

THE POSITIVE ROLE OF EMPLOYEE WELL-BEING IN COMPETITIVE MARKET

<https://doi.org/10.5281/zenodo.14552966>

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Abstract

The role of employee well-being is becoming the most important and critical factor leading higher job performance and in this study I reviewed strong relationship between mental, physical, social health of employees and overall increased performance of businesses, wise reasons why companies need to implement well-being strategies in their workplaces and some challenges for organizations to prioritize their workers over than manufacturing processes. As a research methodology mixed method approach was selected to provide both numerical and thematic analysis with deeper explanations. During the research of topic, correlation between employee's well beings and higher level of productivity, creativity, job satisfaction level and reduction of negative impacts, such as absenteeism, high turnover rate was identified. The study concluded that despite facing some challenges during implementation of well-being programs, companies benefit from employee well-being priority and in the future organizations will thrive if they use holistic, remote, hybrid and sustainable well-being initiatives.

Key words: Employee well-being, organizational performance, well-being initiatives, overall job satisfaction.

Introduction

In today's fast developing and competitive era companies need to have smart strategies not only for manufacturing processes, digital transformation, customer experience but also, employee well-being needs to be recognized and implemented well as a key success for business thriving with its increased productivity, performance and creativity levels. According to statistics from Gallup study, employees who felt their physical, emotional and social well-beings were respected and supported by employers became 21% more productive and showed 67% higher

in companies' overall performance (Psico-smart Editorial Team, 2024). Many companies in different industries having high competition are realizing that not only using latest advanced technologies or marketing strategies are counted as their valuable assets, but employee well-being is critical driving overall success. By implementing and focusing on employee well-being through different ways, organizations become more productive with high performance rate as it was proved earlier with clear statistics.

In spite of having numerous and huge benefits of caring physical and mental health of employees, there are still neglections of well-beings of workers by some companies. Since they avoid from resource allocation, such as cost and time, emphasize on short-term profits instead of sustainability or have lack of awareness, as a consequence, high turnover rate, low performance and productivity, low job satisfaction and absenteeism will hold company back.

This article aims to explain positive role of employee being in marketplace with its importance, benefits for companies. During examination of strong connection between employee well-being and business performance the article provides clear reasons why supporting employee well-being leads to positive outcomes for companies, such as productivity, job satisfaction, employee retention, creativity and innovation.

Literature review

One of the most effective ways, which leads company's overall success, high productivity is implementation of employee well-being at workplace. It is comprehensive concept that includes physical, psychological and social well-being of employees at workplace. As a quotation of popular British entrepreneur, Richard Branson "Clients do not come first. Employees come first" if you take care of your employees, they will take care of your clients" (Lulie Tucker, 2024) the importance of employee well-being can be understood.

By prioritizing employee well-being at workplace, several contributions on creating productive as well as positive work environment can be got by organizations as its crucial role at workplace. *Forbes Councils member Andrew Deutscher (2023)* found that employees who were tired not only physically, but also emotionally and mentally couldn't be focused on their work, couldn't make contribution for company's overall success and faced difficulties to be part of team with colleagues. According to his research, there is strong connection between *employee well-being and productivity* that companies can be more productive with

priority of employee well-being by having energy inspired work places with fully energized workers who feel valued and respected, whose physical, mental and social well beings are in the higher place. Feeling of being valued and supported leads workers to be more engaged and make them feel the sense of responsibility and enthusiasm leading to high performance and productivity, and having good physical as well as mental health helps employees to focus more on their tasks and complete them effectively.

