

# The Impact of Employee Well-being Programs on Organizational Performance: A Case Study Approach in Human Resource Management

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## Abstract

This study delves into the impact of employee well-being programs on organizational performance, employing a case study approach within the realm of Human Resource Management (HRM). Through a focused investigation of specific organizations, the research aims to scrutinize the design, implementation, and outcomes of well-being initiatives, offering a detailed understanding of their effects on organizational success. The case study methodology enables a comprehensive examination of distinct strategies and contextual factors that shape the efficacy of these programs. The study seeks to unveil how such initiatives contribute to fostering a positive workplace culture, elevating employee engagement, and ultimately influencing overall organizational performance. By adopting a case study lens, the research provides practical insights and recommendations for HRM practitioners, illuminating the crucial role of employee well-being in nurturing a thriving and high-performing organizational environment.

**Keywords:** Employee Well-being, Organizational Performance, Human Resource Management, Case Study Approach, Workplace Health.

## 1. Introduction

The concept of employee wellbeing has gained widespread popularity, prompting discussions about whether it represents a genuinely novel approach or merely a rebranding of conventional practices such as occupational health, absence management, and sound management principles. In the pursuit of optimal business performance, many companies recognize the intrinsic connection between the overall health and wellbeing of their employees and organizational success. A workforce that is both physically and mentally healthy is indispensable for maintaining efficiency and profitability. Consequently, the significance of employee wellbeing is steadily ascending on the corporate agenda, with an increasing number of employers acknowledging the positive impact that workplace health and employee wellbeing policies can have on their business. Occupational health has evolved into a specialized discipline dedicated to assisting organizations in caring for their employees. Historically, such support was more prevalent in larger organizations, often focusing on addressing employees' health issues once they were already unwell. However, there is a noticeable shift towards a preventive approach, recognizing that maintaining employee wellbeing is not solely about curing existing ailments but also about fostering overall health among the entire working-age population.

It is essential to contextualize employee wellbeing within a broader social framework. Societal, lifestyle, and employment changes have affected individuals' lives even if fundamental need for social support,

physical safety, health, and a sense of coping with life haven't changed in recent years. Despite these shifts, individuals continue to spend a significant portion of their lives at work, prompting a growing demand for employers to actively support their employees in achieving these fundamental needs. As such, the focus on employee wellbeing extends beyond the workplace, recognizing its integral role in the overall quality of life for individuals. In the contemporary work landscape, the boundaries between professional and personal life have become increasingly blurred, with work responsibilities encroaching into employees' personal time. This shift places a demand on individuals to juggle multiple roles while striving for peak productivity (Obrenovic, B, 2020). The evolution of Human Resources (HR) practices, particularly in shaping the leadership behavior of managers, has a discernible impact on the wellbeing of employees (Marescaux, E, 2019). Despite a sustained interest in employee wellbeing, there remains a knowledge gap regarding its mediating role within the HR domain (Salas-Vallina, A, 2021).

While Human Resource Management (HRM) should ideally serve the dual purpose of benefiting both employees and organizations, there is a prevailing trend where organizations prioritize employee productivity over the welfare of their workforce, relegating employee concerns to a secondary position. Escalating workplace pressures pose a significant threat to employee wellbeing, necessitating the development of an analytical HRM framework to address these concerns seriously (Guest, D. E, 2017). Resilience within an organization can be fostered through HR practices that enhance individual employee wellbeing and their ability to navigate uncertainty (Huettermann, H, 2019). Job insecurity, a common source of employee anxiety, poses a tangible threat to overall wellbeing (Richter, A, 2019). Today, the emphasis on employee wellbeing has gained prominence as organizations recognize the impact of factors contributing to employee welfare (Hamilton Skurak, H, 2021). It has become a core strategy in organizational HR practices, reflecting a heightened awareness of the crucial role human resources play in building a competitive advantage (Ali, M, 2021).

