

# Conceptualising and measuring business wellbeing



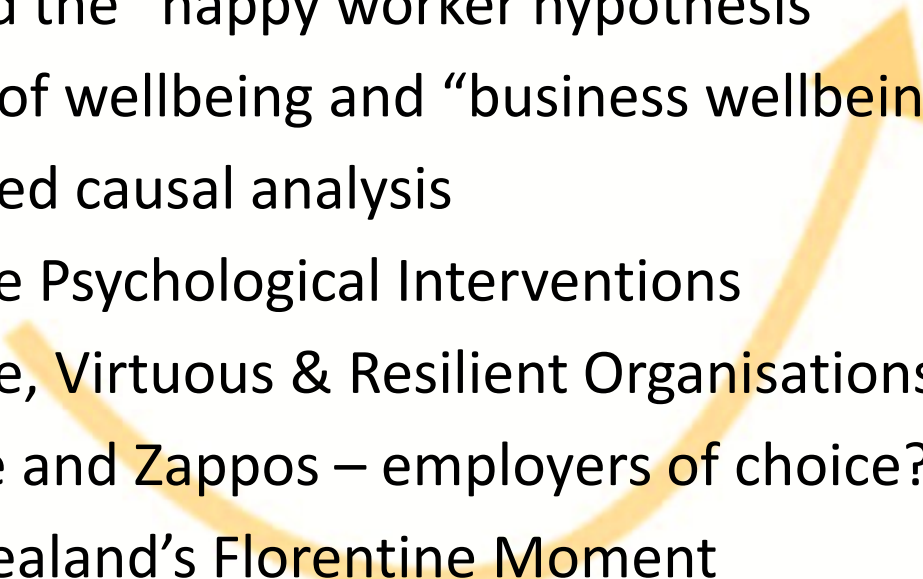
Dr Lindsay Oades





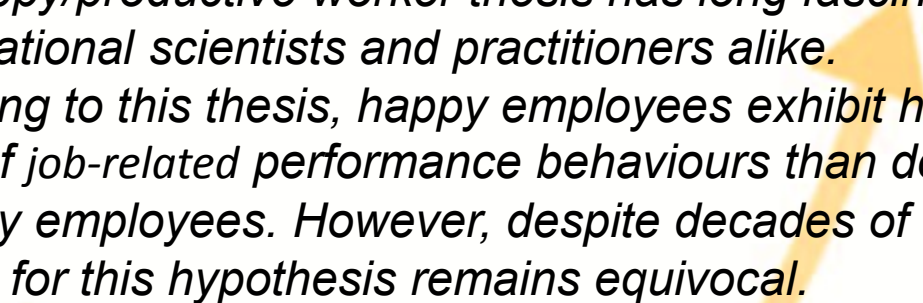


## Overview

- Beyond the “happy worker hypothesis”
  - Levels of wellbeing and “business wellbeing”
  - Reversed causal analysis
  - Positive Psychological Interventions
  - Positive, Virtuous & Resilient Organisations
  - Google and Zappos – employers of choice?
  - New Zealand’s Florentine Moment
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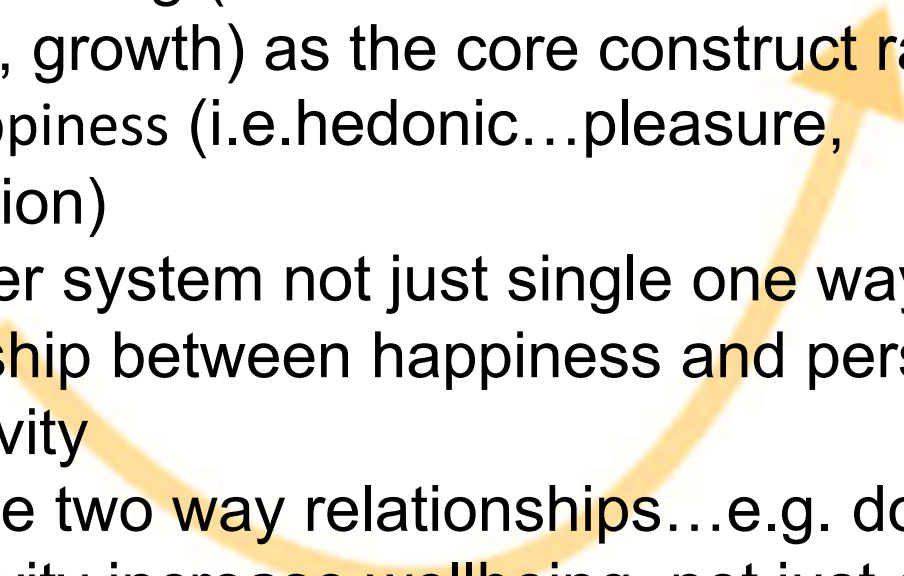
## Beyond the “happy worker hypothesis”

