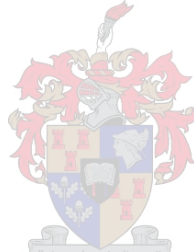


# The Employee Flourishing Strategic Framework

by  
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*Thesis presented in fulfilment of the requirements for the degree of Master of Science in Industrial Engineering at the Faculty of Industrial Engineering at Stellenbosch University*



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March 2017

## **I. DECLARATION**

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## II. ABSTRACT

This study is inspired by the emergence of Positive Psychology, whose contents are characterised as the formulation and building of the good life, often associated with a life filled with happiness. Experiencing the good life is positioned as people's ultimate goal. The motivation for this study is to build this experience for enterprise employees. An employee that receives this experience is motivated to sustain the enterprise that provides it. Building this experience is therefore beneficial to employees and a strategy for long-term enterprise performance, the key concern of Industrial Engineering.

Philosophers throughout history have held happiness in high regard. Today, its resurgent popularity is evidenced by the uptake of the Gross National Happiness metric and hiring of Chief Happiness Officers. Despite its high regard, the development of happiness has faltered in society, especially in the workplace. A global war for talent means this is having increasing implications for enterprises. Current literature does not solve the problem of managing employee happiness.

Happiness is readily seen as important, but the usefulness of the term is questionable. Positive Psychology aims to provide a more practical construct for the experience of the good life. This study discusses flourishing as the state of the art of Positive Psychology. It proceeds with the development of a conceptual model to assist enterprises in managing employee flourishing – the Employee Flourishing Strategic Framework (EFSF).

This study seems to be the first application of Industrial Engineering to employee flourishing. It aims to set the scene for more localised research and application while offering enterprises practical assistance. The EFSF's formulated design requirements include developing a general process for managing employee flourishing, developing a toolset to supplement the process and demonstrating the process stages with practical elements. The EFSF is iterated as the author engages in its development. It draws knowledge from Enterprise Engineering, Systems Thinking, Positive Psychology, Organisational Behaviour, Strategic Human Resource Management, Change Management and Innovation Management.

The third iteration of the EFSF is validated externally with 18 one-on-one interviews with experts in the bodies of knowledge. The results show 89% agreement with the business need for managing employee flourishing, 84% agreement with the design of the research study, 85% agreement with the collective contents of the bodies of knowledge, 78% agreement with the usefulness of the EFSF in assisting to meet the business need and 68% agreement with the opportunity to apply the EFSF to the participants' enterprises or clients. The general agreement from the participants validates that the EFSF effectively meets a recognised business need. While the participants agree with the study, they advise that the EFSF requires more work before it can be practically implemented. This study sets the scene for future research. It serves as a starting point for providing employees with the experience of the good life and thereby achieving business success.

### III. OPSOMMING

Hierdie studie is geïnspireer deur die Positiewe Sielkunde, 'n ontluikende studieveld wat die formulering en uitbou van 'n goeie, genotvolle en gelukkige lewenswyse nastreef – “the good life”. Die ervaring van 'n goeie lewe word as die mens se uiteindelijke doelwit vooropgestel. Hierdie werkstuk poog om te verseker dat daardie ervaring ook in die werksplek geskep en bewaar kan word. 'n Werknemer wat die goeie lewe by die werksplek ervaar, word daardeur gemotiveer om die bedryf wat dit vir hom of haar moontlik gemaak het te beskerm en uit te bou. Die uitbouing van die ervaring is dus nie tot die voordeel van werknemers nie maar ook 'n strategie vir langtermyn bedryfsontwikkeling en prestasie.

Filosowe oor die eeue heen skryf geluksaligheid hoog aan. Deesdae toon maatstawwe soos die Bruto Nasionale Gelukkigheids-standaard en die indiensneming van personeel wie se taak dit is om werksgeluk te verseker die hernude belangrikheid daarvan. Die internasionale wedywer vir talent dra ook tot die belangrikheid daarvanby. Desnieteenstaande het die uitbouing daarvan in die gemeenskap, en spesifiek die werksplek, ietwat agterweë gebly. Huidige bedryfsliteratuur verskaf ook nie voldoende inligting ten einde werknemergeluksaligheid behoorlik te kan bestuur nie. Die belangrikheid van geluksaligheid word geredelik ingesien, maar die gebruikswaarde van die begrip “gelukkigheid” (“happiness”) kan bevraagteken word. Positiewe Sielkunde poog om 'n meer praktiese raamwerk, waarbinne die goeie lewe bewerkstellig en uitgeleef kan word, daar te stel. In hierdie studie word “florering” as begrip gebruik (afgelei van die werkwoord “om te floreer”, (Eng. “to flourish”)), ten einde die verskillende fasette van dit wat by die werksplek op hierdie wyse gerealiseer moet word beter te omskryf. Die studie poog verder om 'n konseptuele model te skep waarmee 'n besigheid werknemerflorering beter kan bestuur – the Employee flourishing Strategic Framework.

Die derde iterasie van die EFSF omvat 18 onderhoude met verskeie deskundiges in verskeie studiegebiede. Die uitslag van hierdie onderhoude toon dat 89% van die mense met wie onderhoude gevoer is daarmee saamstem dat daar 'n besigheidsbehoefte aan die bestuur van werknemerflorering bestaan, 84% stem met die ontwerp van die ondersoekstudie saam, 85% stem met die inhoud en bydraes van die verskillende dissiplines saam, 78% stem saam dat die WFSR nuttig is ten einde besigheidsbehoefte aan te spreek en 68% sou van die geleentheid gebruik wou maak om die EFSF by hulle werksplekke en dié van hul kliënte toe te pas. Die algemene aanvaarding daarvan toon dat die EFSF 'n daadwerklike nywerheidsbehoefte aanspreek. Terwyl die deelnemers met die studie grotendeels saamstem, is die algemene raad van diegene met wie onderhoude gevoer is dat daar verder daaraan gewerk moet word voordat die EFSF prakties implementeer kan word. Hierdie studie verskaf dan ook 'n basis vir sodanige verdere navorsing in die toekoms. Dit dien as 'n beginpunt - vir die skep van 'n goeie lewenservaring by die werksplek en die suksesvolle uitbou van besighede en bedrywe op sterkte daarvan.



