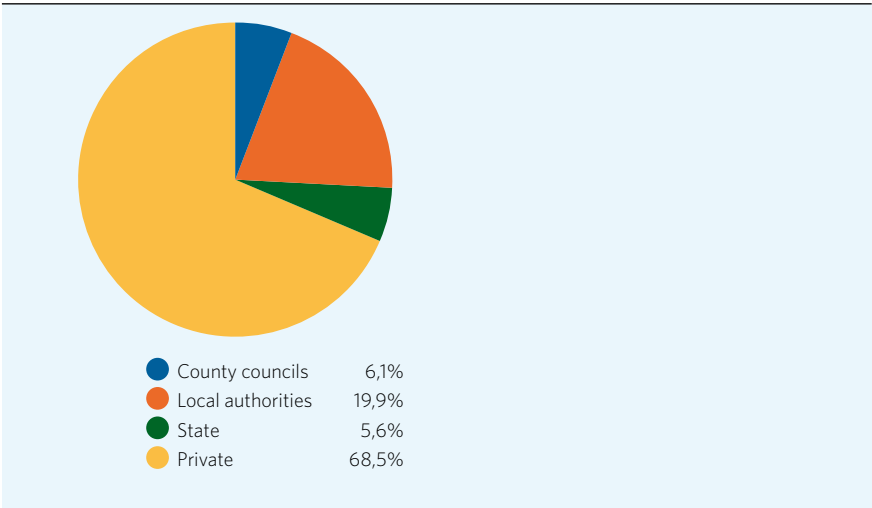
Lars-Ove Brander, e-mail: [lars-ove.brander@skl.se](mailto:lars-ove.brander@skl.se)



## Facts

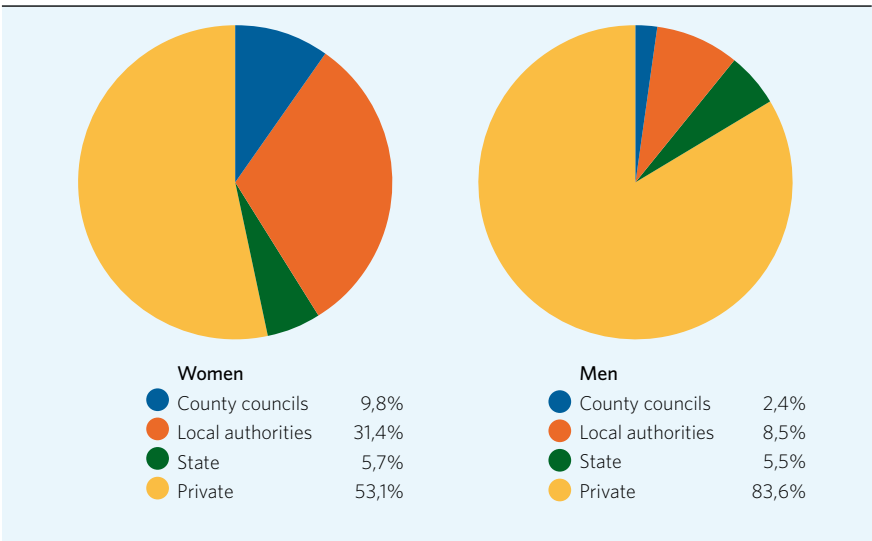
Some facts regarding the situation of the employees  
of the local authorities and county councils.