The importance of implementing effective employee wellbeing interventions is underscored by the need to enhance the quality of relationships within the workplace (Keeman, A, 2017). Employee wellbeing has evolved into a strategically relevant tool for organizations, assuming a central focus in research and organizational HR strategies. As firms increasingly acknowledge the critical role of human resources, they aim to leverage employee wellbeing as a means to enhance organizational success and competitive positioning.

### **1.1 HRM Performance and Practices**

The notion of Human Resource Management (HRM) is a unified system of management intended to ensure workers' involvement and commitment to the organization's objectives (Wood, 1999; Guest, 2001). The concepts and methods of human resource management have a broad impact on the management of the entire company (Marchington and Wilkinson, 2005). HRM has historically been seen as a tool to improve company performance in the face of external risks like increased competition (Guest, 1999). In addition, there has been a surge in interest in the idea of "best practice" HRM, often known as "high commitment" and "high performance work systems" (Appelbaum, 2000; Wood, 1999) or "high involvement" (Guest, 2001). Under these circumstances, managers are actively fostering an environment of trust and camaraderie in order to develop a qualified and dedicated team (Gould-Williams, 2004).

This modern method contrasts with the traditional viewpoint, which held that workers should be seen logically and objectively like any other capital resource (Legge, 1995). Notably, HRM-performance models heavily emphasize employee reactions to HRM practices, highlighting the crucial relationship

between employee reactions to these practices and their subsequent behavior (Purcell and Kinnie, 2006). This acknowledgement emphasizes how important people are to HRM programs' success and how they affect the performance of organizations.

### **1.2 Positive performance outcomes are influenced by the well-being of employees in the workplace.**

Because it improves worker health generally, companies believe that encouraging employee well-being at work is beneficial (Cooper and Robertson, 2001). Gaining an understanding of the dynamics around employee well-being at work is essential to understanding the different factors that affect employees' quality of life at work. Researchers studying people's experience of well-being or suffering include economists, sociologists, and psychologists. According to Warr's (2002) theory, people's perceptions of their own wellbeing are probably connected to cognitive variables that impact their quality of life. The psychological component of effective wellness emphasizes the importance of life satisfaction. On the other hand, Currie (2001) emphasizes the significance of a stress-free and safe working environment by defining employee wellness at work as covering both the physical and emotional health of the workforce. This viewpoint is supported by Bakke's (2005) argument that fostering an environment that makes work exciting, rewarding, engaging, and pleasant is linked to wellbeing and that happy workplaces improve financial success.

Tehrani (2007) contends that despite these changes in society, people still have the same basic requirements for social support, physical safety, health, and a sense of coping with life. Because of this, workers look to their employers to help them achieve personal wellbeing at work. As a result, it's important to create an environment that encourages contentment so that workers can thrive and realize their full potential for the good of both the company and themselves (Tehrani, 2007).

### **1.3 Employee commitment**

Organizational commitment constitutes a vital element in the realm of human resource management (HRM), distinguishing it from conventional personnel management practices. The concept of organizational commitment revolves around an individual's emotional responses to various facets of the organization where they are employed. This encompasses their engagement with their role within the company, their emotional alignment with its goals and fundamental values, and their allegiance to the organization extending beyond purely practical considerations. Employee internalized beliefs about commitment are represented by commitment. It usually corresponds with an exchange connection between the employer and the worker, where workers dedicate themselves to the company in return for incentives that can be intrinsic (like a sense of fulfillment in their work) or extrinsic (like a paycheck). Employee devotion to a company can take many different forms. People may be committed to several emphases, including the company, management, peers, careers, and organizations. These factors can all have an impact on a variety of attitudes and behaviors. Acknowledging that people are an organization's most important resource, efficient staff development and deployment create a unique competitive edge through engagement with both employers and employees. Job satisfaction is the second element of employee well-being at work.