#### **IV. ACKNOWLEDGEMENTS**

My thanks go out to the following:

- Cor Schutte, the original Partner in Excellence, for inspiring me to "simply make happiness happen"
- Prof Corne Schutte, my supervisor, for coming around to the idea of using "happiness" in an engineering thesis, allowing me the freedom to express my ideas and offering some sound guidance along the way
- Robert Stelzner, my Dad, for supporting my extended student career
- Susan Stelzner, my late Mom, who, as a labour lawyer, guided relationships at work – your passion for people has clearly rubbed off on me
- The participants of the study, for taking time out of your busy schedules to oblige an eager student
- The rest of my family and friends, you boost my happiness whenever I am with you

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## V. GLOSSARY

**Benefit:** The degree of flourishing achieved by an employee-flourishing program concept.

**Bodies of knowledge:** Professional domains relevant to developing the EFSF.

**Detailed concept** A concept that has progressed through the Design phase of the DMADV process.

**Effort:** The amount of resource expenditure required to deliver a concept of an employee-flourishing program.

**Employee-flourishing program:** A collection of concepts (products, processes, HRM practices and systems, etc.) aimed at enhancing employee flourishing.

**Employee Flourishing Strategic Framework (EFSF):** The conceptual model produced by this study.

**EFSF elements:** Products of literature reviews of the bodies of knowledge incorporated by the EFSF derived from an objective, scientific standpoint that may be of practical use to enterprises.

**EFSF process:** A series of stages prescribed to enterprises for managing employee flourishing.

**EFSF tools:** Instruments to support the EFSF process.

**Enterprise:** A complex system of cultural, process, and technological components that interact to accomplish strategic goals; under the ownership or control of an organisation; which ultimately strives to create wealth for its stakeholders.

**Finalised concept** A concept that has progressed through the Analyse phase of the DMADV process.

**Flourishing (Seligman):** An optimal state of human psychological functioning, defined by the presence of PERMA.

**Flourishing (this study):** The experience of a good or satisfactory condition of existence, defined by the maximisation of PERMA and the minimisation of Depression and Anxiety.

**Flourishing coalition:** A group of employees tasked with guiding flourishing projects.

**Flourishing project:** The definition, measurement, analysis, design and verification of a concept of an employee-flourishing program.

**Happiness:** The experience of a good or satisfactory condition of existence, although sometimes simply viewed as a feeling or mood.

**High-level concept:** A concept that is progressing through the Analyse phase of the DMADV process.

**Lean construction:** The philosophical perspective used for the EFSF design methodology based on constructivism and Lean Startup.

**Means to flourish effectively:** A set of employee psychological needs.

**Obstacles to flourishing:** Barriers in the way of fulfilling employee psychological needs.

**PERMA:** Positive emotion, Engagement, Relationship, Meaning and Accomplishment.

**Run-through:** Following an iteration of the EFSF process while adding tools and elements, detailing the bodies of knowledge and capturing lessons about the EFSF process to inform future iterations.

**Strategic framework (this study):** A type of conceptual model that not only collects and categorises relevant knowledge but also provides direction and practical steps for management.

**Subjective well-being (SWB):** The personal experience of a good or satisfactory condition of existence, constituted by a combination of life satisfaction and relative frequency of positive and negative affect.

**Well-being:** A good or satisfactory condition of existence.

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## VIII. PROLOGUE

*Far out in the uncharted backwaters of the unfashionable end of the western spiral arm of the Galaxy lies a small, unregarded yellow sun. Orbiting this at a distance of roughly ninety-two million miles is an utterly insignificant little blue green planet whose ape-descended life forms are so amazingly primitive that they still think digital watches are a pretty neat idea. This planet has - or rather had - a problem, which was this: most of the people on it were unhappy for pretty much of the time. Many solutions were suggested for this problem, but most of these were largely concerned with the movements of small green pieces of paper, which is odd because on the whole it wasn't the small green pieces of paper that were unhappy. And so the problem remained; lots of the people were mean, and most of them were miserable, even the ones with digital watches. Many were increasingly of the opinion that they'd all made a big mistake in coming down from the trees in the first place. And some said that even the trees had been a bad move, and that no one should ever have left the oceans. And then, one Thursday, nearly two thousand years after one man had been nailed to a tree for saying how great it would be to be nice to people for a change, one girl sitting on her own in a small cafe in Rickmansworth suddenly realized what it was that had been going wrong all this time, and she finally knew how the world could be made a good and happy place. This time it was right, it would work, and no one would have to get nailed to anything.*

Douglas Adams,

“The Hitchhiker’s Guide to the Galaxy”, 1979

## 1. INTRODUCTION

*Paul and I, we never thought that we would make much money out of the thing. We just loved writing software.*

Bill Gates

Industrial Engineering is concerned with the improvement of integrated systems, of which people play an integral part (du Preez, Essman, Louw, Schutte, & Marais, 2013, p. 123). Its guiding mandate is to improve enterprise performance over time (Salvendy, 2001, p. 5).

People are also the core focus of Positive Psychology, a field that has inspired this study. The contents of Positive Psychology are characterised by Csikszentmihalyi (2006, p. 1) as dealing with “a life worth living” and by Seligman (1998, p. 1) as the formulation and building of “the good life”. Positive psychologists seek to understand and improve the human experience.

The motivation for this study in the Industrial Engineering domain is extended through the following assertions:

1. People ultimately desire to experience the good life
2. Enterprises are fundamentally built to serve people’s desires
3. Enterprises should therefore build the experience of life being good
4. An employee that receives this experience from an enterprise is motivated to sustain that enterprise

This study therefore seeks to build the experience of the good life for enterprise employees. This is proposed as a policy that is mutually beneficial to enterprises and their employees. It is thus a strategy for improving enterprise performance over time, in line with the guiding mandate of Industrial Engineering.

Many would regard the good life as one that is filled with “happiness”. This popularised term is used to introduce the paper in the following section. Section 2 investigates the term happiness within the context of literature on the good life in order to clarify its use. In the meantime, section 1.2 provides background to the study by highlighting the importance of happiness to the workplace. This further justifies the study in an Industrial Engineering context. Section 1.2.3 presents a brief review of literature on building happiness in the workplace. The remaining sections of this introductory chapter complete a description of the intent behind this study and the plan for its completion.

### 1.1 The high regard for happiness

Happiness is a self-evident goal. Other pursuits can typically be traced back to the goal of being happy. There does not seem to be an underlying answer to the question, “Why do you want to be happy?” People have sought happiness throughout history.

