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Employee Well-being: An influential need of Indian organizations

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Abstract

Stress, sadness, and anxiety can harm work performance and increase absenteeism in working populations. Although there is evidence that frequent mental health issues can be avoided and treated on the job, few working people seek out psychological therapy. The introduction of occupational digital mental health therapies might be one method to deal with this. The globe has noticed a trend toward more socially-based indicators during the past few years. In the business realm, social measurements like employee well-being would also support more money-based KPIs. Further understanding of the elements that might improve employee well-being will come from an ongoing study on the causes, correlations, and effects of employee mental health. Both

socially and scientifically, such work is valuable. Organizations have historically prioritized lowering employee stress rather than enhancing employee wellbeing, despite the many favorable organizational attitudes connected to employee well-being. When personal resources and perceived expectations in a scenario are seen to be out of balance, stress results. Because stress is associated with lower productivity and, consequently, lower profits, businesses are concentrating on putting stress management strategies into place. This review paper channelizes the factors affecting employee well-being and how important it is for organizations to effectively work on impactful activities related to the well-being of the employees.

Keywords: Employee Wellbeing, Stress, Mental Health, Psychology, Organizational Stress

1. Introduction

Over the past few decades, academics and practitioners working in clinical and health contexts have increasingly given attention to mental health, which is here defined as the presence of well-being rather than the absence of illness. More recently, the movement for positive mental health has expanded beyond clinical settings and established a significant presence in workplace environments. Positive organizational behavior, which aims to foster positive phenomena like hope and resilience among employees, and positive organizational scholarship, which is the study of what is positive, flourishing, and life-giving at the organizational level, are notable developments that link well-being with organizational factors. However, whereas research on well-being has been primarily constrained by its near-exclusive focus on the evaluation of employee job satisfaction, the study of well-being within the discipline of psychology has been guided by comprehensive, evidence-based models. By exploring the "what," "why," and "how" of employee well-being, as well as outlining a paradigm that extends beyond job satisfaction, this study seeks to remedy this deficiency. A thorough model of employee well-being will be developed by consulting the literature on mental health and well-being, starting with the "what" of well-being. We propose that the two main determinants of employee mental health are subjective and psychological well-being. We add two context-specific components, namely work-related positive and negative affect and job satisfaction, to adapt this model explicitly to the domain of work. Next, it will be explored why employee well-being should be a top priority for businesses or the "why" of well-being. The importance of the construct is illustrated by the hypothesis that protecting and enhancing employee mental health results in improvements in turnover and performance. Finally, it is suggested that strength-based employee development is an effective method for boosting employee well-being concerning the "how" of employee well-being (Carolan *et al.*, 2017) [3].

Employee happiness and productivity are thought to be positively correlated, and the body of research supporting this association is steadily rising to result in this being a cause. Contemporary experiment Evidence indicates that a significant rise average rise in happiness results in an increase in 10% productivity, roughly. Across all sorts of businesses, there is a strong, positive association between employee well-being and overall, firm-level metrics of performance. In terms of employee turnover and customer satisfaction, two factors that influence overall profitability, this relationship is particularly significant. Companies that are publicly traded and have content employees do well on the stock market. This supports the idea that employee well-being should be consistently measured and generally published together with productivity and firm

performance results (Krekel *et al.*, 2019) ^[11]. In Europe and many other industrialized nations, governments and business enterprises are paying more and more attention to employee welfare. A key component of an effective corporation is its workforce. Because of this, numerous businesses and academic studies examine the idea of employee welfare in depth. While achieving their greater economic goals, developed nations like the USA, UK, Japan, Malaysia, and Sweden place a strong emphasis on the wellness of their employees within the organizational premises.

Employees typically perform better when they are feeling good. Employees become more productive as a result, and healthier habits are formed. According to studies, cheerful employees are 13% more productive. Employers can contribute to an improvement in happiness by encouraging behaviors like healthy and consistent work/life balance rules from management. Additionally, these practices guarantee business continuity even during peak times. Higher staff morale is also a result of good employee health and wellness. Employees feel appreciated and competent as a result when their requirements are addressed. It's also about preventing wasted time from illness, stress, and absenteeism, as one corporate wellness program notes. Many businesses are spending significantly more on these problems than on regular healthcare expenses. The largest advantage for businesses is high staff morale, but it's also critical to avoid foreseeable issues like these. If you're hiring now or want to hire in the upcoming year, developing a plan to enhance employee health can aid in your ability to find and keep qualified candidates. For instance, 38% of Gen Z job searchers rank a healthy workplace as the most important consideration when selecting an employer. Top talent from this generation is far more likely to apply if they are offered benefits like more sick days and mental health services. An employee well-being program can also assist you in preventing the loss of qualified candidates even if you are not currently hiring. Many businesses have discovered the hard way that satisfying customers begin with treating employees well. It has been demonstrated that simply having a contented team can also boost client satisfaction. This is crucial now more than ever, as HR Zone notes, as much customer-facing staff has had to cope with the intense emotions and expectations of people who have been under the pandemic's protracted stress. This makes it even more crucial for businesses to assume responsibility in this area because safety precautions make it challenging to partake in the activities most individuals use to decompress.