### Distribution of employees by sector, 2009



Source: Statistics Sweden short-term employment statistics, 4th quarter 2009

### Gender distribution of employees by sector, 2009



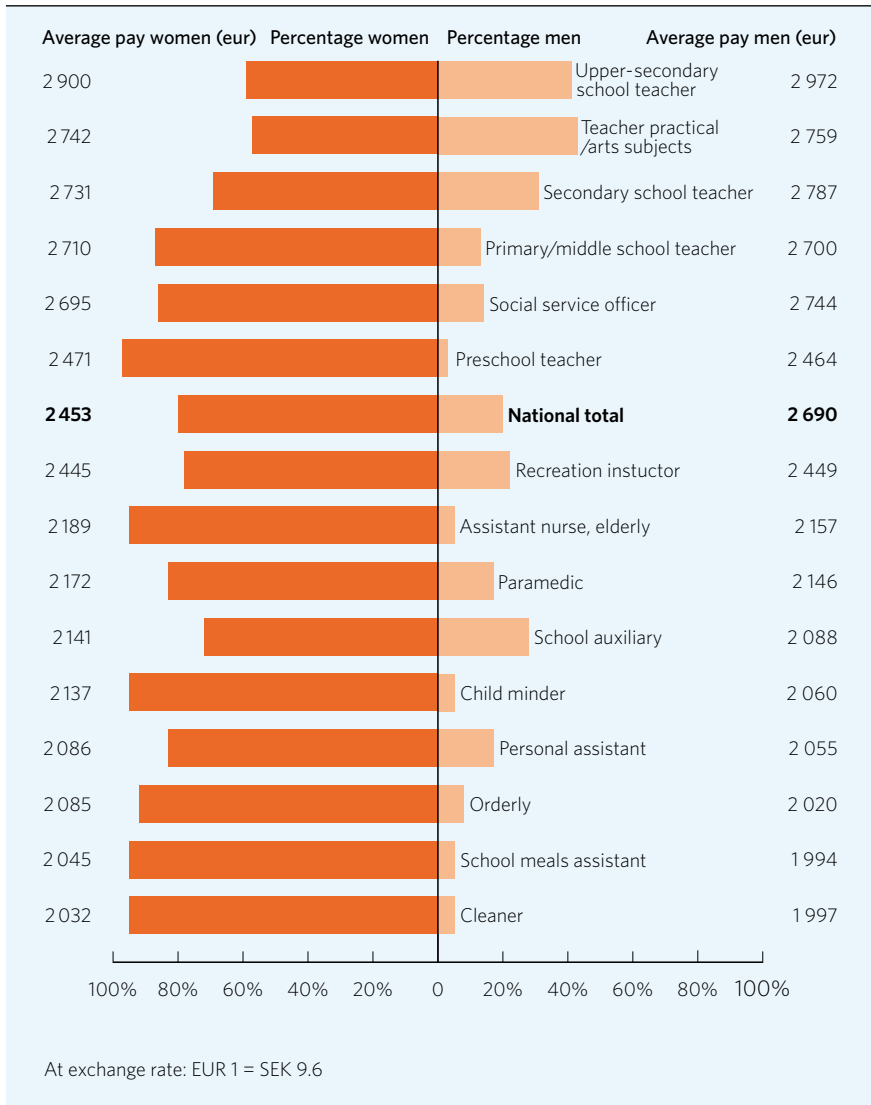
Source: Statistics Sweden short-term employment statistics, 4th quarter 2009

Facts on employees (individuals) in the local authorities and county councils, 2009 Including those on leave

	LOCAL AUTHORITIES			COUNTY COUNCILS			TOTAL		
	All	Women	Men	All	Women	Men	All	Women	Men
Paid a monthly salary	694 800	555 100	139 700	248 200	200 200	48 000	943 000	755 300	187 700
- full-time employees	489 300	369 300	120 000	201 600	157 300	44 300	690 900	526 600	164 300
of which working part-time	70 900	64 400	6 500	42 900	39 400	3 400	113 800	103 800	10 000
- part-time employees	205 500	185 800	19 700	46 500	42 800	3 700	252 000	228 700	23 400
paid an hourly rate	89 600	71 900	17 700	14 500	10 900	3 600	104 100	82 800	21 400
<b>Total</b>	<b>784 400</b>	<b>627 000</b>	<b>157 400</b>	<b>262 700</b>	<b>211 100</b>	<b>51 600</b>	<b>1 047 100</b>	<b>838 000</b>	<b>209 100</b>
of which on leave	53 100	47 300	5 800	17 700	15 600	2 100	70 800	63 000	7 800
Permanent	640 500	516 200	124 300	226 000	183 300	42 700	866 600	699 600	167 000
Temporary/substitute	54 300	38 900	15 400	22 200	16 900	5 300	76 400	55 700	20 700