Also, when employees feel that their health and work life balance are respected by companies, *turnover rate* will automatically reduce and costs for recruitment and training to new comers can be saved. *Beth Umland (2018)* run an analysis to know relationship between physical, mental health of employees and turnover rate at workplace through data from National Survey of Employer-Sponsored Health plans. She identified by caring staff members by financially, emotionally and physically through health programs, not only high productivity and reduced medical could be prime benefits for organizations, and also there was lower turnover rate and employees tended to work for longer period. And also, *absenteeism* and presenteeism coming from stress, health issues can be reduced when workplace efficiency is enhanced with employee well-being. *Psychologists Eva Ruger (2024)* conducted research on how employee well-being initiatives impact on reducing unplanned absenteeism through collecting the review of 56 studies and she summarized that, effective mental supports like stress management workshops, meditation programs, open communication policy and physical well-being programs, such as providing with fitness or gym membership, health nutrition and medical support 25% of absenteeism rate was saved at workplaces. According to the theory of *Maslow's hierarchy needs (1943)*, by addressing each step of hierarchy, employee well-being can be implemented and employees feel the sense of satisfaction with mental, emotional health foundation through meeting psychological and safety needs, where employees work in safe and comfortable working conditions with low level of stress. Employees feel improved job satisfaction when other steps of Maslow's theory, addressing love and belongings, esteem and self-actualization needs by having supportive and positive relationship at workplace, gaining personal developments, owning high level of confidence. *Journal of Occupational Health Psychology (2007)* investigated relationship between employee well-being at workplace and the level of job satisfaction, and the result showed that employees who were supported by well-being initiatives tended to have higher *job satisfaction* which is leading to high productivity with increased work performance. Moreover, *Creativity* with new innovation can be promoted if

employees work in healthy work environment and problems are solved easily within the company. As an example, popular *Google company* can be taken, as it prioritizes employee welfare within the organization by offering to employee physical well-being initiatives, like giving access to gym, fitness centers, healthy food options, medical support and also mental well-being programs, programs providing meditation, mindfulness, flexible working hours, employee-friendly leave policy and healthy working environment facilities. Moreover, google encourages its employees to spend their 20% of working hours for personal projects which can be beneficial for google company and as a result creativity and innovation thrives in company. There are several projects driven by staff members on google coming from encouragement of creativity with innovation, as an example, Gmail was created by Paul Buchheit, google engineer, google map was launched by googles employees Lars Rasmussen and Jens Eilstrup Rasmussen, founder of google search was company's research scientist, and other projects found by group teams, such as Google photos, google translate, google chrome (*Fiber Kiara Lipschitz,2024*).

Research methodology

This study provided existing researches on the positive role of employee well-being as a comprehensive review of various industries. Research methodology was based on literature review and it included both qualitative and quantitative research as a mixed approach. As a quantitative research statistics and numerical data were given to provide clear, reliable and objective information, while as qualitative research some business case studies, such as popular companies Google and Chick-fil-A which experienced positive outcomes by well-being initiatives were explained to make study explanation broader and more detailed. For analysis of importance of well-being of employees both numerical and thematic research methods were used and explained with clear data.

Findings

As it was mentioned above, well-being of employees at workplace is playing a vital role in success of organization with several huge benefits in today's competitive market. In literature part as a secondary-research, the first and major positive outcome of well-being of workers for company was high level of productivity. Many researchers observed workplace having effective employee engagement, motivated and energized, active employees accomplishing tasks successfully with high results when employees were supported emotionally, mentally and physically by their organizations. Moreover, various kinds of robust well-being programs created for employees let them feel the sense of being valued,

cared, respected and as a result, company can thrive with responsible, accountable, fully concentrated and creative employees within positive working environment. Overall turnover rate of company can be lowered by prioritizing working members well beings, as employees are cared well, they tend to work for longer period of time in that organizations with the feeling of satisfaction and loyalty. In competitive market if the rate of turnover is low, companies benefit from saved recruitment, training cost and time with experienced, supported, cohesive workforce. Furthermore, the rate of presenteeism and absenteeism will be decreased significantly as an account of feeling responsibility when employees are provided excellent well being opportunities by their companies.

International company *Chick-Fil-A* can be taken as an example company placing value on staff members and creating supportive and positive working environment for them. The company supports culture where employees are respected and treated well and to ensure mental, physical and positive life-balance comforts company runs Sunday off policy, offers well-being programs with collaboration of BetterHelp organization, provides trainings to team members to improve themselves both personally and professionally in its program called Chick-Fil-A Leadership Development Program, and also workers are made satisfied by financially support like competitive wages and scholarship programs from company. As a result, company owns lower turnover rate with impressive retention rate, improved productivity leading to high quality service, brand reputation, low rate of absenteeism, strong company culture encouraging collaboration and commitment.