2. Factors affecting "Wellbeing at Work"

According to two main yet differing approaches, well-being has been defined. The hedonic perspective defines happiness as being in a state of well-being. According to this viewpoint, it is crucial to focus on three factors: life satisfaction, the presence of a happy mood, and the absence of a negative mood. In the second, eudaimonic approach, well-being is discussed in terms of self-actualization, with the idea that exhibiting virtue is the key to finding true happiness (Dewe and Cooper, 2012) ^[6]. The eudaimonic perspective sees participation in activities that promote human progress as being crucial to well-being. These activities include those that promote autonomy, personal growth, self-acceptance, life purpose, mastery, and good relatedness. The current study is based on research that claims that combining both viewpoints yield more accurate

results since wellbeing may be seen as a multifaceted entity that includes both hedonic and eudaimonic features (Di Fabio & Palazzeschi, 2015) ^[7]. In the current study, well-being is defined as the union of pleasure-seeking (hedonism) with healthy functioning (eudemonia). A subjective assessment of overall job satisfaction and pleasant feelings about one's job is referred to as "well-being at work." Additionally, it has been suggested that social relationships—which are crucial to an individual's pleasant experiences at work—be included in conceptualizations of wellbeing at work (and in general). According to research, those who are well-off invest more thought and effort into their employment (Day and Randell, 2014) ^[5]. Poor psychological health is linked to decreased cognitive resources, increased emphasis on unpleasant or irrelevant information, and weariness, all of which are linked to poorer performance (Gadhavi *et al.*, 2021) ^[8]. As a result, context-related performance-related outcomes, such as organizational citizenship behaviors, suffer. Poor psychological health is also linked to decreased energy and willingness to engage in good behaviors at work. Team cohesiveness, work satisfaction, and engagement are just a few of the favorable organizational attitudes that have been connected to employee well-being. The organization and the employee may both gain from promoting well-being.

Research identifies six elements that have a direct bearing on employees' health at work:

2.1 Control over employment

Numerous studies have been done on workers who exercise little influence over their work. Employees in high-pressure positions with limited control over their workdays are especially susceptible to the negative effects of the workplace. Employees in the British Civil Service were evaluated by a team led by British epidemiologist Michael Marmot. According to a McKinsey Quarterly article, "Marmot's team found that the lower a person's rank, the lower their cardiovascular disease incidence and death were. When other aspects were taken into account, it became clear that disparities in task control, which were associated with job rank, were primarily responsible for this phenomenon. Like higher-ranking employees in most firms, British employees have more influence over their work and more responsibility.

2.2 Work duration

Performance is not positively correlated with work hours, according to Morten Hansen's book *Great at Work*, which is based on a study of roughly 5,000 people. The book claims that productivity per hour spent decreases as labor hours increase. Long work hours "are related to ill health, including cardiovascular disease, diabetes, and disability," according to Pfeffer. Employers need to recognize this reality and support staff in taking time off after their shift is over to spend time with loved ones without the shame typically attached to "leaving early." So, what does Pfeffer suggest? By designing positions with greater flexibility and autonomy and by establishing barriers to micromanagement, organizations can protect themselves from these risks.

2.3 Giving social assistance

According to research, social support—including strong relationships and dependable family and friends—may have a direct impact on health and can mitigate the negative

impacts of a variety of psycho-social pressures, such as occupational stress, which can impair health. "Unfortunately, workplaces occasionally include features that make it more difficult to form relationships and offer support," he says. For instance, take into account procedures that promote internal rivalry and hinder cooperation and teamwork, such as forced curve rating. Everything that incites animosity among people undermines social relationships among workers and lessens the social support that fosters a more positive work environment. Transactional workplace practices, in which workers are seen as elements of production and where the primary focus is on exchanging money for labor, are equally harmful.