*The happy/productive worker thesis has long fascinated organizational scientists and practitioners alike. According to this thesis, happy employees exhibit higher levels of job-related performance behaviours than do unhappy employees. However, despite decades of study, support for this hypothesis remains equivocal.*



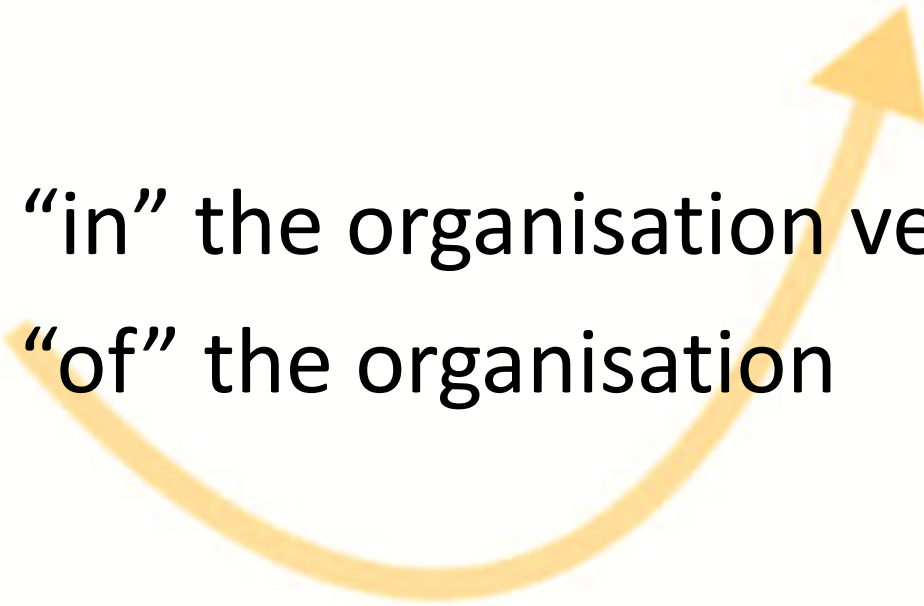
Wright et al (2002)