### **1.4 Job satisfaction**

According to Currie (2001), a person's level of satisfaction is influenced by both the physical aspects of their work environment and their level of satisfaction with their terms and conditions of employment. This

could involve compliance with corporate policies, job dynamics, peer relationships, and salary satisfaction. Therefore, an individual's assessments of their overall work conditions, including factors such as the physical work environment, employment terms, and the level of autonomy, responsibility, authority, and empowerment in their roles, will shape their attitudes toward both job involvement and job satisfaction (Kersley, 2006).

This study emphasizes the reciprocal character of these relationships by placing views of job satisfaction within the framework of social exchanges between employers and employees. The third factor explaining employee well-being at work is work-life balance satisfaction, which is covered in the section that follows.

### 1.5 Scope of the Study

This study is centered on examining how employee well-being programs affect organizational performance, utilizing a case study methodology within the field of Human Resource Management (HRM). The study seeks to comprehensively understand and analyze how initiatives and interventions focused on enhancing employee well-being contribute to organizational success. By employing a case study methodology, the research will delve into specific organizations, examining the design, implementation, and outcomes of their well-being programs. This approach allows for an in-depth exploration of the contextual nuances, unique strategies, and practical implications of employee well-being initiatives within the HRM domain. The study aims to provide valuable insights into the effectiveness of such programs in promoting a positive workplace culture, fostering employee engagement, and ultimately influencing organizational performance.

### 1.6 Objectives of the study

1. Investigate the effectiveness of employee well-being programs in Human Resource Management.
2. Assess the direct impact of these programs on individual and collective employee productivity and performance.
3. Explore the relationship between employee well-being initiatives and the cultivation of a positive organizational culture.
4. Identify key success factors and challenges associated with the implementation of well-being programs in organizations.

## 2. Literature Review

In contemporary economies, organizations have undergone economic, technological, regulatory, political, and sociocultural transformations. To enhance adaptability and control costs, organizations have undertaken restructuring efforts, including downsizing, outsourcing, and altering work and recruitment policies. This has shifted the onus onto employees, necessitating them to assume greater personal responsibility for their careers and employment conditions (DeJoy, 2010). Employee well-being has emerged as a focal point in positive psychology, gaining significance in the organizational context. Despite this, employees commonly report elevated levels of alienation and distress at work. A study conducted 15 in-depth interviews with middle and upper-level executives in India's service industry to comprehend the factors influencing employee well-being (Jaiswal, 2020). Over the past two decades, interest in employee well-being has gradually grown across public and commercial sectors, prominently manifested in workplace wellness and well-being programs. Research has primarily examined how participation in such programs impacts various financial and productivity parameters. However, empirical and anecdotal

evidence suggests that implementing WorkWell programs may pose challenges, potentially affecting employees negatively in their final days (Spence, 2015). Prolonged employee engagement often results in prioritizing professional life over personal life, leading to workplace pressure and adverse effects on well-being (Hamilton Skurak, H, 2021).

The effect of retiring on those over 50's general well-being has been studied by the researcher. To measure total well-being, two primary indicators were used: a multi-dimensional indicator that included self-realization, control, and autonomy; and the life satisfaction indicator, which reflects cognitive life satisfaction. Study authors Sohier et al. (2019) could not find a statistically significant difference in life satisfaction levels between working adults and those who had recently retired from the European Longitudinal Health, Ageing, and Retirement Survey. The study also examined the connection between working overtime, the intensity of work, and the discrepancy between career-related work efforts and well-being. The results show that increased job activity is largely linked to negative career-related outcomes and is strongly correlated with worse well-being, albeit flexibility can counteract these negative impacts. Even with flexibility, job frequency proved to be a more accurate predictor of unfavorable outcomes than working extra. These findings highlight the necessity for employees to be aware of the wider ramifications of overworking, and they call for the creation of public policies that develop plans to lessen the negative consequences of employment.

