

# EMPLOYEE WELLBEING: PAST, PRESENT & FUTURE

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**Abstract:** *Employee wellbeing is critical to the survival and development of organizations around the world, and it has emerged as an important research topic in organizational behavior and related area. Organizations can gain a competitive advantage by promoting employee wellbeing. Employee wellbeing also has important implications for productivity and work relationships. Satisfied and happy employees are more likely to trust their supervisors, comply with company rules and regulations, provide suggestions to improve the organization, help their co-workers, and work cooperatively as a team to achieve group goals. In this paper, we explore the past, present, and future of Employee Wellbeing.*

**Keywords:** *Employee Wellbeing, Trends in Employee Wellbeing, Employee Wellness, Emotional Wellbeing, Physical Wellbeing, Employee Engagement*

## **Employee Wellbeing: An Introduction**

Employee wellbeing is a term for which "everyone understands the meaning, but nobody can give a precise definition" (Lyubomirsky, 2001). In existing literature, the construct of wellbeing has several accepted definitions. Employee wellbeing at work can be described broadly as the overall quality of an employee's experience and functioning at work (Warr, 1987). Employee wellbeing has gained importance because it plays an important role in influencing employee performance. Despite knowing that employee wellbeing is critical for employees, there are still several gaps in the literature.

Earlier, the wellbeing of employees has been examined in research through related constructs like employee job satisfaction, organizational commitment, motivation. The variables of employee motivation, organizational commitment, and job satisfaction relate highly to employee wellbeing, but they are different from the construct of wellbeing. Although employee's experiences at work have been explored through various studies, yet we do not know much about the construct of employee wellbeing itself.

## **Employee Wellbeing: The Past**

**Ryan and Deci (2001) have defined Well-Being into two types:**

**A. Happiness-oriented (i.e., hedonism):**

Diener, Ryan, and their colleagues (Diener & Ryan, 2011) inherit the hedonism orientation and use it to propose the Subjective Wellbeing research approach. Subjective wellbeing (SWB) is defined as happiness, or more specifically, satisfaction with life and the experience of positive emotions (Diener, 1984). Subjective wellbeing (SWB) is also known as hedonic wellbeing (Ryan & Deci, 2001; Vivoll Straume & Vitterso, 2012). It refers to how people assess the quality

of their lives based on their own personal Standards (Diener, 1984, 2000). Researchers have proposed that SWB comprises three major components: high-level positive emotions, low-level negative emotions, and overall satisfaction with life (Busseri, Sadava, & Decourville, 2007; Diener et al., 1999). Subjective wellbeing (SWB) has been studied extensively (Bowling, Eschleman, & Wang, 2010; Diener, Suh, Lucas, & Smith, 1999), and it is a global measure of wellbeing as it measures general life wellbeing and is not domain-specific.

**B. Human potential oriented (i.e., eudaimonism):**

Ryff & Singer, 2008 inherit the Eudaimonism orientation and use it to propose a Psychological Wellbeing research approach. Psychological Wellbeing (PWB) is defined as the result of personal achievement, self-actualization, or self-positioning. Ryff and his colleagues (Ryff, 1989a, 1989b; Ryff & Keyes, 1995) proposed a six-dimensional model of PWB, involving self-acceptance, personal growth, purpose in life, positive relations with others, environment mastery, and autonomy.

Domain-specific wellbeing can be defined using either SWB or PWB depending on the context rather than global wellbeing. Diener (2009) has emphasized on further research in the different domains of wellbeing, including the domain of work. This type of contextual wellbeing is known as work-related wellbeing and refers to an individual's positive evaluation of and healthy functioning in their work environment (Van Horn, Taris, Schaufeli, & Schreurs, 2004).