Source: Bipartisan pay statistics

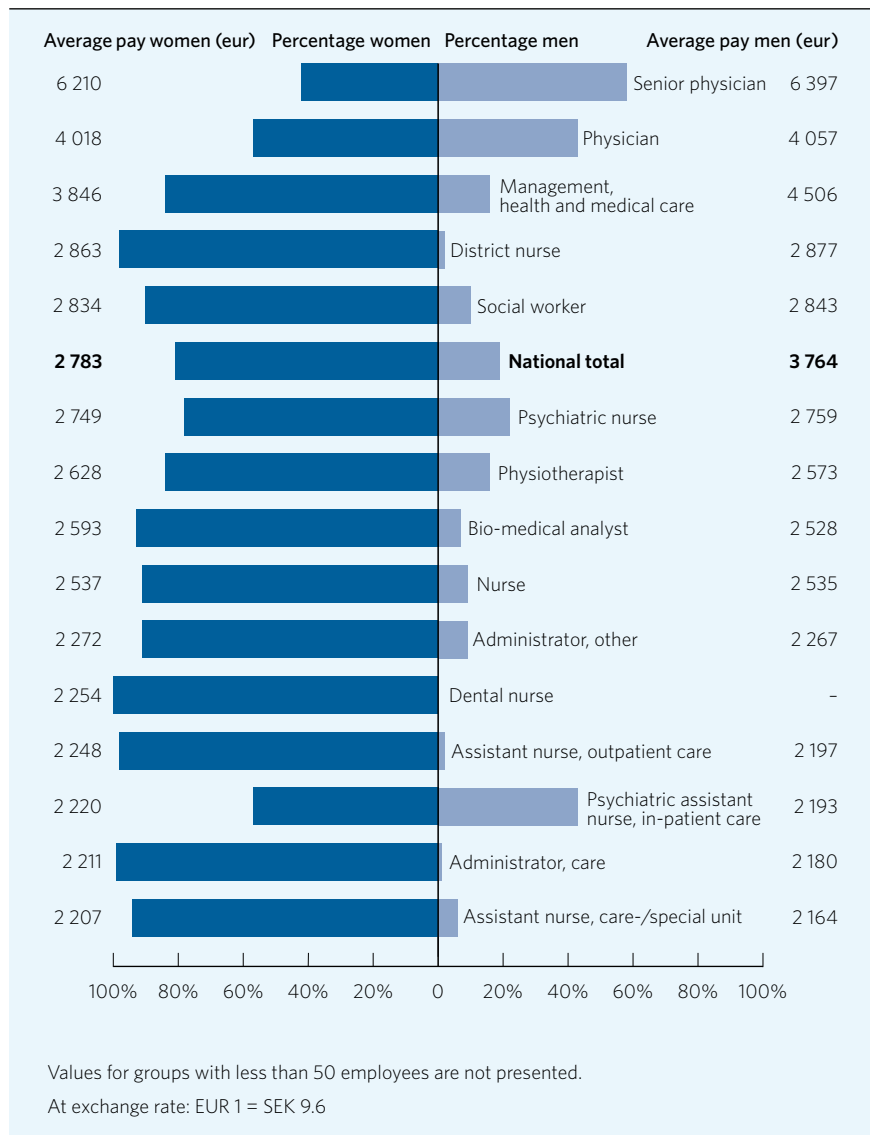
**Average pay of the 15 largest occupations in the local authorities, 2009**  
 Employees on a monthly salary incl. those on leave



Source: Bipartisan pay statistics

## Average pay of the 15 largest occupations in the county councils, 2009

Employees on a monthly salary incl. those on leave



Source: Bipartisan pay statistics

**Total pay including employers' contributions in accordance with legislation and agreements in the local authorities and county councils, 2009**

	Annual total pay (eur)	1% equals (eur)
Local authorities	28.3 billion	283 million
County councils	12.4 billion	124 million
<b>Total</b>	<b>40.7 billion</b>	<b>407 million</b>