## Business wellbeing instead of “happy worker”

- Use wellbeing (i.e. eudaimonic...meaning, purpose, growth) as the core construct rather than happiness (i.e. hedonic...pleasure, satisfaction)
  - Consider system not just single one way relationship between happiness and personal productivity
  - Examine two way relationships...e.g. does productivity increase wellbeing, not just does wellbeing increase productivity?
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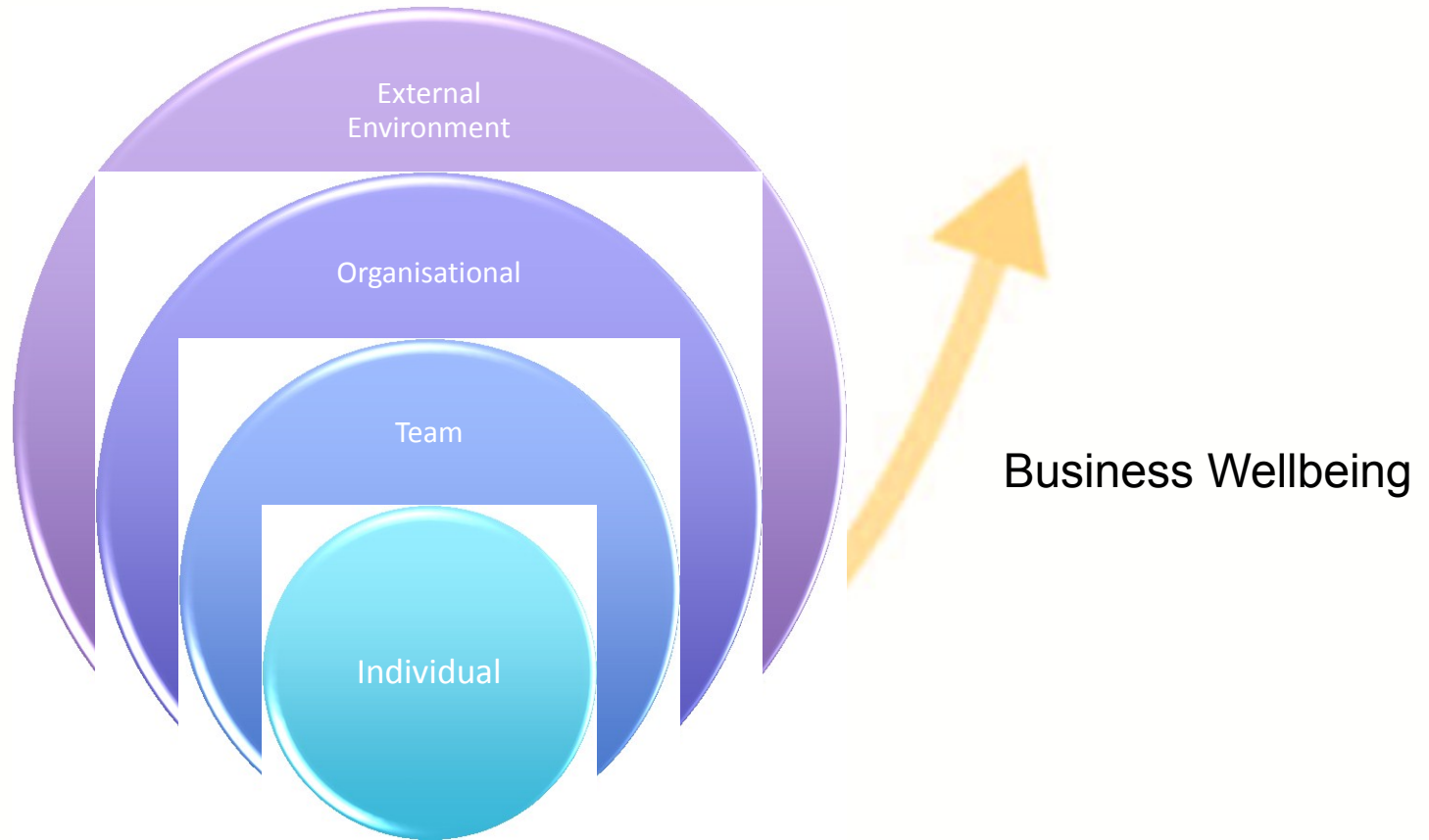
Conceptual confusion...

Wellbeing “in” the organisation versus  
Wellbeing “of” the organisation





## Wellbeing as a core ordering construct to understand organisations





## Evidence of two way relationships

Salanova et al  
(2002)...

