

Improving psychological well-being: Individual
and organisational benefits

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Psychological well-being (PWB): Overview

- **Costs & benefits:** Individuals and organisations
- **Concept & measurement:** what is it – how can it be measured?
- **Research:** Determinants & consequences of PWB
- **Practice:** Employee engagement & psychological well-being – the change process

Resilience, Psychological well-being (PWB) and employee engagement: The wider picture

1. The Health and Safety Executive (HSE) “Stress management standards”
2. The government’s Health, Work and Well-being initiative - Dame Carol Black’s review
3. The Foresight review of “Mental Capital”
4. The National Institute for Clinical Excellence (NICE) guidelines on mental well-being at work
5. The Macleod report on Employee Engagement (on behalf of BERR)

Costs & benefits: Individuals and organisations

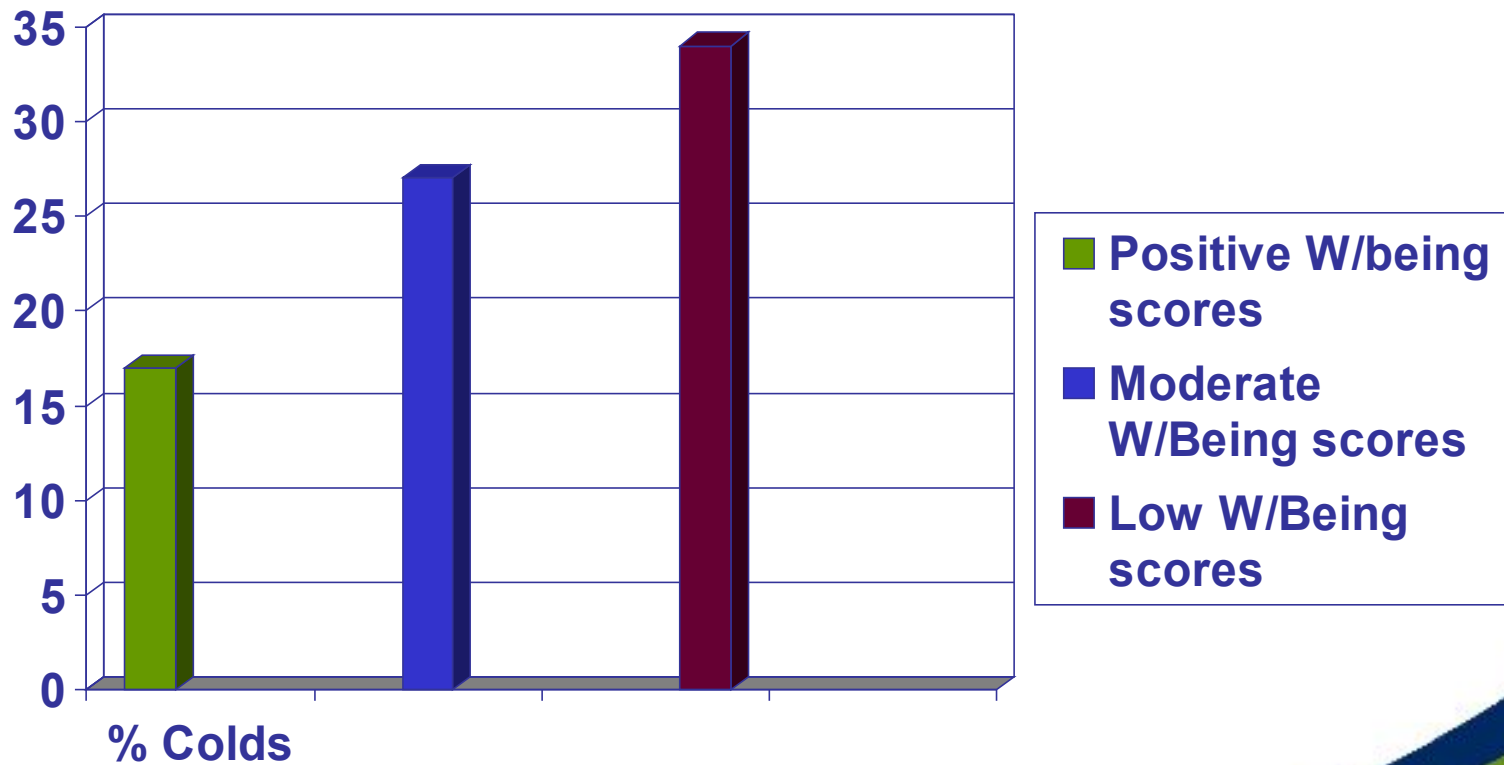
Individual costs-benefits

- higher cardiovascular risk
- higher weight and waist-hip ratios
- higher HbA1c (marker for diabetes)
- lower HDL “good” cholesterol
- poorer neuro-endocrine regulation
- higher salivary cortisol throughout the day
- poorer immune function
- higher inflammatory markers (IL-6)
- poorer sleep - longer duration REM - less body movement