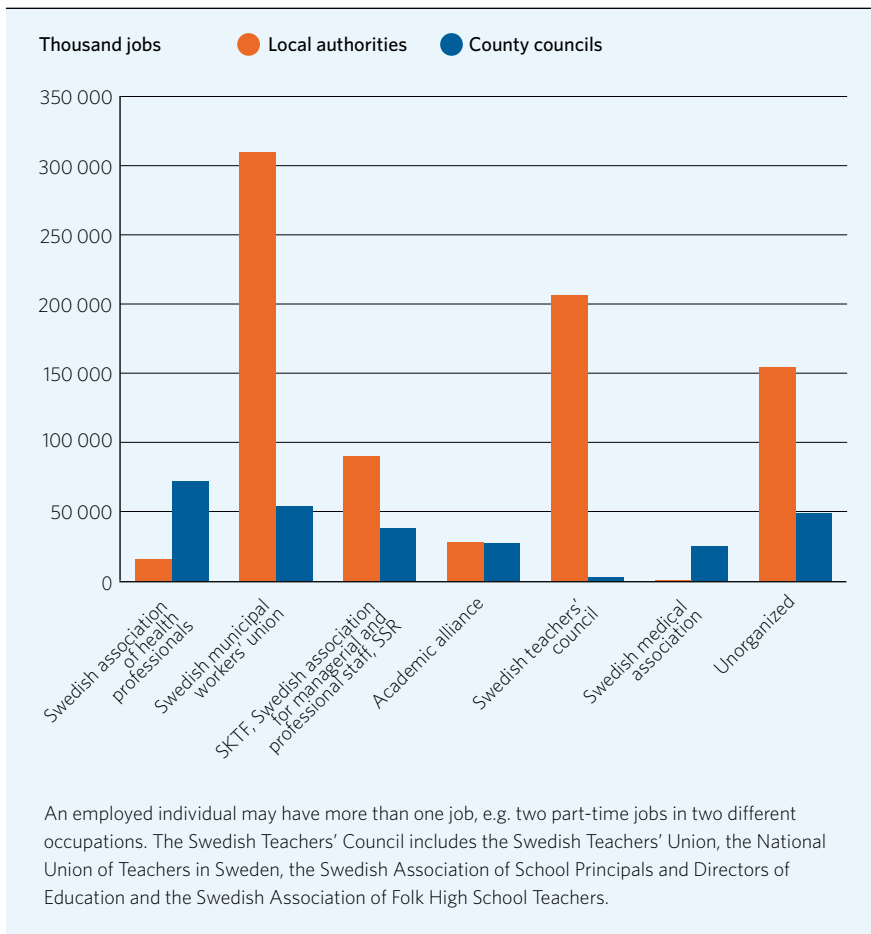
Relates to total pay for employees as of 1 November 2009 converted to an annual total including employers' contributions in accordance with legislation and agreements.

At exchange rate: EUR 1 = SEK 9.6

Source: Bipartisan pay statistics

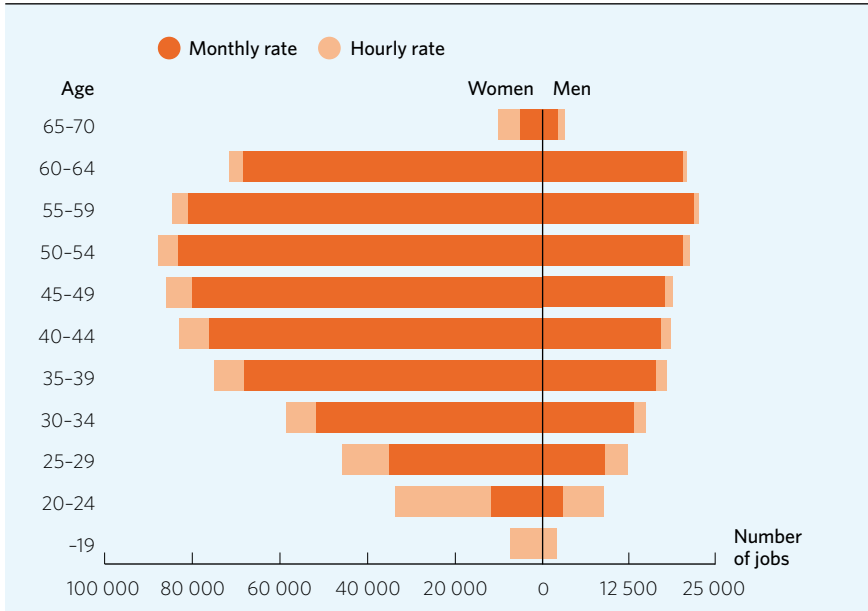
**Jobs in the local authorities and county councils per employee organisation, 2009**

Employees on a monthly salary including those on leave and employees on an hourly rate