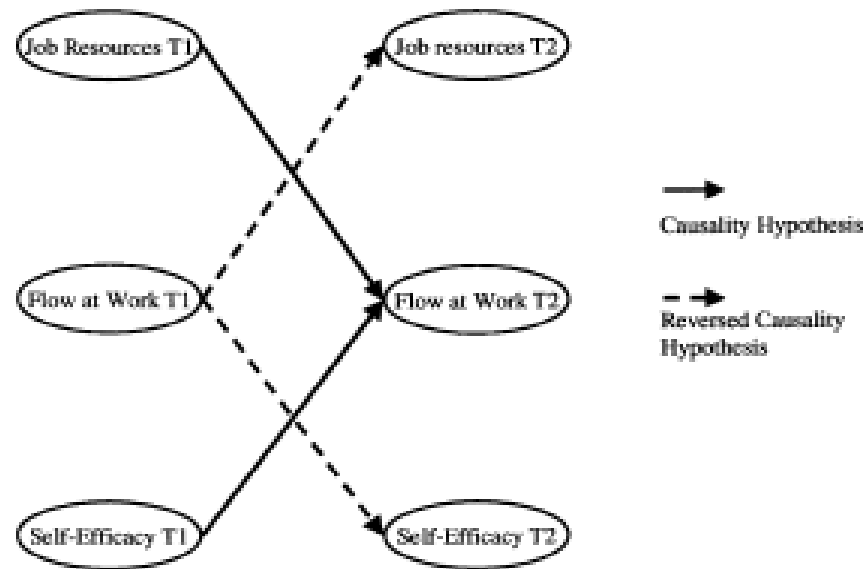


Figure 1. The upward spiral model of resources and flow at work.

Enabling examination of two way relationships across time