Ryff, Singer and Love,

Philosophical Transactions of Royal Society of London, 2004

Individual costs-benefits



Organisational costs-benefits

- Sickness-absence
- Employee turnover
- Attracting and retaining talent
- Productivity and performance
- Customer satisfaction

Sickness-absence (Psychological health-related)

CIPD 2007: Increase – 40% Decrease – 9%

Causes	Main cause (%)
Workloads	34
Management style (also - Lack of support from line manager 3%)	17
Organisational change	14
Relationships at work	13

Organisational costs

Sickness-absence*

- Working days lost per person per year
 - Professional – 6.1
 - Financial services – 7.3
 - Retailing – 8.8
- Public sector – 10.3

National average – 8.4 days lost per employee per annum

- Average cost per employee per annum = £648
- For 2,000 employees:

Cost to organisation = £1.3M

*CIPD, 2007

Also

Employee turnover
 Attracting and retaining talent
 Productivity and performance
 Customer satisfaction

Organisational-level impact of psychological well-being

Some studies:

- Donald et al., (2005) – almost a quarter (23%) of variance in **employee productivity** (sample of 16,000UK employees) is explained by
 - **Psychological well-being**
 - Perceived commitment of organisation to employee
 - Resources and communications
- Cropanzano and Wright (2001) Five year longitudinal study of psychological well-being and performance. Strong correlation between **well-being and work performance**
- Harter, Schmidt and Keyes (2003) Nearly 8,000 separate business units in 36 companies engagement/**well-being** correlated with business unit performance (**sickness-absence, customer satisfaction, productivity, employee turnover, etc...**)

Foresight: Selected conclusions

Costs

Absenteeism costs of poor employee PWB -
significant for UK economy

Presenteeism (greater cost than absenteeism)

Initiatives

- Annual audits to measure stress and PWB
- KPIs for organisations and managers on PWB
- Training for managers on their impact on PWB
- Benefits
 - Audit – 1:1.5
 - Audit with follow up 1:3

Concept & measurement: what is it – how can it be measured?

Psychological well-being: The concept

- Experiencing pleasant events ...feeling good ... maximising pleasure ..?

(Hedonic)

- Doing what is worth doing ... achieving a goal ... feeling good about oneself ..?

(Eudaimonic)

Psychological well-being: The concept

Carol Ryff

- | | | |
|--|---|--|
| <ul style="list-style-type: none"> ➤ Life satisfaction ➤ Happiness ➤ Positive affect | } | <ul style="list-style-type: none"> • Hedonic |
| <ul style="list-style-type: none"> ➤ Purposeful engagement ➤ Personal growth ➤ Autonomy | } | <ul style="list-style-type: none"> • Eudaimonic |

Measuring psychological well-being ...at work

- The affective state that people experience at work
- The extent to which people experience a positive sense of purpose in their work
- Time frame – to distinguish between

Mood, Disposition and Trait

Measuring PWB at work

- **Positive Psychological Well-being (Emotional component):**

*For the terms below, indicate the extent to which you have felt like this **during the last three months at work***

very slightly or not at all...a little...moderately...quite a bit...very much

- *Inspired*
- *Alert*
- *Excited*
- *Enthusiastic*
- *Determined*
- *Happy*
- *Contented*

Measuring PWB at work

- **Positive psychological well-being (Sense of Purpose)**
 - *My current job goals are specific*
 - *My job goals and objectives are clear*
 - *I am committed to achieving the goals of my job*
 - *My job goals are challenging*
 - *My job goals are worthwhile*

Research: Determinants & consequences of PWB

Research

- Non-work factors
- Positive psychology
- Pressure and stress
Workplace factors
Management & leadership

Work and non-work factors?