**Employee Well-Being has also been defined in the literature with the following three dimensions:**

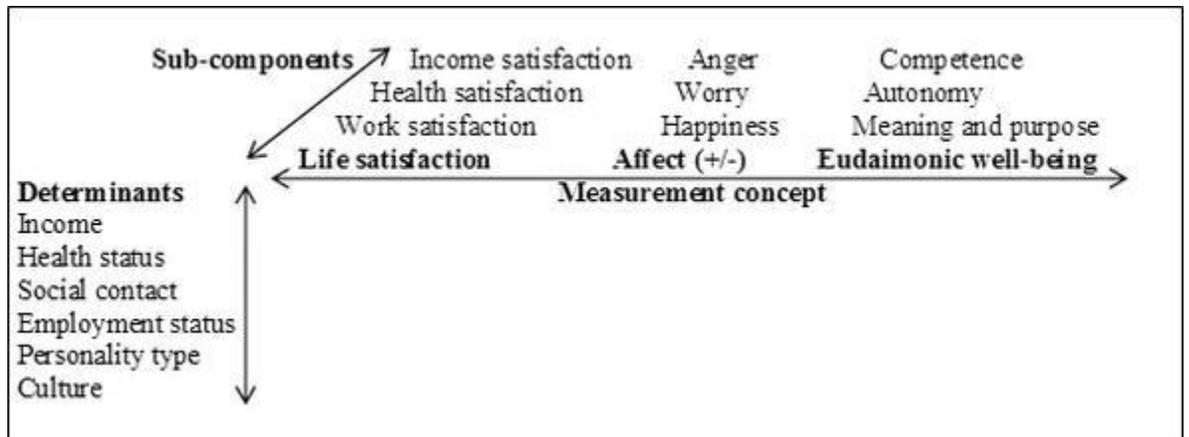
1. Happiness (Appelbaum et al. 2000; Gould-Williams 2003; Whitener 2001),
2. Health (Appelbaum et al. 2000; Orlitzky and Frenkel 2005; Ramsay et al. 2000)
3. Relationships (Bartel 2004; Gelade and Ivery 2003; Tzafrir 2005)

**Diener(1984) has proposed three distinct components of wellbeing:**

1. Life Satisfaction(LS)
2. Positive affect(PA)
3. Negative affect(NA)

Many other researchers have examined the wellbeing of employees directly by using subjective wellbeing measures, such as life satisfaction, positive affect, and negative affect (e.g., Albuquerque, Pedrosa de Lima, Figueiredo, & Matos, 2011; Duckworth et al., 2009).

**2013 OECD Guidelines on Measuring Subjective Wellbeing proposes three components of Well Being** viz. Life Evaluation(reflective assessment of a person's life as a whole or satisfaction with specific domain of life such as health, income or work), Affect(positive and negative emotions like happiness, contentment, worry, sadness, depression, anger, fear, etc.) and Eudaimonia(feeling of meaning, purpose, competence, autonomy, etc.)



SWB Model based on 2013 OECD guidelines

**Seligman (2011) developed the PERMA model, which consists of five components of wellbeing.** PERMA is an acronym formed from the first letters of each domain defined by Seligman as a determinant of wellbeing: Positive emotion, Engagement, Relationships, Meaning, and Accomplishment.



**Seligman's PERMA model**

**Positive emotions:** Positive emotions motivate the employee to perform more at work, boost physical health, strengthen relationships. Positive feelings create optimism and hope for the future, which results in increased motivation towards work.

**Engagement:** Work engagement is defined as a positive, fulfilling work-related state of mind that is characterized by vigor, dedication, and absorption (Schaufeli&Salanova, Gonzalez-Romá,&Bakker2002).

**Flow:** It is a state of utter, blissful immersion in the present moment. When we focus on doing the things we truly enjoy and care about, we can begin to engage completely with the present moment and enter the state of being known as 'flow' (Seligman, 2011).

Relationships: Positive relationships, such as strong ties with family and friends or weak ties with colleagues, lead to a sense of belonging (Sandstrom and Dunn, 2014).

Meaning and purpose: Meaning involves the use of strengths, not for one's self, but to fulfill goals that are perceived to be important. We are at our best when we dedicate time to something greater than ourselves like volunteer work or learning for a specific goal. These activities have a sense of purpose, a compelling reason why individuals do what they do.

Accomplishment: This signifies leading a productive, meaningful life. This pathway is pursued by its own sake, even when it brings no positive emotion, no meaning, and nothing in the way of positive relationships (Seligman 2011, p. 18). In order to achieve wellbeing, individuals must be able to look back on our lives with a sense of accomplishment: 'I did it, and I did it well'.

**Orientations to Happiness Model-** This theory presumes different ways to be happy (Guignon 1999; Peterson 2006; Russell 1930; Seligman 2006; Peterson et al. 2005). Seligman (2006) defined three roads to happiness, which included positive emotions and pleasure (the pleasant life), engagement (the engaged life), and meaning (the meaningful life). Peterson et al. (2005) discovered that people choose different paths and that the most satisfied individuals are the ones who choose all three with an emphasis on engagement and meaning.

**Ryff (2014) has analyzed the following factors as the components of Employee Wellbeing:**

1. The extent to which respondents felt their lives had meaning, purpose, and direction (purpose in life);
2. Whether they viewed themselves to be living in accord with their own personal convictions (autonomy);
4. The extent to which they were making use of their personal talents and potential (personal growth);
5. How well they were managing their life situations (environmental mastery);
6. The depth of connection they had in ties with significant others (positive relationships), and
7. The knowledge and acceptance they had of themselves, including awareness of personal limitations (self-acceptance).