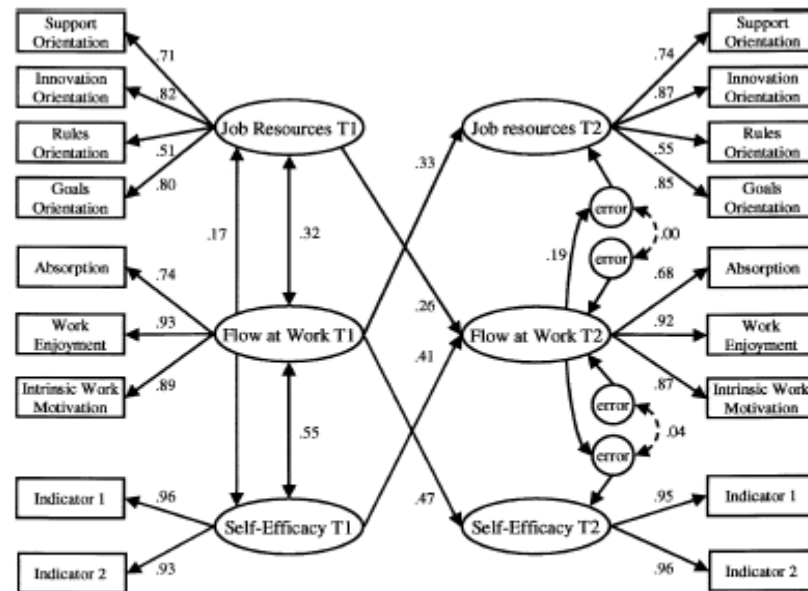
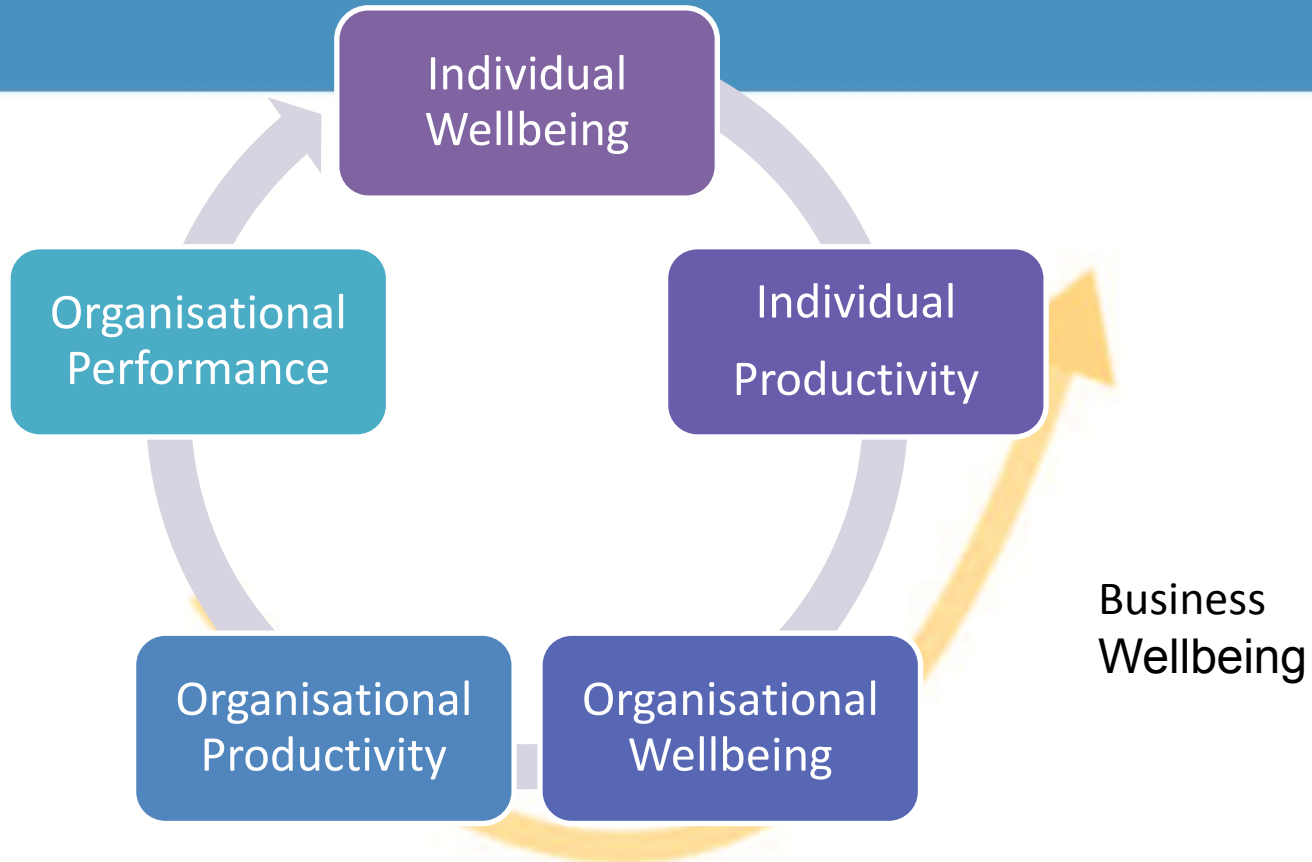
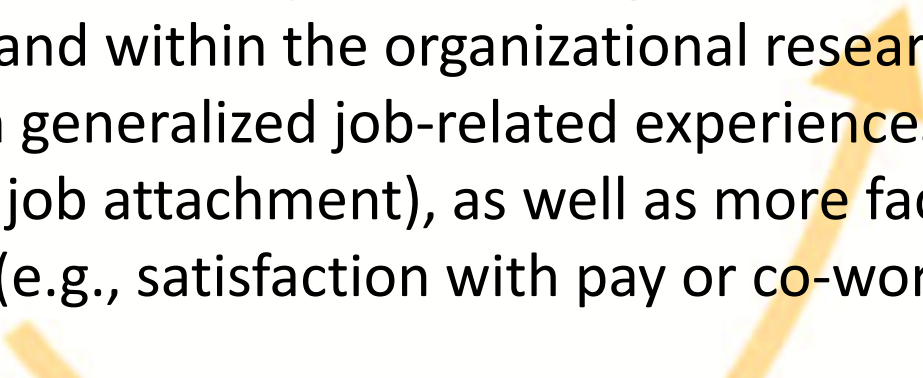