In the 5<sup>th</sup> century BC, Buddha taught that life is a state of mental dysfunction or suffering and that by following the Eightfold Path one can eliminate suffering and achieve

transcendent happiness and peace of mind. In the West, Aristotle and Epicurus were some of the first to articulate the pursuit of happiness when they respectively described happiness as the end goal of human life (eudaimonia) and pleasure as the only intrinsic value (hedonia) (Pursuit of Happiness, Inc, 2016). The ancient Greeks position happiness to be one's moral obligation (Godfrey, 2006).

The theme of happiness-based morality was further developed by the utilitarian philosophy of Jeremy Bentham in the 18<sup>th</sup> century. Bentham holds that an action's consequences should be judged according to the amount of pleasure and pain created for everyone that feels its effects (Sweet, 2015). Bentham's utility, known as "The Greatest Happiness Principle", was shaped during the intellectual movement known as The Enlightenment. This was an age where reason was advocated as a means to establish authoritative systems. Bentham's philosophy, amongst others formulated during the Enlightenment, has formed the basis for the way people view the modern world. They helped create the frameworks for the American Revolution and the communist and capitalist ideologies (New World Encyclopedia, 2015).

Hermann Hesse, winner of the Noble Prize for Literature in 1946, seems to reference the significance of The Enlightenment as a defining cultural moment in his novel, *The Glass Bead Game*: "Since the end of the Middle Ages, intellectual life in Europe seems to have evolved along two major lines. The first of these was the liberation of thought and belief from the sway of all authority. In practice this meant the struggle of Reason, which at last felt it had come of age and won its independence, against the domination of the Roman Church. The second trend, on the other hand, was the covert but passionate search for a means to confer legitimacy on this freedom, for a new and sufficient authority arising out of Reason itself" (Hesse, Ziolkowski, Winston, & Winston, 2002, p. 19). Bentham's happiness is positioned as such an authority.

Bentham's proposals did not gain momentum due to a perceived difficulty in measuring an individual's happiness. This led to the rise of economic utility, a term referring to the total satisfaction received from consuming a good or service, with money as the primary measure. However, the utilitarians conceded that the marginal utility of wealth is strongly diminishing, meaning that it becomes more and more difficult to buy happiness (Reinhardt, 2010, p. 2).

The study of happiness seems to have become popular once again. Kahneman (2003, p. 674) and Layard (2005, p. 1) both state that developments in modern science now allow measurement of happiness levels, making the society envisioned by Bentham fathomable. Layard proposes that public policy should be specifically oriented towards maximising happiness.

The United Nations (2011) reports how the small nation Bhutan has pioneered a new metric, Gross National Happiness (GNH), described as part of a policy of "balancing sustainable growth against the often damaging results of rampant wealth". The United

Nations embodies this thinking in Resolution 65/309: “Happiness: towards a holistic approach to development”. Leaders and institutions are recognising the relevance of happiness in developing public policy. This has extended into the workplace. Enterprises in Silicon Valley have started the trend of employing people in the role of Chief Happiness Officer (CHO) in charge of managing the well-being of employees (Gregory & Rutledge, 2016, p. 218). There seems to be a global movement towards happiness.

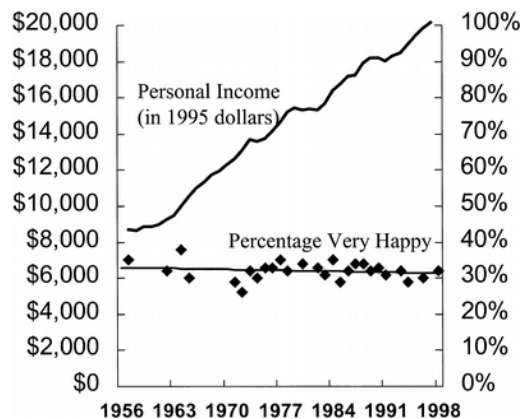
The next section further explores the relevance of this topic to the Industrial Engineering domain and provides context for the problem statement in section 1.3.

## 1.2 Background

This section explores the faltering development of happiness, the implications of this for enterprises and current literature on managing employee happiness.

### 1.2.1 *The faltering development of happiness*

Despite the high regard for happiness described in section 1.1, it has not improved in proportion to material wealth in the developed world. The faltering development of happiness, often referred to as the Easterlin paradox, is the subject of a number of studies (Layard, 2005). Figure 1-1, for example, illustrates a comparison of the percentage of very happy Americans and average personal income between 1956 and 1998.



**Figure 1-1: Income versus Happiness (Glenville-Cleave, 2008)**

Further evidence shows that people are particularly unhappy at work, where they spend the majority of their time. Layard (2005), for example, presents a study of 900 workingwomen from Texas. The women were asked to divide their day into episodes, record the time spent on each episode and report how happy they were. The study showed that the women spend the biggest proportion of time at work and it is the second least happy of 19 episodes. The only unhappier episode is getting to work. Layard (2005) references numerous other examples that point to the conclusion that many people are unhappy at work.

### **1.2.2 The implications for enterprises**

Keller and Price (2011, p. xix) of McKinsey & Company state that only a third of excellent enterprises remain excellent over the long term. They argue for a shift in focus towards enterprise health, over and above performance. Performance is what an enterprise delivers to its stakeholders in financial and operational terms; health is defined by an enterprise's ability to align, execute and renew itself faster than the competition so as to sustain exceptional performance over time (Keller & Price, 2011, p. 5). The forces of today's global economy have weakened traditional sources of competitive advantage. Information is free and assets are readily being copied to produce greater speed and efficiency. Enterprises are now looking to intangible assets such as company culture and leadership effectiveness (Keller & Price, 2011, p. xv). Reports, such as that of PwC (2011), show that the new generation of workers are demanding more from the workplace. It is argued that they want to be happy at work and that, in an age of material abundance, employee happiness will become the value proposition of excellent companies. It is also proposed that, if employees come to view an enterprise as an enabler of their happiness, they will drive the success of the enterprise. A policy of employee happiness can therefore be regarded as mutually beneficial to the enterprise and its employees. Based on this philosophical argument, managing employee happiness is proposed as a strategy for increasing enterprise health and thereby sustaining long-term performance.