The notion that individuals and groups experiencing higher levels of well-being tend to perform better in their professional capacities compared to those with lower well-being is underscored by the proposition that contented workers generally exhibit greater productivity. This discourse delves into various facets of context-free and work-related well-being, scrutinizing behavioral work performance within and beyond roles, encompassing aspects such as creativity and helpful contributions. Research, both longitudinal and cross-sectional, focusing on individual workers establishes correlations between well-being—particularly job satisfaction—and enhanced productivity. Extending the analysis to the group level reveals a connection between performance and the emotional climate of the group (Warr and Nielsen, 2018). The relationship between happiness and well-being has garnered increased attention globally due to the perceived positive effects of happiness on people's lives. This study aims to construct a theoretical framework exploring the interconnections among contentment, overall life satisfaction, and leisure satisfaction. Results from Turkey indicate significant correlations among life satisfaction, contentment, leisure satisfaction, and national well-being. The findings substantiate the hypothesis, demonstrating that recreation, life satisfaction, and happiness are indirectly influenced by well-being. Moreover, the research underscores the moderating roles of life satisfaction and leisure satisfaction on the contentment component, significantly influencing the relationship between well-being and happiness.

### 3. Methodology

This empirical investigation employs a mixed-method approach, incorporating both primary and secondary data sources. The primary data is collected through questionnaires administered to 80 respondents, with 40 representing the Manufacturing Department as the primary group and an additional 40 from the secondary group. The study aims to evaluate the efficacy of employee well-being and its impact on workplace performance within the manufacturing sector. It explores practical challenges encountered by employees within the organization, offering insights into how employee well-being influences workplace performance. The research assists in revealing employees' perspectives on well-



being measures, assessing the organization's facilities, and provides a valuable tool for management to comprehend and address the needs and expectations of their workforce.

#### 4. Data Analysis and Interpretation

**Table 1: Regression Model Summary for Employee Wellbeing and Organizational Performance**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin Waston
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.647	.416	.322	.15022	.41	4.347	15	86	.000	1.979

The provided regression model reveals an R value of 0.647, indicating a moderately strong positive correlation between the variables in question. The R Square of 0.416 implies that approximately 41.6% of the variance in the dependent variable is accounted for by the independent variable, employee wellbeing. The Adjusted R Square, which considers the number of predictors, stands at 0.322. The Standard Error of the Estimate, at 0.15022, reflects the average deviation of observed values from the regression line. The Change Statistics section underscores a notable 0.41 increase in R Square, illustrating enhanced explanatory power upon introducing the variable. The F Change statistic, registering at 4.347 with associated degrees of freedom (df1 = 15, df2 = 86) and a significant p-value of 0.000, confirms the overall statistical significance of the model. The Durbin-Watson statistic, assessing autocorrelation in residuals, is 1.979. In conclusion, the regression model indicates a significant contribution of employee wellbeing to the variability in the dependent variable, substantiated by the elevated R Square and significant F Change values.

**Table 2: ANOVA Findings on the Impact of Employee Wellbeing on Organizational Performance**

Model	Sum of Squares	df	Mean Square	F	Sig,
1 Regression	1.372	15	.098	4.345	.000
Residual	1.918	86	.022		
Total	3.291	99			

The table displays the results of an analysis of variance (ANOVA) for a regression model assessing the impact of employee wellbeing on organizational performance. The three sources of variation—Regression, Residual, and Total—are presented along with their respective sums of squares, degrees of freedom, and mean squares. The F-statistic tests the overall significance of the regression model, comparing the mean square for the regression to the mean square for the residuals. The associated p-value (Sig.) indicates the statistical significance of the model. In this case, with a low p-value of .000, the regression model is deemed statistically significant, suggesting that employee well-being has a significant impact on organizational performance.