Positive psychology

- **Broaden and Build**
(Fredrickson)
Positive emotions
BROADEN our thoughts
and actions
BUILD psychological
resources
- **Positive emotions** trigger
upward spirals - linked
with
Recovery from crisis
Bouncing back
Reduces bias and
prejudice

- **Sense of purpose & meaning**
- The magic ratio
(Fredrickson & Losada, 2005)

Positive	:	Negative
3	:	1
	to	
8	:	1

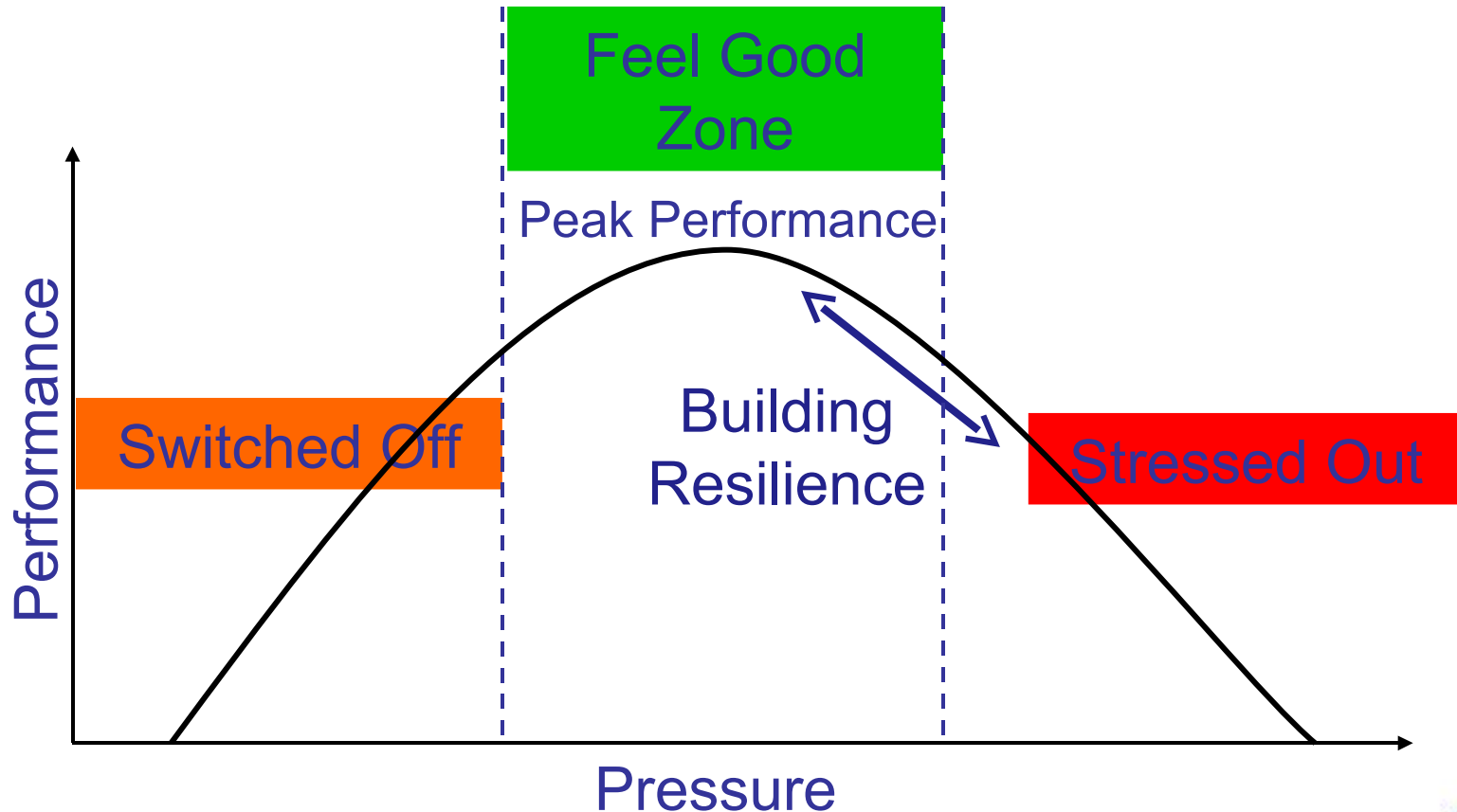
Positive psychological well-being – Behavioural impact

- People higher on psychological well-being
- See ambiguous event as less threatening
- Feel that unfavourable feedback is less hurtful
- Use less contentious interpersonal tactics
- Show higher levels of “Engagement”

- Are likely to live longer ... be sick less often ... and have happier work and home life