Cooper (2011, p. 3) extends this view by stating that the most compelling reason for creating a well-being strategy is linked to bottom-line results. A number of drivers exist underneath that, such as reducing sickness absence, improving customer satisfaction scores, increasing productivity and retaining talent. Pruyne (2011) delivers a full business case for employee happiness. Cooper (2011, p. 3) states that there is also a moral aspect to improving employee happiness. He offers the following quote: "If organisations expect high levels of commitment and motivation, they have a duty to develop a culture and environment that fosters employee well-being. Well-being initiatives will be poorly perceived if employees feel they are merely a justification to ask them to work harder; getting the culture right will release discretionary effort without breeding resentment".

This section elucidates the multifaceted business case for managing employee happiness, justifying this study in the Industrial Engineering domain. The next section contains a brief review of literature on managing employee happiness to gauge the extent to which this need has been met.

### **1.2.3 Literature on managing employee happiness**

Literature contains a number of sources surrounding managing employee happiness, for example, Right Management (2011) on "Embedding employee wellness and engagement into corporations", Pruyne, Powell and Parsons (2012) on "Developing a strategy for Employee Well-being", Cooper (2011) on "Well-being strategies in the workplace" and SA Health (2012) on the workplace benefits of mental health training.

The first three sources embrace the business case outlined in section 1.2.2 and provide practical guides for developing employee happiness strategies. This resonates with the

intention of this study. SA Health (2012) does not offer a practical guide for enterprises as such, but educates the reader about mental health training and advises on how the individual can build happiness in the workplace. These sources offer a response to the problem context described in sections 1.2.1 and 1.2.2. They include the following noteworthy points:

1. The sources generally agree that a global perspective of happiness must be adopted: enterprises should be concerned about physical, mental and social health of their employees.
2. Pruyne, Powell and Parsons (2012) develop their strategy off the back of a companion document, "Corporate investment in Employee Well-being: the emerging strategic imperative", provided by Pruyne (2011). It provides a comprehensive review of the literature on employee happiness based on academic, government and practitioner sources and identified factors and trends relevant in making informed decisions about corporate investment in the area of employee happiness.
3. Pruyne, Powell and Parsons's (2012) practical guide offers the user assistance with making strategic choices at a number of stages, for example, eight dimensions of well-being, each with different ways to define or describe it, are offered as possibilities to fit the enterprise's understanding of happiness.
4. Cooper (2011, p. 2) includes an explanation of how happiness strategies must be made for the right reasons. The white paper describes how "6 essentials" of workplace well-being drive psychological well-being, defined as a sense of purpose and positive emotion, which in turn feeds through to individual and organisational outcomes.
5. Right Management (2011, p. 6) also describes how "the well-being and engagement agenda is recognised as a driver of broader organisational objectives and strategy rather than limited to simple metric improvements." Right Management's "BITC Workwell Model" recommends employer and employee actions for improving happiness and shows how they lead to business benefits.
6. The Workwell Model is accompanied by a process model that provides steps for organisations to adopt to maximize the long-term impact of their happiness strategies. It includes case studies of British organisations that have achieved long-lasting impact.

It is proposed that, although these sources go some way in resolving the problem context, there is still an opportunity to add to this domain. The following points are highlighted:

1. In general, the sources provide models without elucidating their development. It is proposed that documenting the process of developing a model will better enable its understanding and practical use.
2. The sources are developed in a business rather than academic context. It is unclear whether they would stand the test of academic examination.
3. The models all offer varying interpretations of happiness.
4. Although Pruyne, Powell and Parsons (2012) provide a comprehensive business case and strategy, the perspective seems to be warped. The first process step is



to adopt one of six strategic lenses, such as “productivity and absence control” to drive decisions about investing in employee well-being. It is argued that driving well-being through a performance lens is self-defeating as an unrestricted employee is unlikely to respond to a program that is purely designed to make him or her more productive.

5. In the case of Cooper (2011), the model of psychological well-being (sense of purpose and positive emotions) seems to require more depth and detail.
6. Right Management (2011) provides a sound process for executing wellness strategies. However, the model lacks an objective view of the topic. The practical application of the process is merely illustrated with an array of diverse interpretations of happiness in the British workplace.

It is noted that, although these sources seem to contain a number of shortcomings, they are but a small sample of the literature on employee flourishing. A more comprehensive review is required. However, sources of literature on this topic are thought to be innumerable due to the research’s broad nature: questions surrounding happiness at work are historic and wide-ranging. Attempts to perform a comprehensive review are thought to be futile. While admitting that such a review is incomplete, it is readily seen that enterprises do not seem to have discovered a global solution for employee flourishing. Work remains to be done on this complex topic. Furthermore, the timing of this study coincides appropriately with the global movement towards happiness, described in section 1.1.

It is proposed that the complexities of employee flourishing should not cause the Industrial Engineering researcher to shy away from the topic. Rather, they should prompt a more active response. Happiness is positioned as people’s ultimate concern, meaning that another study into the topic will always be welcome. It is further proposed that there is specific value in approaching the topic from an Industrial Engineering perspective. The merits of this domain are well established and there is seemingly no evidence of its application to this topic.

The brief review compiled in this section is proposed to give this study sufficient background in order to continue. Focus is now turned towards articulating a problem statement and proceeding accordingly.

### **1.3 Problem statement**

Literature in section 1.2 has shown that:

- Despite the high regard with which it is viewed, the development of happiness has faltered in society, especially in the workplace.
- There is a well-recognised business case for employee happiness. Enterprises should engage in managing employee happiness to stay competitive in the long term.
- Current literature does not solve the problem of managing employee happiness.

There is thus an opportunity to develop the domain of employee happiness.

#### 1.4 Research purpose

The research purpose is to develop a conceptual model to assist enterprises in managing employee happiness.

#### 1.5 Research objectives

In order to accomplish the research purpose, the following objectives are set:

1. An understanding of the state of the art of employee happiness, the terms relevant to this notion and its relevance to the Industrial Engineering domain
2. Review of types of conceptual model to identify a type of model that assists enterprises in managing employee happiness as well as characteristics of this model
3. The definition of design requirements for the chosen type of conceptual model
4. The development of a conceptual model to assist enterprises in managing employee happiness
5. Verification that the conceptual model satisfies the design requirements
6. Validation that this study meets a recognized business need and that the conceptual model assists enterprises in managing employee happiness

#### 1.6 Research methodology

The research methodology describes the plan for completing the research objectives. It is structured into two sections: methods and questions, similar to the structure used by Van Dyk (2013, pp. 5-11).

##### 1.6.1 Research methods

The research methods are the primary means for completing the research objectives.