**Liking, Wanting, Needing** – This model divides the theories of happiness into three categories, the Liking, the needing, and the wanting theory. Liking represents a hedonic focus. The Liking or Hedonic Happiness theory focuses on maximizing pleasure and minimizing pain (Peterson et al. 2005), which was purported by Aristippus, who recommended immediate gratification as the path to a meaningful life (Watson 1895). Hedonic happiness is the study of what makes events and life pleasant or unpleasant, interesting or boring, joyous, or sorrowful (Kahneman 1999). The needing classification of SWB purports that a set of elements that every human need, regardless of his/her values, is essential to attaining subjective wellbeing. Maslow (1943) suggested that a hierarchy existed of five levels of basic needs—starting from physiological needs, safety,

love/affection, self-esteem, to self-actualization—that must be satisfied in order, one after another. Wilson (1967) suggested basic universal needs exist; the prompt fulfillment of those needs causes happiness while the needs that are left unfulfilled result in unhappiness. The third classification is the Wanting, which suggests that subjective wellbeing is determined by the pursuit of desires or goals.

**Mental Health Continuum** - Keyes 2002 proposed a gradient from ill-being to wellbeing as 'Mental Health Continuum: From Languishing to Flourishing.' Keyes described individuals with complete mental health as 'flourishing' in life with high-levels of SWB whereas individuals with incomplete mental health are 'languishing' in life with low-levels of SWB.

**3P Model of SWB:** According to this model, there are three components of SWB which can be used to measure the SWB. The model indicates how each state is important to a global evaluation of subjective wellbeing and how each state is distinct yet connected to the other states (Durayappah, 2010).

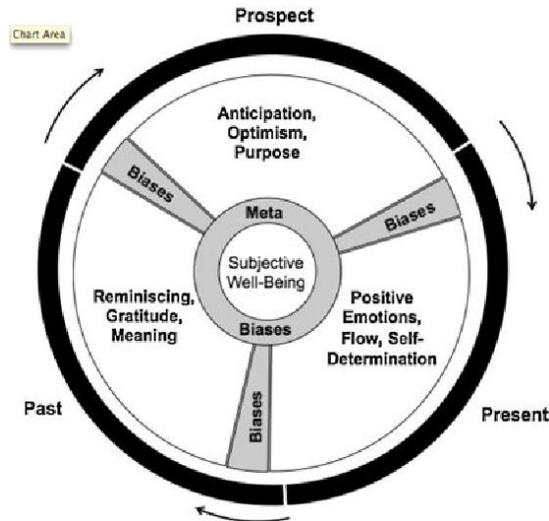
**Present** - We live in the present, we know that the present is ephemeral. With very few exceptions, the moments in the present simply disappear (Kahneman and Riis 2005). Moods and emotions represent effect, which characterizes people's on-line (in the moment) evaluations of events (Diener et al. 1999; Davidson, 1994). The present effect can be positive or negative, and researchers should measure these two independent factors separately (Bradburn and Caplovitz 1965). One form of happiness in the present leads to greater satisfaction with life over pleasure in the present: engagement (Peterson et al. 2005), also known as flow (Csikszentmihalyi 1990).

**Past** - Kahneman and Riis (2005) called it a basic tenant that we only keep the memories of our experience; thus, we view our lives from the perspective of our remembering self. Happiness from the past temporal state refers to happiness obtained from thoughts of and feelings about our past. Components of subjective wellbeing in the past run the range of temporary feelings of pleasure to more meaningful forms of happiness. A rather short-term form of happiness that can develop into significant happiness with habituation is savoring the past, known as reminiscing.

Bryant (2003) studied how pleasure in the present can be generated, intensified, and prolonged through reminiscing about past positive events after the event transpires, and additionally how reminiscing aids in developing the self-concept. Research by Moran et al. (2009) yielded that having a sense of meaning in one's life correlated with life satisfaction

**Future** - A future temporal focus is important to SWB (Pavot et al. 1998). The future component of subjective wellbeing contains forms of SWB, ranging from anticipation to goals, to the purpose. First, Bryant (2003) showed how people could generate and amplify pleasure before an upcoming event through anticipation. Austin and Vancouver (1996) showed that individual behavior is best understood by looking into people's typical aspirations. Looking towards the future and moving towards one's aspirations can

be more important than the actual end-state of goal attainment (Carver et al. 1996; Csikszentmihalyi 1990). Found that having goals, making progress towards the goal, and a lack of conflict among the goals predicted SWB Finally, having a purpose represents one important component in the future state. Moran et al. (2009) found that having a purpose in one's life correlated with life satisfaction.