Pressure, stress and Performance

Managing psychological well-being at work



Pressure & stress: Types of pressure

- **Hindrance pressures**
 - Role ambiguity
 - Work Relationships
 - Job insecurity
- **Challenge pressures**
 - Workload
 - Time pressure
 - Job scope
 - Responsibility

Pressure

Type of Pressure	Strain	Job satisfaction	Commitment	Turnover	Withdrawal
Hindrance	0.48				
Challenge	0.21				

Pressure

Type of Pressure	Strain	Job satisfaction	Commitment	Turnover	Withdrawal
Hindrance	0.48	-0.66	-0.63	0.25	0.23
Challenge	0.21	0.24	0.29	-0.06	-0.02

Podsakoff et al., Jour Appl Psych, 2007

The ASSET Model

Hindrance pressures

- Resources & Communication
- Control and autonomy
- Work relationships
- Work life balance
- Work overload
- Job security
- Pay and benefits

Challenge pressures

- Goals and targets
 - Hard goals
 - Achievable goals
 - Specific goals
- Pay & benefits
- Well-managed change
- Workload

Workplace factors and PWB



ASSET data ~ 9,000 cases

Workplace factors and PWB



ASSET data ~ 9,000 cases

Workplace factors and PWB

- Resources & Communication
- Control and autonomy
- Work Relationships
- Work Life Balance
- Work Overload
- Pay and benefits



(.51)

Positive/negative emotions

ASSET data ~ 9,000 cases

Workplace factors and PWB

- Resources & Communication
- Control and autonomy
- **Work Relationships**
- **Work Life Balance**
- **Work Overload**
- Pay and benefits



(.51)

**Positive/negative
emotions**

ASSET data ~ 9,000 cases

Management & leadership

- Quality of relationship with manager predicts employee turnover (Griffeth et al., 2000 – meta-analysis)
- Management/leadership behaviour related to:
 - Burnout
 - Health complaints
 - Psychiatric disturbance

“...this provides additional evidence that supervisor behaviour can affect employee well-being and suggests that those seeking to create healthier workplaces should not neglect supervision.”
(Gilbreath and Benson, 2004)

Management & leadership

Leader

N (Leaders)=76

Total N~800

Leadership Impact Report



ASSET Audit

Workgroup

Leader personality and workgroup psychological well-being (PWB)

- Extraversion (Domain) and workgroup PWB $r=0.40$

E1 Warmth $r=0.28$
 E4 Activity $r=0.35$
 E6 Positive emotions $r= 0.30$

- Neuroticism (Domain) and workgroup PWB

N3 Depression $r=-.31^*$

- Combining the facets in a regression model

E4 Activity:
 N6 Depression:

Multiple R=0.47

** relationship is negative*

Impact of leader personality on sources of pressure: Work Life Balance

Work Life Balance	Extraversion	Neuroticism	Openness
Unsocial hours	E3 Assertiveness E6 Positive emotions	N3 Depression	O1 Fantasy O4 Actions
Work interferes with home or personal life	E3 Assertiveness E6 Positive emotions	N3 Depression	O4 Actions
Long hours	E3 Assertiveness E6 Positive emotions		
Excessive travelling		N1 Anxiety N6 Vulnerability	

PWB Multiple regression analysis



Step 2
Personality
No increment
in R



Step 1
ASSET factors
R= .73
Control
Work Life Balance

PWB

ASSET factors fully mediate the impact of leader personality on PWB

Organisational commitment and leader personality

	Extraversion	Neuroticism	Openness
Organisational commitment	E1 Warmth E3 Assertiveness E6 Positive emotions	N1 Anxiety N3 Depression N4 Self consciousness N6 Vulnerability	O1 Fantasy O3 Emotional experience

Organisational commitment and ASSET factors

	Work Life Balance	Control
Organisational commitment	$r = -0.31$ (i.e. poor WLB – high OC)	$r = 0.37$

Organisational commitment
Multiple regression analysis



Step 2
Personality
No increment
in R



Step 1
ASSET factors
R= .44
Control

Organisational
commitment

ASSET factors fully mediate the
impact of leader personality on
Organisational commitment