These methods are listed in column 1 of

Table 1-1. They are associated with the research objectives listed in column 2. The corresponding sections of the study are listed in column 3.

Table 1-1 therefore provides an outline for the structure and completion of this study.

**Table 1-1: Research objectives, methods and sections**

Research method	Research objectives	Section
<b>Problem definition and literature study confirmation</b> of the state of the art of employee happiness	1	1, 2
<b>Literature review</b> of types of conceptual models	2	3
Forming <b>design requirements</b> based on the covered literature that structure the development of the chosen type of conceptual model	3	4
Defining a process, or <b>conceptual model design methodology</b> , for translating the design requirements into a conceptual model	4	5
<b>Conceptual model design and optimisation</b>	4	6, 7, 8
<b>Verification and validation</b>	5, 6	9, 10

In the following section, the research objectives are developed in terms of associated research questions.

### **1.6.2 Research questions**

Research questions are paired with corresponding research objectives in Table 1-2. They are answered throughout the study, as referenced in column 3, and thus further facilitate study completion.

**Table 1-2: Objectives and questions addressed by research study**

Research objective	Research question	Section
1. An understanding of the state of the art of employee happiness, the terms relevant to this notion and the relevance of this notion to the Industrial Engineering domain	1.1. What constitutes the experience of the good life? (What is employee happiness?) 1.2. Why is it important? 1.3. Why is it important in an Industrial Engineering context? 1.4. What are the problems surrounding employee happiness? 1.5. How can the research be designed in order to solve these problems?	1, 2 1.1 1, 1.2 1.2, 1.3 1.4, 1.5, 1.6
2. Review of types of conceptual model to identify a type of model that assists enterprises in managing employee happiness as well as characteristics of this model	2.1. What is a suitable type of conceptual model to assist enterprises in managing employee happiness? 2.2. What are the relevant characteristics of such a model?	3 3.2
3. The definition of design requirements for the chosen type of conceptual model	3.1. Is there evidence in literature of good practice for formulating design requirements? 3.2. What design requirements are produced through an understanding of the state of the art of employee happiness? 3.3. What design requirements are produced by the development of a suitable type of conceptual model?	4.1 1, 4.2 3, 4.2

Research objective	Research question	Section
4. The development of a conceptual model to assist enterprises in managing employee happiness	4.1. How should the conceptual model be developed? 4.2. What is the refined scope of developing the conceptual model? 4.3. What is the initial design concept? 4.4. What is the optimised design concept?	5 5 6 7, 8
5. Verification that the conceptual model satisfies the design requirements and that the research questions have been answered	5.1. How is the conceptual model verified? 5.2. Does the conceptual model meet the design requirements?	9.2 9.2
6. Validation that the research questions have been answered, this study addresses a recognized business need and the conceptual model assists in addressing this need	6.1. How is the conceptual model validated?  6.2. External validation: Does this study address a recognised business need? 6.3. External validation: Does the conceptual model assist in addressing this need? 6.4. Internal validation: Have the research questions been answered? 6.5. What amendments need to be made to the conceptual model?	10.1, 10.2, 10.3 10.2.4 10.2.4 10.3 10.2.4, 10.4

## 1.7 Research scope

A brief literature review has revealed that there is seemingly no evidence of an Industrial Engineering application to the topic of employee flourishing. A systematic review is necessary to confirm this statement, however, this is presently out of scope. At this stage, it is assumed that this study is novel. The scope of the study has therefore been left intentionally broad. It is positioned as cornerstone research that may set the scene for more localised research and application. It is guided by the research purpose: to develop a conceptual model to assist enterprises in managing employee happiness. The specifics of this statement are defined as the study unfolds.

One final note is made on the research scope. The review conducted in section 1.2.3 shows that there are various interpretations of the constituent components of employee happiness. The sources tend to agree that a global perspective should be adopted; one that includes, for example, physical and social well-being. Noting, once again, that Positive Psychology inspires this study, helps refine the research scope. Csikszentmihalyi and Seligman (2000, p. 5) note Positive Psychology to be a science of subjective experience. Using this perspective results in the view that goals such as physical and social well-being fall within the broader goal of positive subjective experience. This study therefore focuses on the employee's state of mind.

## 1.8 Chapter conclusion

This chapter has established the need for assisting enterprises in managing employee happiness. The following research questions have been addressed:

1.2. Why is employee happiness important?

1.3. Why is it important in an Industrial Engineering context?

1.4. What are the problems surrounding employee happiness?

1.5. How can the research be designed in order to solve these problems?

The research design, which covers research objectives, methods and questions, forms the basis for study completion. The roadmap presented as Figure 1-2 is the product of the research design. The study proceeds according to this roadmap. A research summary, structured using the roadmap, follows the figure in order to give the reader a holistic sense of the study.