Figure 2. Standardized solution (maximum likelihood estimates) of the upward spiral model of resources and flow at work,  $N = 258$ .



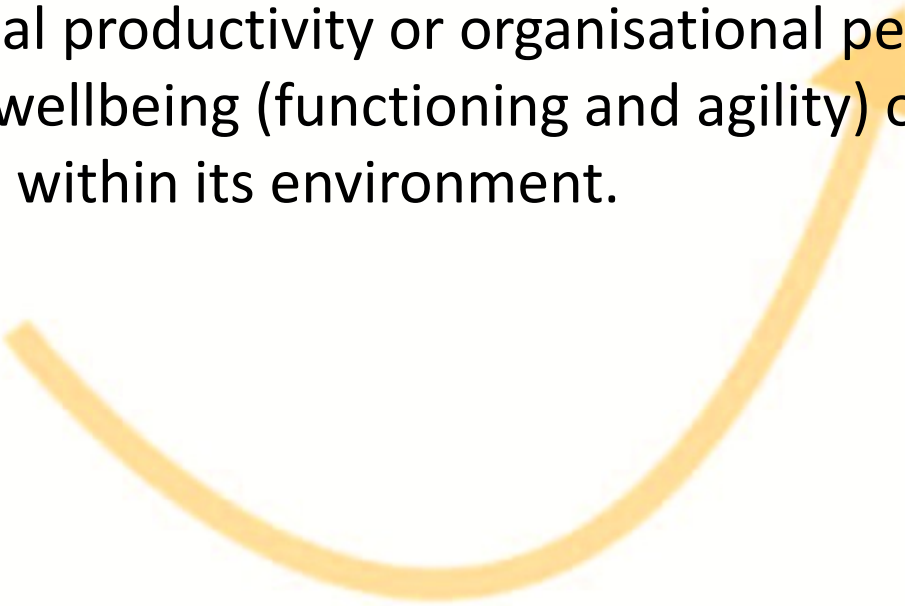


## Wellbeing “in” the organisation

- *Well-being* should be used as appropriate to include context-free measures of life experiences (e.g., life satisfaction, happiness), and within the organizational research realm to include both generalized job-related experiences (e.g., job satisfaction, job attachment), as well as more facet-specific dimensions (e.g., satisfaction with pay or co-workers).” (p. 364)
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Danna, K. & Griffin, R.W. (1999). Health and Well-Being in the Workplace: A Review and Synthesis of the Literature. *Journal of Management* 25(3), 357-384.

## Wellbeing “of ” the organisation

- We use *organisational wellbeing* (different from organisational productivity or organisational performance) to refer to the wellbeing (functioning and agility) of the organisation within its environment.
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Relevant positive concepts and interventions

Individual	Organisation
Gratitude Exercises	Appreciative Inquiry
Character Strengths Coaching	Virtuous Organisations
Psychological Capital	Social Capital
Resilience Training	Resilient Organisations
Mental fitness	Agility
Flourishing	Positive Organisation

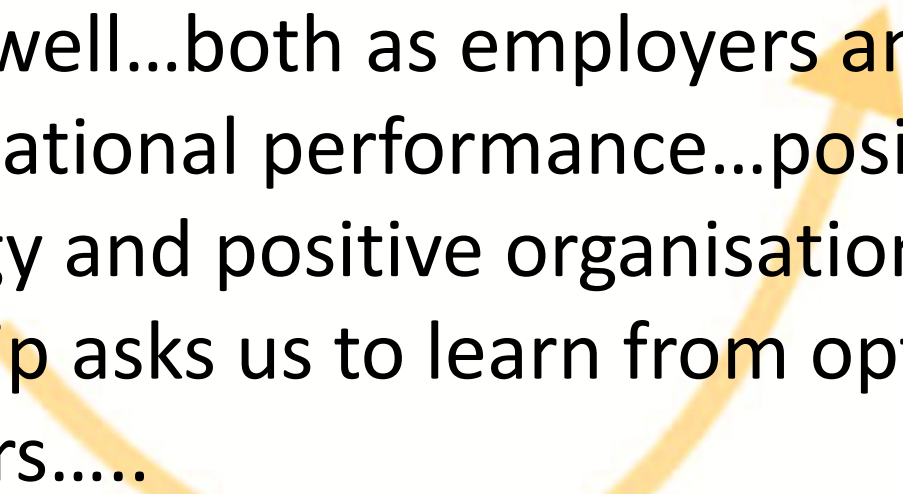




Business Wellbeing related measures- ie wellbeing at different levels of analysis

Individual Wellbeing	Organisational Wellbeing	Organisational Performance
Subjective Wellbeing	Agility	Profit
Psychological Wellbeing	Dynamic Capability	EBIT
	Resilience	ROI
	Virtuousness	Margin on Sales
	Sustainability	Capacity Utilisation
		Customer Satisfaction
		Product Quality

So what about organisations that are meant to be doing well...both as employers and in terms of organisational performance...positive psychology and positive organisational scholarship asks us to learn from optimal performers.....



## Lessons from the field...

[Google - an employer of choice?](#)

[Zappos - creating a values-based culture](#)





## Why now for New Zealand?

[OECD happiness index](#)

[A Florentine moment?](#)