**Practice: Employee engagement
& psychological well-being – the
change process**

The ASSET Model

Psychological
well-being

**Resources and
Communication**

Control

**Relationships at
Work**

Work-Life Balance

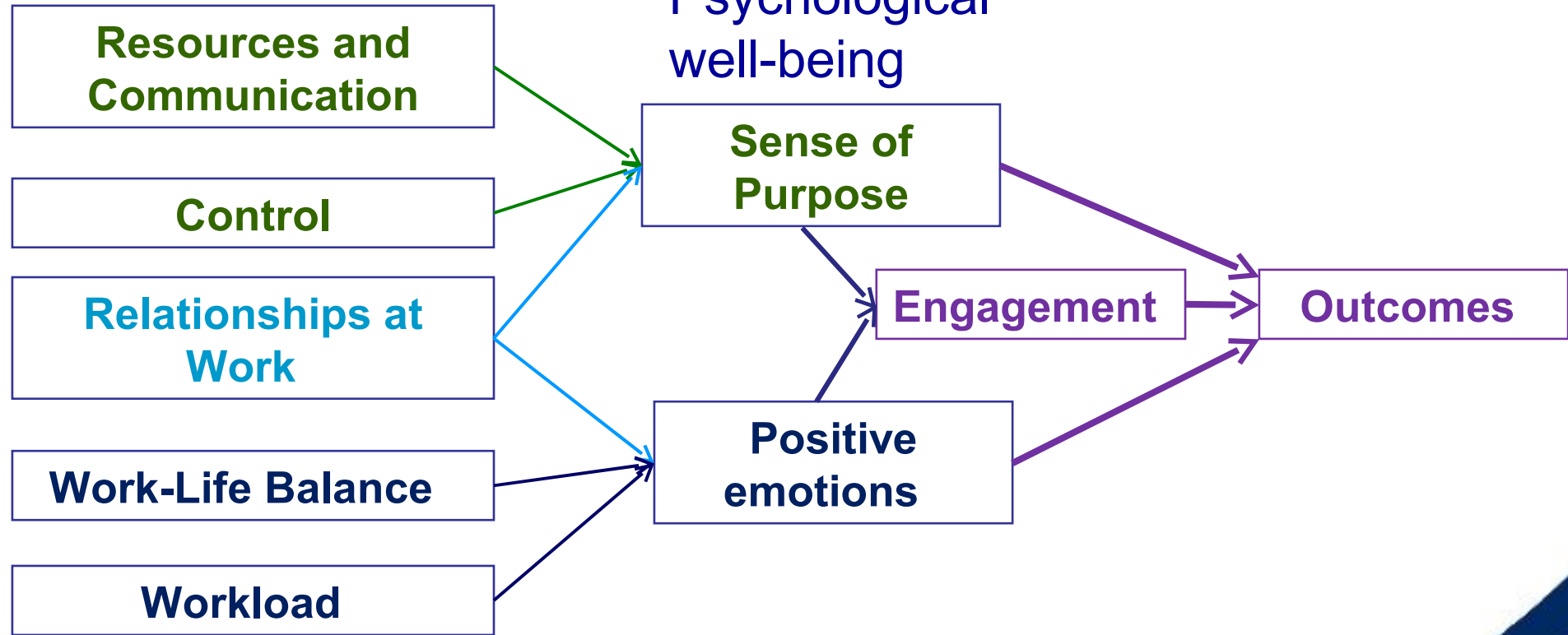
Workload

**Sense of
Purpose**

Engagement

**Positive
emotions**

Outcomes



Engagement

Practitioners - Towers Perrin (David Macleod)

- Harnessing Discretionary Effort
- “Going the extra mile”
- Turning over every stone in discerning a way forward

• **Practitioners – Gallup**

- Clarity – knowing what’s expected
- Control (input & opportunity)
- Well-being

Engagement

Researchers – Schaufelli et al.

- Vigour (high energy and mental resilience)
- Dedication (sense of significance, pride, challenge)
- Absorption (fully concentrated, happily engrossed in work)

• **Researchers - Robinson et al**

- Organisational citizenship
- Organisational commitment
- Job/role commitment

What is engagement?

Discretionary effort

Energy

Psychological well-being

Positive emotions

Commitment

Organisational citizenship

Clarity of purpose

Engagement & PWB

- Towers Perrin Workforce Study (2005) - large survey of workers in 16 countries,
- Identified factors that drive employee engagement
- In UK the top driver of engagement was:

“Top management sincerely interested in employee well-being.” (Macleod, 2008)

70% of respondents ‘disagreed’ or ‘didn't know’

Full engagement

- **Narrow Engagement**

Discretionary effort

Organisational Citizenship (Going the extra mile)

Organisational and job commitment

- **Full Engagement – also includes positive psychological well-being**

Improving full engagement

What are the Drivers of Full Engagement?