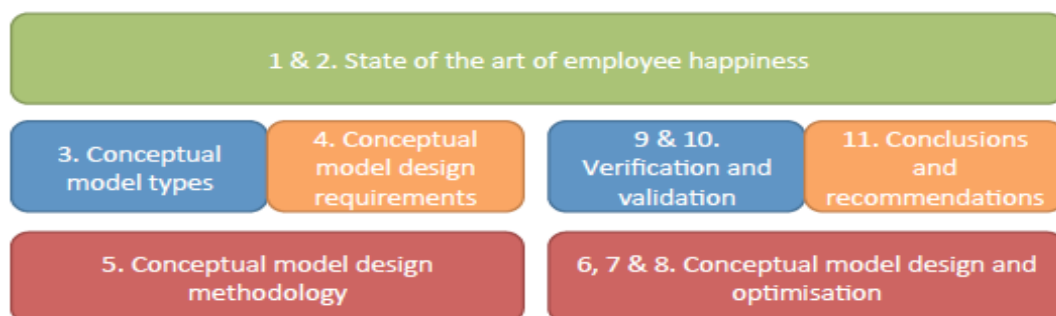


Figure 1-2: Study roadmap

### 1.8.1 *Research summary*

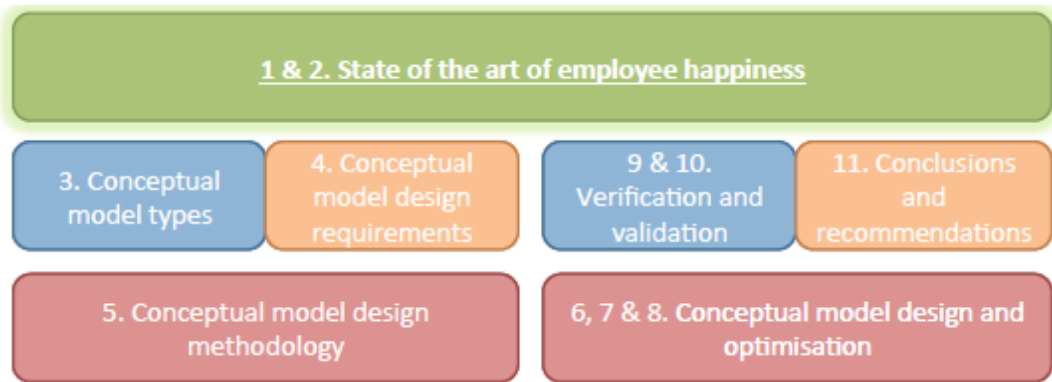
The research is summarised in Table 1-3 using the chapters portrayed by Figure 1-2.

**Table 1-3: Research summary**

Chapter	Summary
1	The business case for managing employee happiness is developed and this research study is designed
2	Literature on the experience of the good life is reviewed in order to gauge the meaning of terms such as happiness and arrive at the state of the art
3	A search is performed to find a type of conceptual model that practically assists enterprises in managing employee happiness
4	The first three chapters feed the formulation of design requirements for the chosen type of conceptual model
5	A process is developed for translating the design requirements into the conceptual model
6,7 & 8	The conceptual model is designed and optimised
9	The optimised conceptual model is verified against the original design requirements
10	The verified conceptual model is validated in industry
11	The study is set up for future work

The study has settled into the use of the term happiness to describe the experience of the good life, as stated in section 1. The following section extends the discussion on this term and thus broadens understanding of the state of the art.

## 2. AN OBJECTIVE VIEW OF THE GOOD LIFE



Section 1.1 shows that there is a high regard for happiness. However, the term has not been accepted in literature as representative of the experience of the good life. This is partly due to a lack of an objective understanding of what seems to be a vague concept (Dodge, Daly, Huyton, & Sanders, 2012, pp. 223-226). This chapter investigates this notion in detail, thus answering the following research question:

1.1. What constitutes the experience of the good life? (What is employee happiness?)

### 2.1 Is happiness too simple?

Happiness has been used thus far as a general description for the experience of the good life. The term is mostly presented in literature in the Benthamian sense: as the experience of pleasure and the absence of pain. Kahneman (2003, p. 1) refers to this concept as experienced utility. He advises that an objective measure of happiness can be accomplished using a moment-based measure of experienced utility that only considers current reports of pleasure and pain. However, Kahneman simultaneously states that this is not a comprehensive concept of human well-being and cites two major objections to this approach. The first objection is that there is more to life than good mood (Kahneman, 2003, p. 19). This can be illustrated by Robert Nozick's experience-machine thought experiment, described by Kawall (1999, p. 2). Nozick imagines giving people the option to plug into a machine that allows them to experience a lifetime of bliss without knowing they are plugged in and without any experience of the outside world. Nozick suggests that, even though this presents an opportunity to have nothing but desirable experiences and mental states, few people would agree to such treatment. The second objection raised by Kahneman (2003, p. 19) is that a moment-based approach, "fails to reflect the role of memory in the subjective reality of mental life". Kahneman illustrates the role of memory by referencing the tendencies for people to consume good memories, for memories to "endure and populate the mind" as opposed to the fleeting present and for certain moments to be remembered as being more meaningful than others. Happiness seems to be an oversimplification.



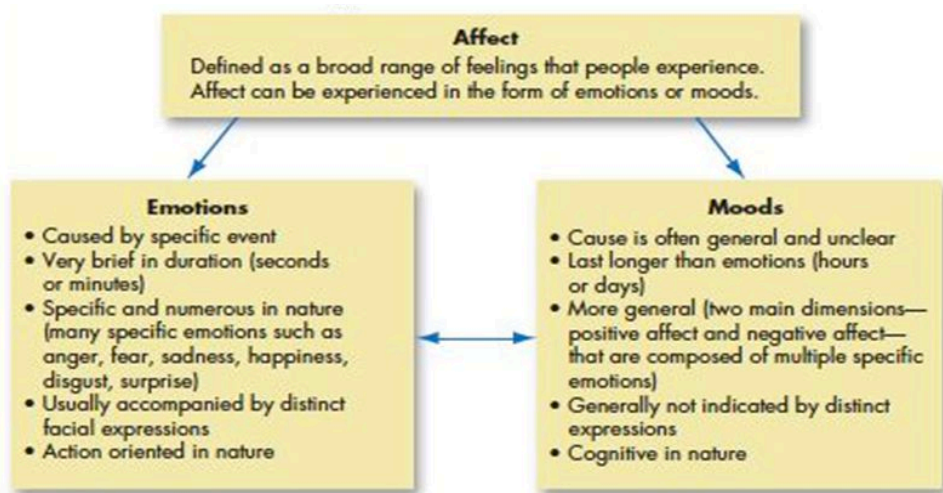
## 2.2 Well-being, an extended perspective

“Well-being”, defined at Dictionary.com (2016) as “a good or satisfactory condition of existence” is perhaps a more relevant term for the experience of the good life. However, Centers for Disease Control and Prevention (2016) states there is no consensus around a single definition of well-being and that researchers from different disciplines tend to examine different aspects of the subject. These aspects include physical, economic, social, emotional and psychological. The matter is further complicated by the fact that both objective and subjective measures of well-being exist. Respective examples include neighbourhood crime rates (objective measure of social well-being) and self-reports of mood (subjective measure of psychological well-being).

As described in section 1.7, this study focuses on psychological well-being, based on the proposition that perceptions of other types of well-being all tend to be governed by the state of mind. Centers for Disease Control and Prevention (2016) states that psychological well-being is typically measured with self-reports. This is promoted by Diener, Lucas and Oishi (2009, p. 63) who state that scientists who study the topic assume that an essential ingredient of the good life is that the person likes his or her life. It is readily seen that an individual’s perceived experience of well-being must outweigh any external measure: People cannot be told whether they are happy or not. Furthermore, Diener, Lucas and Oishi (2009, p. 64) state that self-report measures seem to converge with other types of assessment of well-being such as ratings from psychologists, reports from friends and family and frequency of smiling, thus enhancing their reliability. The process of evaluating one’s life has given rise to the term “subjective well-being” (SWB).