The 3P model of the components of subjective wellbeing

### Measuring Employee Well Being

There is a difference between studying the related constructs of employee wellbeing and directly studying the construct of employee well being. For example, job satisfaction may tell about how satisfied an employee is with his or her work. But, this does not necessarily include an element of personal flourishing that is associated with wellbeing. Similarly, when stress is used as a related construct for measuring wellbeing, the positive aspects of employees' work experiences may get disregarded. Huppert and So (2013) have suggested that wellbeing needs to be studied on its own and not simply as the absence of negative affect.

Many theorists have suggested that wellbeing has multiple domains, and is thus a multifaceted construct (Forgeard et al., 2011; Stiglitz et al., 2009; Diener, 2009; Michaelson et al., 2009). Ryff and Keyes (1995) suggest six domains, and Huppert and So (2013) identify ten items associated with flourishing.

The table on the next page gives the list of well-known wellbeing measures used along with their authors:

**Table 1** List of wellbeing measures

Wellbeing measures	Authors
Oxford Happiness Inventory	Argyle and Hills, 2002.
Subjective Happiness Scale	Lyubomirsky and Lepper, 1999.
Approaches to Happiness Scale	Peterson, 2003.

Authentic Happiness Inventory	Peterson, 2005.
Satisfaction with Life Scale	Diener, Emmons, Larsen, and Griffin, 1985.
PANAS (Positive and Negative Affect Schedule)	Watson, Claek, Tellegen, 1988.
Affect Balance Scale (ABS)	Bradbum, 1969.
Psychological Wellbeing Scales	Ryff, 1995.
Psychological Well-Being Scale	Diener and Biswas-Diener, 2009.
Warwick-Edinburgh Mental Well-being Scale (SWEMWBS)	Clarke et al., 2011.
Friedman Well-being Scale	Friedman, 1992.

### **Employee Wellbeing: The Present**

Presently, most of the senior leadership of the growing companies understand the value of employee wellbeing. The companies with the most successful employee wellbeing program have integrated it into the overall work culture. The results of promoting employee wellbeing are not limited to the decreasing medical costs but also on increasing financial success, reduction in employee turnover, fostering creativity, better customer service and to be recognized as an employer of choice to attract the best talent.

The workplace wellness market is estimated to be at USD 43 billion by the Global Wellness Institute. However, out of a total of over 3 billion global workforces, only 9 percent of them have access to workplace wellness programs at their jobs. The institute defines "wellness at work as the right to work in a manner that is healthy, motivating, and edifying. Everyone – workers, managers, and business owners-should endeavor to work in a way that improves their own wellness and the wellbeing of others."

As per the Global Risk Report 2019 published by the World Economic Forum, Technological and societal change is linked to rapid transformations in the workplace, and what happens at work has the potential to affect emotional and psychological wellbeing. Companies are adapting their HRM practices to include the element of wellness. The best example is of Hilton, ranked no. 1 in Fortune 100 Best Company to Work For in 2019. As Hilton continues its mission to be the world's most hospitable company, it has embedded a holistic framework of Thrive@Hilton, which has three pillars:

- A. Body(Health & Wellness)
- B. Mind(Lifelong Learning and mindful leadership)
- C. Spirit(connecting to purpose, gratitude, and community)

### **Employee Wellbeing: The Future**

Employee Well-being will be at the center of all HRM policies in the workplace of the future. Following are the expected trends related to Employee Wellbeing, which will be embedded in the HRM practices of future organizations:

- A. **Internet of Things:** The IoT technology will make offices a smarter place to work at. Smart Wearable Devices such as watches, wristbands, glasses, clothing, headsets, etc. will become an integral part of workplace culture. These devices will track the wearer's movements, objectives, and work patterns, and communicate with each other. The devices will help employers gauge productivity and increase efficiency, employee wellbeing, and job satisfaction. A new market of wellness apps will enable competitions, fitness groups, wearables integration, and micro-learning.
- B. **Comprehensive Wellness Programs:** To attract and retain the millennials, which will form the majority of future workforce, the companies have to show they care for their employees by offering a comprehensive wellbeing program that would foster workforce collaboration, cohesion, strong corporate culture, low absenteeism, and increased engagement.
- C. **AI-enable Happier Workplace:**  
The Artificial Intelligence(AI) enabled tools will help to guide employee wellbeing better, thereby creating a healthier and happier workforce. The effectiveness of Employee Wellbeing initiatives will be measured by scientific AI techniques, which will be able to predict the various other aspects of employees like Engagement, Satisfaction, and Retention.

## Conclusion

Employee Wellbeing is becoming an integral part of the overall HRM practices of an organization. The studies done in the past have made a strong case for focusing on employee wellbeing. The current financial success of the company, turnover intention, absenteeism, employee engagement, and employee satisfaction are becoming dependent on employee wellbeing. In the future, the organizations will have to devise innovative techniques to improve the wellbeing of employees, which will prove as the only competitive advantage.

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