- Psychological well-being
- Engagement

Organisational outcomes

- Productivity
- Low Sickness absence
- Low Turnover
- Attractive to recruits
- User/patient satisfaction

Individual outcomes

- Productivity & satisfaction
- Good citizenship
- Health & well-being

Improving full engagement

Drivers of Full engagement

- Sense of purpose
- Resources & Communication
- Control and autonomy
- Work Relationships
- Work Life Balance
- Work Overload



- Psychological well-being
- Engagement



Organisational outcomes

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Individual outcomes

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Improving full engagement

Drivers of Full engagement

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- Psychological well-being
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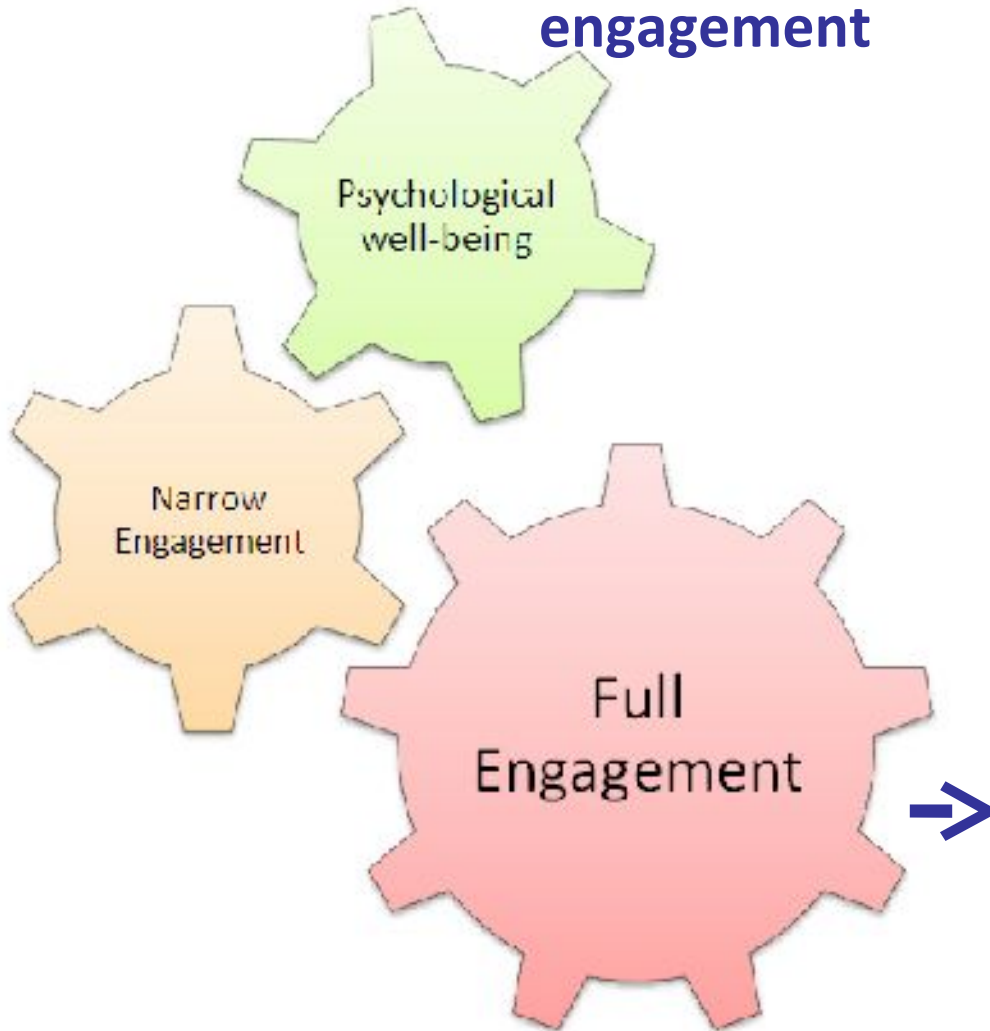
Organisational outcomes

- Productivity
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Individual outcomes

- Productivity & satisfaction
- Good citizenship
- Health & well-being

Sustainable engagement



Organisational Outcomes

Productivity

- Low sickness absence
- Low turnover
- Attractive to recruits
- User/patient satisfaction



Individual Outcomes

- Productivity & satisfaction
- Good citizenship
- Health & well-being

The Road to Full Engagement



The Road to Full Engagement