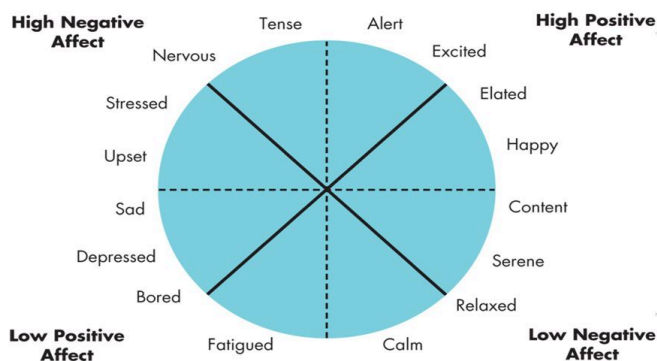
## 2.3 Subjective well-being

Boniwell (2016) shows that SWB is defined by a combination of life satisfaction and the relative frequency of positive and negative affect. Life satisfaction represents one’s assessment of one’s own life. It is cognitive in nature. One is satisfied when there is little discrepancy between the present and what is thought to be an ideal situation. Affect, on the other hand, is a judgment of everyday experience of mood and emotion. The concepts of affect, mood and emotion are detailed in Figure 2-1.



**Figure 2-1: Affect, emotions and moods (Robbins & Judge, 2014)**

The spectrum of affect is depicted in Figure 2-2 in terms of specific moods and emotions. Warr, Barter and Brownbridge (1983, p. 644) show that positive and negative affect are viewed as statistically independent. Happy, as portrayed by Figure 2-2, is therefore the state of high positive affect combined with low negative affect.



**Figure 2-2: Spectrum of emotion and mood (Cook, 2015)**

The concepts of positive and negative affect echo the characteristics of Benthamian utility (the experience of pleasure and the absence of pain). SWB extends this concept to include a life satisfaction component. SWB seems to have been widely adopted as a term that pertains to the experience of the good life in an academic context. However, the SWB model has been proven to contain a number of complications that have influenced leading psychologists to question its validity.

#### 2.4 The complications of SWB

In his Ted-talk on “The riddle of experience versus memory”, Kahneman (2010) illustrates an arising conflict between current measures of affect with reports made in hindsight.

Kahneman references an experiment where patients undergoing a harsh procedure are asked to report their pain every 60 seconds. Patient A reports less pain than Patient B overall. However, when asked to report on the pain in hindsight, Patient A reports higher pain than Patient B. This is probably due to a short spike in pain near the end of Patient A's procedure that influenced the patient's memory. Kahneman (2003, p. 4) points out that questions surrounding life satisfaction often rely on memory and that this may be inconsistent with current reports, as illustrated by the above experiment. SWB measures attempt to combine the day-to-day experience of affect with the long-term assessment of life satisfaction. These measures are not necessarily coherent.

Another questioning psychologist is Seligman, widely considered as the father of the growing field of Positive Psychology (positive psychology institute, 2012). Seligman (2011, p. 13) argues that, "averaged over many people, the mood you are in determines more than 70% of how much life satisfaction you report", showing that SWB may merely be a report of good feeling. This has led Seligman to suggest that Positive Psychology should target "flourishing" instead of life satisfaction (2010, p. 234).

## **2.5 Flourishing as a construct for the experience of the good life**

Seligman (2011, p. 24) states that flourishing is defined by the pillars on which it rests: a set of pursuits that are each empirically proven to contribute to well-being and are valued for their own sake, not merely as a means to some other end. They are Positive emotion, Engagement, Relationship, Meaning and Accomplishment, collectively known as PERMA. Seligman therefore defines the good life as being pleasant, engaged, connected, meaningful and achieving. The exact words of Seligman (2011, pp. 11-19) are used to articulate these five terms:

1. "Positive emotion refers to what we feel: pleasure, rapture, ecstasy, warmth, comfort.
2. Engagement is about flow: being one with the music, time stopping, and the loss of self-consciousness during an absorbing activity.
3. Human beings, ineluctably, want meaning: belonging to and serving something that you believe is bigger than you are.
4. Recent streams of argument about human evolution point to the importance of positive relationships in their own right and for their own sake. Studies of the big social brain, the hive emotions, and group selection persuade me that positive relationships are a basic element of well-being.
5. Accomplishment (or achievement) is often pursued for its own sake, even when it brings no positive emotion, no meaning, and nothing in the way of positive relationships. Winning only for winning's sake can also be seen in the pursuit of wealth. In contrast to philanthropic millionaires, there are 'accumulators' who believe that the person who dies with the most toys wins. Their lives are built around winning, and they do not give away their toys except in the service of winning more toys. So well-being theory includes accomplishment for the sake of accomplishment."

Dodge, Daly, Huyton and Sanders (2012, pp. 222-235) offer a detailed investigation into well-being and the challenges surrounding the term's definition. Dodge *et al.* (2012, pp. 223-226) conclude the section on, "What constitutes well-being?" with a discussion of Seligman's concept of flourishing. They promote it as "a welcome departure from the now over-used term of happiness", which is positioned as "an awkward construct that hides the true, complex nature of human flourishing". However, Dodge *et al.* (2012, p. 226) state that Seligman's work is disappointing in terms of resolving the debate on defining well-being. This is because flourishing is offered as a construct rather than a definition. Dodge *et al.* (2012, p. 230) proceed to offer a definition of well-being as "the balance point between an individual's resource pool and the challenges faced". Resources and challenges are categorised as psychological, social and physical. This definition is proposed to support the well-being concept of flow, described by Csikszentmihalyi and Csikszentmihalyi (1988, p. 1) as a theoretical model of optimal experience. Dodge *et al.* believe that their proposed definition of well-being could aid the UK government's intention to implement measures of well-being for the UK as a whole. However, there is limited evidence of its uptake.

It is noted that there is seemingly unlimited potential for a discussion on the experience of the good life. At this stage, it is useful to settle on a description of this notion. Although it may not offer a concrete definition of well-being, Seligman's flourishing, as a result of PERMA, is proposed as a useful and prevailing construct. It is further noted that the definition of well-being provided by Dodge *et al.* seems to be captured by the engagement factor of PERMA. It is proposed that the majority of happiness-related terms can be fitted within the PERMA construct. For example, pleasure, positive affect and hedonia within Positive emotion and life satisfaction, purpose and eudaimonia within Meaning. There is also evidence in literature of recent attempts to operationalize flourishing. This bolsters the use of the PERMA construct.