2.4 Discord between work and family responsibilities

Every day, many people are forced to make difficult decisions between their work and family obligations. All parents, not just those who stay home, should enjoy the school talent shows. You shouldn't feel bad about sending your child or elderly parent to the doctor, but for many people, these situations are stressful because they feel like they are always failing their manager or team. This "Everyday Fear" is one of the five main obstacles that prevent employees from offering their greatest original ideas, according to our research on innovation. People should select their workplace based on more than simply pay and career advancement chances.

2.5 Perceived justice and fairness at work

According to the research, an employee's perception of the level of justice at work might influence their job satisfaction, dedication, trust, and turnover rates. Fairness is a crucial element of trust, as stated in the Great Place to Work® Trust Model. Fairness is fundamentally concerned with whether workers feel they are competing on an even playing field, and at Great Place to Work®, we evaluate several important aspects of fairness: Equity (fair pay and profit sharing; equal opportunities; fair treatment across job roles) Impartiality (fair promotions; lack of favoritism) Justice (fair treatment regardless of personal attributes; feeling one has the right to contest unfair choices) (fair treatment regardless of personal characteristics; feeling one has the right to challenge unfair decisions). Employers ought to create policies and procedures that support justice and fairness.

2.6 Job losses and financial instability

Nothing is more stressful for workers than questioning the security of their jobs, especially as they observe their coworkers being let go. Many people believe that layoffs are an unavoidable reaction to an economic slump. They contribute to worse health and higher death. He discovers, however, that the numerous studies on the impact of layoffs on business performance "tell a, though not entirely consistent, tale there is little evidence that layoffs generate benefits and significant evidence that layoffs can harm the organizations executing them.

3. Impact of Work-Related stress and Well-Being

3.1 On Individual Health

"A state of total physical, mental, and social wellbeing and

not only the absence of disease or infirmity," according to healthcare researchers, is what is meant by the term "health." Philosophers have similarly proposed that a person's psychological, physical, and social functioning make up their sense of well-being. The social and natural sciences have investigated bodily well-being in great detail in terms of both objective physiological measurements and embodied feelings of bodily health. Organizational researchers look at this relationship in at least three different ways. First, an accident or illness at work could happen. Second, stress at work may be a factor. Third, employment offers advantages that permit the purchase of healthcare services in regions where such services are not otherwise available, both directly and indirectly (Keeman *et al.*, 2017) [10].

3.2 On Economic conditions

As can be seen in the Table, the well-being of the workforce also has dramatic bottom-line implications for organizations and the economy as a whole. The figure below presents a simple depiction of how employee well-being affects these more distal financial outcomes. Everyone is currently experiencing a peak in their degree of stress. Everyone is experiencing financial losses as a result of the impact on the economy. Daily gamblers are under the most stress because they cannot support their families and cannot make ends meet. People are dying as a result of a shortage of food and extensive walking distances. They are severely suffering from the strain of this never-ending blow. The majority of individuals are stuck at home because of the lockdown. For many people, this shift in habit is unpleasant, and they have nowhere to go. Families fight more because they aren't used to living together all the time and because the stress of having a condition puts additional strain on them (Chag *et al.*, 2020) [4].

4. Classification of Factors influencing Employee wellbeing

Employee well-being has evolved in recent years to include not just their physical health but also their emotional, financial, social, career, community, and purposeful lives. The increased demand for flexibility in how, where, and when employees work is at the core of this. To help managers emphasize their employees' well-being, Future Workplace has developed seven pillars of employee well-being. Certain factors are explained in detail.