Although offering numerous advantages for organizations, there are some both internal and external obstacles to execute employee well-being initiatives within the company. *Financial constraints* are one of the major challenging for companies to implement well-being programs, as wellness, assistance programs for employees, health benefit initiatives require not only initial investment and also ongoing expenses need to be allocated frequently by company. Some companies struggle to keep funding for these long-term expenses if they are small companies with tight budget or if they are undergoing economic downturns. Furthermore, small sized companies cannot prioritize wellness of employees because of lack of *resource allocation*. As being small and new in competitive market business organizations may not have HR teams to take care of employees, plan and implement well-being initiatives and encourage workers to maximize efficiency. *Management and leadership styles* which have priority on only operation rather than physical, mental and social health of workers also lead companies to neglect

well-being strategies and concentrate fully on manufacturing process. Not having enough *awareness* contributes workplaces not implementing health related initiatives, that some companies do not have fully understanding of employee well-being and only physical benefits can be provided by underestimating social and mental health which should have been considered as a vital part. From external obstacle for businesses *industry specific challenges* can be external factor that industries where there is high employee turnover rate do not plan long term investment for employee well beings because of low level of return on investment. And *economic conditions* also have an effect on neglecting of employee well-being due to economic downturns to focus on cost cutting over employee well-being to be able to survive in competitive market

Discussion

The analysis of discussion part explores the importance of well-being programs, initiatives implementation in competitive market to aid both small and big organizations to thrive in market with their businesses. In spite of confronting some challenges, such as lack of time and budget resources, having inappropriate leadership styles, economic conditions and lack of awareness, companies experience substantial positive outcomes in terms of productivity, performance, employee retention and competitiveness. Research shows that companies prioritizing and focusing on mental, physical, social well-being programs enjoy with productive workers as Andrew Deutscher mentioned in his research study, and some factors affecting on companies negatively, like high turnover rate, absenteeism and presenteeism can be improved by companies through the rise of employee related attention. As it was mentioned in literature part, by implementing well-being initiatives the absenteeism rate, which directly affected companies' overall performance, saved by 25%. As it was explained above, implementation and management of well beings at workplace do not only assist to create positive working environment and also it leads companies to benefit by increased business performance. Google company was given as an example company fosters high business performance with creativity by concentrating on welfare of its workers through well being strategies, especially allowing workers to spend 20% of their working hours for their own project and as a result most of Google's new and innovative projects were launched by company's staff members. Chick-Fil-A was also explained as a company experiences significant benefits in term of its performance with its employees' health related strategies, like ensuring work life balance by offering Sunday off working shifts, collaborating with health organization and giving well-being programs to workers, providing frequent

trainings with their own platforms. Moreover, the theory of Maslow's Hierarchy needs suggesting the needs of employees are satisfied step by step and execute well beings of them align with findings. However, several challenges for companies during implementation of well-being programs was counted as both internal and external obstacles, such as economic condition, industry related challenges, or from internal obstacles, like not having enough resources, management and leadership styles can be examples.

The future of implementation of different employee welfare strategies to boost company's overall business performance will likely to grow as an evolving landscape. In near future holistic well-being strategies including mental, social, emotional, financial well-being of employees over than only traditional or physical programs will grow significantly due to technological advancements, societal changes and rising the understanding of the vital role of all integrated health at workplace. Because of increasing number of remote and hybrid works companies can focus on remote well-being programs for those who work in isolation or employees working from distance. As an example, virtual wellness programs like low stress and meditation sessions, online team buildings, different virtual workshops and to provide good work-life balance flexible working shifts, online support can be implemented to lower burnout and stress levels among remote workers. Furthermore, nowadays people are becoming to appreciate eco-friendly atmosphere as they started realizing connection between their well-being and sustainability. Especially young generation are concerned not only their health and also they are caring about health of the environment and companies should provide sustainable workplaces like office with eco-friendly spaces, air filtration to ensure clean atmosphere, eco-friendly and healthy meal offerings, work-life balance facilities, environmental stress reductions, such as having good lightning, low noise, more natural elements companies will definitely enhance well beings and improve job satisfaction among employees.

Conclusion

This scientific study aimed to investigate relationship between well-being of employees and increased organizational performance within different industries. Findings reviewed various positive outcomes including high performance, productivity, job satisfaction, innovation, lower turnover and absenteeism rate and at the same time numerous internal and external difficulties such as financial time constraints, different policies, style of management and leadership, economic downturns coming from launching welfare strategies in competitive market. The results of research highlighted that companies have higher and broader

opportunities to thrive when they meet expectations of their employees through wellness programs. Future research can improve this study by observing long term impact of well-being initiatives within the company. In conclusion investing resources on employee well-being does not only create positive working atmosphere and also it leads to higher overall business performance.

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