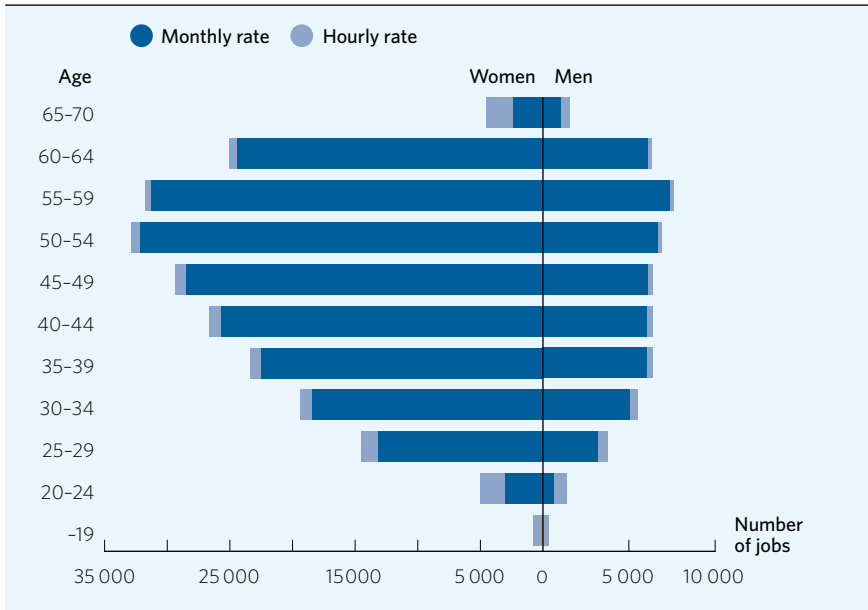
Source: Bipartisan pay statistics

Age distribution by gender in the local authorities, 2009



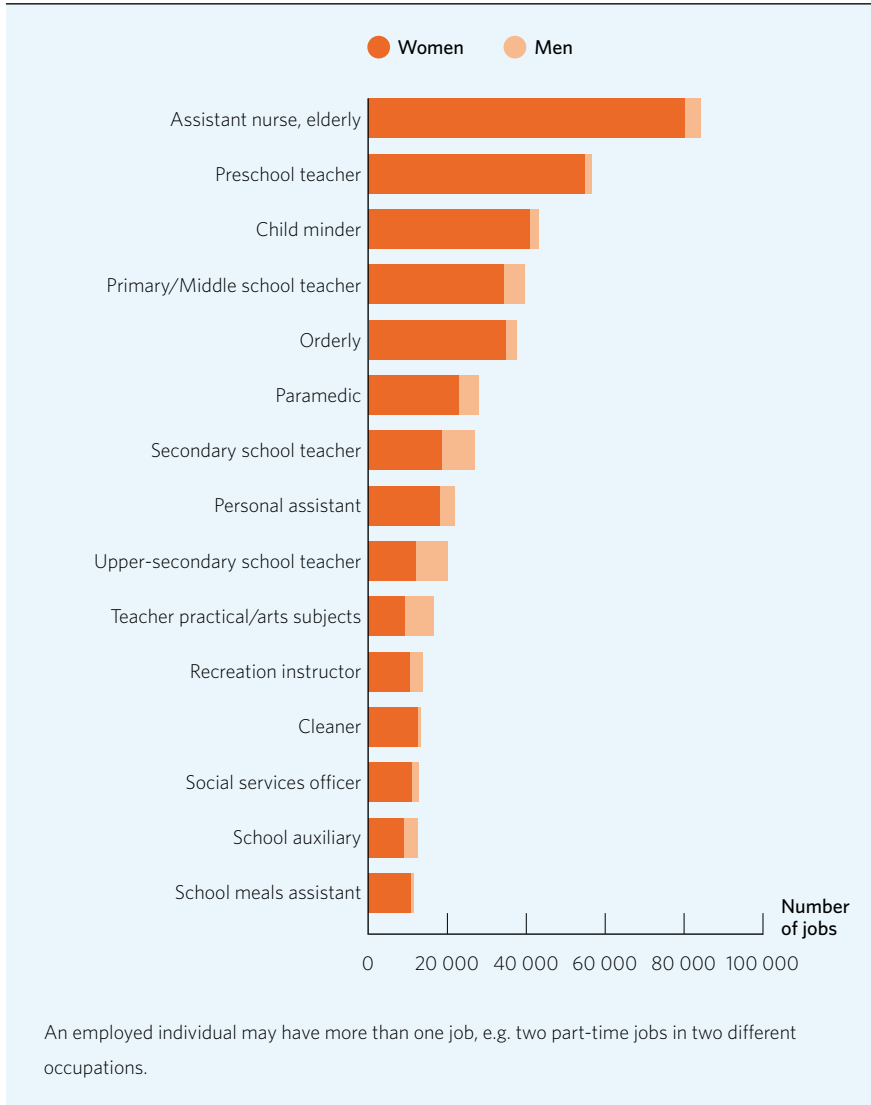
Source: Bipartisan pay statistics

Age distribution by gender in the county councils, 2009



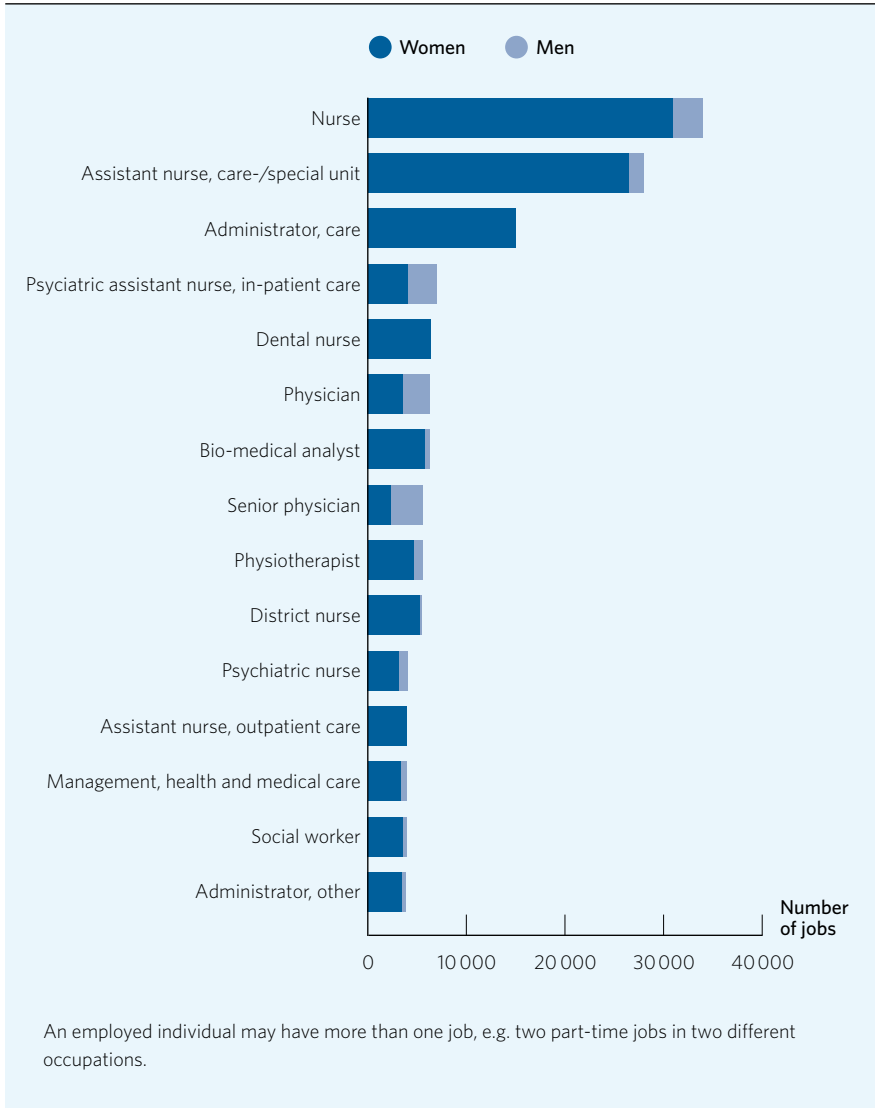
Source: Bipartisan pay statistics

**Number of jobs in the 15 largest occupations in the local authorities, 2009**  
 Employees on a monthly salary including those on leave



Source: Bipartisan pay statistics

**Number of jobs in the 15 largest occupations in the county councils, 2009**  
 Employees on a monthly salary including those on leave



Source: Bipartisan pay statistics





## Employer perspectives on local authorities and county councils

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Our aim with this regular annual report is to promote an understanding of and provide knowledge about our actions in the field of employer policy. We do this by highlighting and analysing some of the issues that we believe to be of the highest priority and importance in our work. This year we illuminate the issues *pay formation, increasing health – reducing sick leave related absence, result-oriented employer policy* and *employer branding*.

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