Fig 1: Psychological Factors affecting employee wellbeing

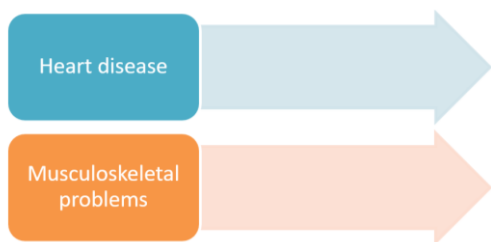


Fig 2: Physical factors affecting employee wellbeing

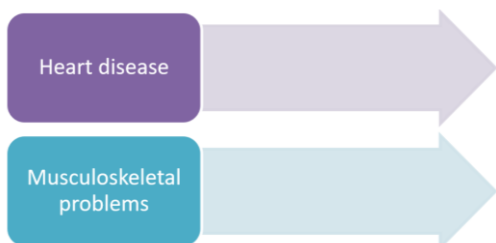


Fig 3: Behavioral factors affecting employee wellbeing

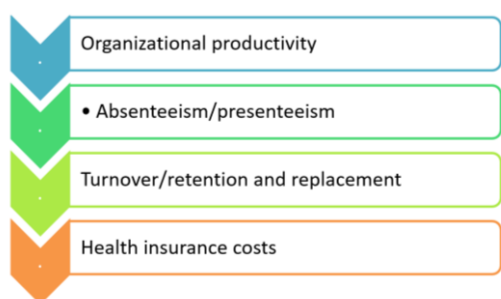


Fig 4: Organizational factors affecting the wellbeing

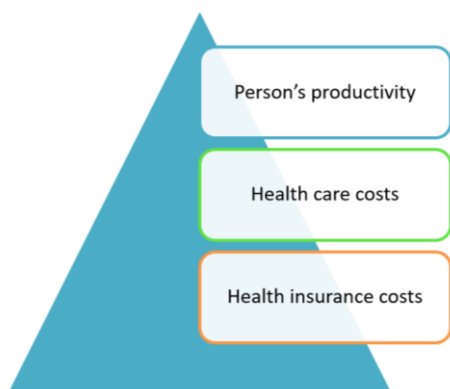


Fig 5: Social impact of employee wellbeing

5. Work and Family Well-Being

As per the studies most employed, adults spend a significant amount of their time awake performing a job in a work setting away from their families. Research from fields such as Industrial/organizational psychology now clearly indicates that excessive work demands and negative workplace experiences spill over into family life, adding substantial stress to the lives of all family members and decreasing family well-being.

5.1 Work and Children's Well-being for Parents

Children's well-being is one way that employees' well-being has an impact on their families. Numerous findings support this impact. For instance, a study of dads found a link between fathers' punishing and rejecting conduct toward

their kids and their behavior issues in school and poor work experiences like low choice latitude, high job demands, low job stability, and high role conflict. A similar study discovered that mothers' lack of warmth and acceptance toward their adolescents, who were, therefore, more likely to engage in problem conduct, was associated with job stress. According to a more recent study moms who have more work demands and less job control have less intelligent kids (Turner, 2020; Pandey *et al.*, 2022a) ^[17, 16].

5.2 Work and Marital Well-Being

Employee satisfaction also has an impact on the standard of marriage and other personal relationships. For instance, researchers discovered a link between reduced marital happiness and stress at work. Recent studies have demonstrated a negative correlation between work-life conflict and reported marital, family, and life satisfaction (Allen *et al.*, 2000) ^[1]. Even more concerning are studies that imply spouses' Children's behavioral issues in school are related to fathers' unpleasant workplace situations and are more prone to physically abuse their partners if they work in specific occupations or go through stressful job situations (Melzer, 2002) ^[12].

6. Self-Determination Theory (SDT)

Self Determination Theory (SDT) examines people's innate growth inclinations and psychological demands. It is a macro theory of the motivational level of people and personalities. The hypothesis is focused on how people's motivations impact their decision-making with little to no interference from outside sources. SDT focuses on how much a person's behavior is driven by motivation and choice. This theory (SDT) includes several related ideas that help to explain human behavior by describing the various motivations that a person may use to complete a task or set of activities. Additionally, SDT predicts that how employees perceive their superiors' support for autonomy will predict whether their intrinsic requirements for competence, autonomy, and relatedness will be met, which will in turn affect how well they perform at work and how flexible their schedules are (Baard *et al.*, 2004) ^[2] Similarly, components of the self-determination theory have been linked to many theories of psychological wellness (i.e. autonomy, environmental mastery, positive relations with others, personal growth, purpose in life, self-acceptance). The study found that across age, cultural, and lifetime dimensions (Hahn and Oishi, 2006) ^[9], satisfaction with all psychological (Autonomy, Environmental, and Relatedness) demands is connected with a higher level of well-being. Numerous studies from various life areas have offered proof in favor of this assertion. Scientists evaluated how well the three requirements were met at work and discovered a direct correlation between the degree of need fulfillment and both work engagement and workplace well-being. According to research, nursing home residents' perceived health and well-being were favorably correlated with their satisfaction with their relatedness and autonomy needs. According to research, the three needs are linked to an employee's overall well-being, work-related well-being (such as job satisfaction, work engagement, and lower burnout), positive attitudes (such as decreased turnover intentions and increased change readiness), higher performance (Van den Broeck *et al.*, 2008) ^[18], and optimal functioning. It has been found that basic needs satisfaction predicts psychological

well-being even after taking into consideration employee remuneration and organizational status. Self-esteem, general health, and vitality are positively connected with employees' perceptions that their basic needs are addressed at work, but anxiety is adversely correlated (Baard *et al.*, 2004)^[2]. More specifically, autonomy-promoting leadership practices have a positive impact on employees' productivity and happiness. Studies show that managers who encouraged employee autonomy saw improvements in psychological well-being, work satisfaction, and performance ratings. They also saw improvements in perseverance and levels of acceptance and motivation for organizational change (Baard *et al.*, 2004)^[2]. In addition to connecting to their optimal functioning, basic need fulfillment aids in understanding the effects of supervisors' leadership styles and job characteristics on employees' performance and well-being (Krishantha, 2018).