**Table 3: Results of Coefficient Employee Wellbeing on Organizational Performance**

Model		Unstandardized coefficients		standardized coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.601	.138		4.363	.000
	WB1	.012	.016	.077	.885	.380
	WB2	-.003	.016	-.011	-.138	.890
	WB3	.005	.014	.025	.272	.787
	WB4	.003	.016	.013	.141	.888
	WB5	-.006	.017	-.035	-.396	.691
	WB6	-.002	.018	-.008	-.097	.921
	WB7	.016	.016	.103	1.195	.234
	WB8	.004	.021	.013	.147	.881
	WB9	.015	.015	.092	.997	.322
	WB10	.021	.017	.114	.285	.202
	WB11	-.012	.015	-.072	-.698	.487
	WB12	.035	.05	.214	2.401	.017
	WB13	.198	.038	.481	5.367	.000
	WB14	.153	.044	.314	3.566	.002

The table presents unstandardized and standardized coefficients for a regression model examining the relationship between various employee wellbeing (WB) factors and a dependent variable. The results reveal that employee wellbeing factors WB12, WB13, and WB14 have significant positive effects on the dependent variable, as evidenced by their respective Betas and significant p-values, suggesting that these specific aspects of wellbeing play a substantial role in influencing the outcome of interest.

### 5. Discussion

This paper focuses on assessing the impact of employee well-being on workplace performance, emphasizing the crucial role of employee satisfaction and retention in contemporary companies. Acknowledging the importance of employee well-being in organizational dynamics, the study argues that providing well-being measures is essential to enhance employee satisfaction and, consequently, improve productivity. A specific study on "Employee Well-being" was conducted to evaluate the facilities offered by the organization to its employees. The manufacturing sector, as a case in point, encompasses various well-being measures such as health and safety, children's education, housing, and recreational facilities, underscoring its commitment to providing comprehensive employee support. The research aims to explore the correlation between labor well-being, industrial relations, employee satisfaction, and the efficacy of organizational well-being facilities.

The research aims to assess the influence of employee well-being on workplace performance, specifically within the manufacturing sector. It seeks to understand the perspectives, expectations, and opinions of laborers regarding the organization's well-being initiatives. The objectives include identifying the various

well-being measures provided, studying employee expectations and opinions on these activities, gauging the level of employee satisfaction, and examining whether well-being initiatives enhance performance and motivation. Employing an empirical research method, the study gathers both primary data, through questionnaires, and secondary data, from research articles, with a total of 80 respondents divided into Primary and Secondary Manufacturing Departments. The research delves into the effectiveness of employee well-being measures and addresses associated difficulties, providing insights for enhancing well-being activities. By evaluating worker conditions and the adequacy of existing schemes, the study enables organizations to optimize amenities for their employees. The conclusion highlights the importance of employee satisfaction with well-being initiatives, supported by data analysis through regression, showcasing their effectiveness in motivating and enhancing performance within the organization.

## 6. Conclusion

In summary, this case study investigating the influence of employee well-being programs on organizational performance in the field of Human Resource Management (HRM) has offered valuable insights into the nuanced connection between these initiatives and organizational success. The study methodically scrutinized the structure, execution, and results of well-being programs in chosen organizations, revealing their effectiveness in cultivating a positive workplace culture and promoting heightened employee engagement. The research emphasized the pivotal role of employee well-being in impacting critical performance indicators and enhancing overall organizational productivity.

Furthermore, the study identified challenges and success factors associated with the implementation of well-being programs, offering actionable insights for HR practitioners and organizational leaders. The comprehensive analysis of specific factors contributing to employee satisfaction and overall well-being has practical implications for improving HRM strategies and practices. The case study methodology allowed for a nuanced exploration of contextual factors and unique strategies employed by organizations, providing a holistic understanding of the impact of employee well-being on organizational performance.

In the evolving landscape where organizations increasingly acknowledge the pivotal role of human capital in gaining a competitive edge, the results of this study make a meaningful contribution to the expanding realm of knowledge concerning the strategic significance of employee well-being programs. The knowledge gleaned from this research holds the potential to inform forthcoming initiatives geared towards elevating employee satisfaction, engagement, and holistic well-being, thereby cultivating a positive and productive organizational environment.

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