7. Employee Well-Being and their Performance

It is argued that promoting and preserving employee mental health leads to marked increases in organizational health, as indicated by both performance and turnover. After examining the connection between happiness and productivity at the human level, we now take a step back and examine this link at the organizational level. To better understand the connection between employee well-being and various company performance outcomes, we first present the findings of innovative empirical analyses we conducted in partnership with the Gallup Organization. Then, we add to this analysis with additional, corroborating data from the literature. In general, we anticipate that the previously established direct effects of "happier people working better" will translate into favorable effects at the overall business level. However, in addition to the immediate, obvious effects of mood on motivation and productivity, we also anticipate slower-moving, indirect consequences. Therefore, we also consider hiring new employees and turnover the degree to which happier workplaces are more likely to draw and keep brilliant personnel, as well as the importance of customer loyalty and satisfaction, which is especially important in-service industries where employees have frequent contact with consumers (Krekel, 2019)^[11].

8. Strategies to improvise employee wellbeing

There is a tone of data showing how decision-making power, job control, and autonomy affect a variety of psychological and physical effects, including sickness and mortality. Additionally, additional authority at lower levels frees up managers' time for oversight and decision-making. Managers should receive training and be encouraged to let workers decide how, when, where, and with whom work tasks are completed. Because they worry that initiatives to improve employee well-being may reduce productivity and negatively impact their leadership, managers, and supervisors frequently disregard their workers' wellbeing. Due to this, executives frequently put policies into place (such as permitting employees to work from home), but managers and supervisors fail to enforce them (e.g., granting specific telework requests). As a result, the policy fails or, worse still is perceived as manipulative and deceptive. If an organization is serious about enhancing well-being, it must establish management-wide alignment and compliance. They can achieve this by requiring or rewarding managerial behaviors that promote well-being as well as by establishing

standards that would encourage managers to adopt these behaviors. There is strong evidence connecting managers' fairness to employee well-being, just like there is with job control. Fairness includes "how" decisions are made as well as how people treat one another daily. It is not simply about the results that employees obtain. Simple actions that demonstrate fairness include applying the same standards to all workers, giving them a say in important decisions, keeping regular (weekly, for example) contact with them, and getting their input on managers' performance (Pandey & Anand, 2020)^[13]. Soft skill training can be an emphasizing method to enhance the thought process training of the professionals (Pandey & Shukla, 2020)^[14]. Improving certain skill sets like presentation skills and communication skills can also be a method to motivate employees for their upgradation. It will give confidence to the employees as they will be equipped with obtained skills and certification (Pandey *et al.*, 2022b)^[15].

9. Future of Employee Wellbeing

Employee well-being is more crucial than ever because businesses have finally recognized its potential to improve workers' lives, lower absenteeism, and healthcare expenses, and foster a positive workplace culture. The COVID-19 pandemic has undoubtedly placed a greater emphasis on mental health than ever before, which will result in more empathy and understanding in the future. Employers now place greater emphasis on benefits like standing desks and exercise programs rather than specific health issues. After all, preventing the onset of diseases is significantly less expensive than treating them, and it also helps the workforce. Future benefits for employee wellbeing will be increasingly varied. It would be foolish to disregard the substantial costs associated with employee disengagement, absence, and healthcare. Employers will consequently gradually become aware of the potential of employee health and begin to look out for their mental, physical, and financial welfare.

9. Conclusion

Employee wellbeing is showing a positive association with many of the human resources functions, such as motivation, employee engagement, job satisfaction, performance, etc. Recently, the concept of well-being has attracted more attention from both human resources practitioners and scholars. Any organization's success depends heavily on these human resources tasks. Future study is needed to reproduce the current situation using a wider range of samples, particularly several studies from various situations and cultural backgrounds. This review focused on the factors affecting employee wellbeing and their types along with the strategies to overcome it. As India need more organizational changes to empower their employees for the betterment of their company and society as well. There is a need for several scholars to pursue the subject of employee wellness in the future to analyze its practicality and the impact of various aspects on human resources management. Future studies could therefore look at the idea of employee wellness in various businesses and sectors while taking into account the human resource management techniques prevalent there.

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