Kern, Waters, Adler and White (2014, pp. 262-271), for example, explore whether the PERMA constructs can be measured as separate dimensions in the context of Australian adolescent students. The study draws items associated with PERMA from broader well-being assessments. The study recovers the PERMA factors from the broader assessments, but includes evidence that meaning loads on to relationship. It is noted that this may be due to the sample: Teenagers may gain meaning from their associations with others. Kern *et al.* provide a platform to use PERMA in an organisational setting. The study also extends its investigation beyond PERMA. This extension seems to approach a more comprehensive understanding of the good life, as evidenced by the following section.

## **2.6 Flourishing extended**

Seligman (2010, pp. 231-243) shows that, up until recently, there has been a focus of psychology on repairing pathology. He states that, over the last 50 years, psychologists have become well equipped to deal with depression and other conditions of mental illness. Flourishing is a product of the field of Positive Psychology, which, Seligman states, is intended to complement the traditional areas of psychology (2010, p. 233). Seligman

holds that people should target a state of flourishing. However, it is noted that this should not eliminate the role of negative emotions from people's lives. Schimmack (2005, pp. 97-123) shows that this would have the unintended consequence of people losing the variety and subtlety of their most profound emotional experiences.

The results of Kern *et al.*'s study of the PERMA construct lend credence to this claim. They suggest that well-being is multidimensional, on both the positive and negative sides of the mental health continuum, and that cognizance of this allows for better ability to manage well-being. The study therefore produces Depression and Anxiety factors alongside PERMA. Kern *et al.* produce a questionnaire that may serve as a practical element for managing flourishing.

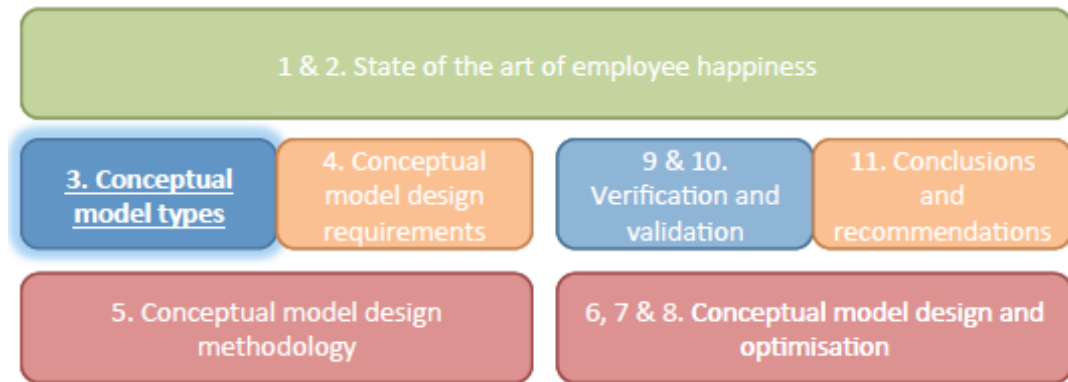
## **2.7 Chapter conclusion**

This chapter reviews literature surrounding the notion of the experience of the good life, the topic of interest of Positive Psychology.

The platform provided by Kern *et al.* is adopted as a useful construct for the experience of the good life. This study thus adheres to the proposition that management of PERMA, the factors of flourishing, as well as Depression and Anxiety, will increase the likelihood of the experience of the good life. Flourishing lends its name to this paper and, henceforth, is generally used to describe this experience. However, it is noted that this proposition is not universally accepted. A more concrete model may form as the field of Positive Psychology continues to gain traction. In the meantime, terms and measures such as happiness and SWB remain relevant. These terms are often used interchangeably. Despite the lack of academic consensus, the "why" of the paper remains clear: building the experience of the good life for enterprise employees.

Having investigated the state of the art of employee flourishing, the study proceeds with the third research method, a literature review of types of conceptual models for managing employee flourishing.

### 3. A SUITABLE TYPE OF CONCEPTUAL MODEL



This section answers the following research questions:

- 2.1. What is a suitable type of conceptual model to assist enterprises in managing employee flourishing?
- 2.2. What are the relevant characteristics of such a model?

The investigation of a suitable type of conceptual model is guided by a need to fulfil the research purpose, which is to assist enterprises in managing employee flourishing. The conceptual model should be as practical as possible. At the same time, there is a need to offer a high-level perspective. This is because this study seems to be a front-running example of the application of the Industrial Engineering domain to the specific notion of employee flourishing.

The concept of a framework, defined by Mirriam-Webster (2016) as, “a set of ideas or facts that provide support for something”, is considered a suitable starting point. This section investigates types of framework as possible conceptual models for assisting enterprises in managing employee flourishing.

#### 3.1 Types of framework

UN Women (2012) describes three of the most common frameworks for monitoring and evaluating activity: conceptual, strategic and logic. The organisation states that a conceptual framework consists of diagrams that identify and illustrate relationships among relevant factors that may influence a program and the successful achievement of goals. Jabareen (2009, p. 51) defines a conceptual framework as a network of interlinked concepts that together provide a comprehensive understanding of a phenomenon. It is a response to the issue that most social phenomena are complex and linked to multiple “bodies of knowledge” that belong to different disciplines. UN Women (2012) proceeds to note that conceptual frameworks help explain program results but do not form the basis for implementation and monitoring and evaluation activities. A strategic framework, on the other hand, forms the basis for these activities at the objective level. It illustrates direct relationships between the intermediate results of activities all the way to overall goals. A logical framework then outlines specific inputs needed to carry out the processes

to produce specific outputs that result in specific outcomes. Strategic and logical frameworks are used respectively to guide enterprises in decision-making at the objective and subjective level.

### **3.2 Relevant framework components**

A number of framework components are relevant to this study. A conceptual framework is relevant as, firstly, it responds to the issue that employee flourishing is readily seen as a complex phenomenon and, secondly, the topic is proposed to be linked to a number of bodies of knowledge, such as Organizational Behaviour and Human Resource Management, all of which are themselves broad and complex. However, a conceptual framework does not form the basis for implementation and monitoring and evaluation activities and is therefore not sufficiently practical. A strategic framework seems to better meet this need.

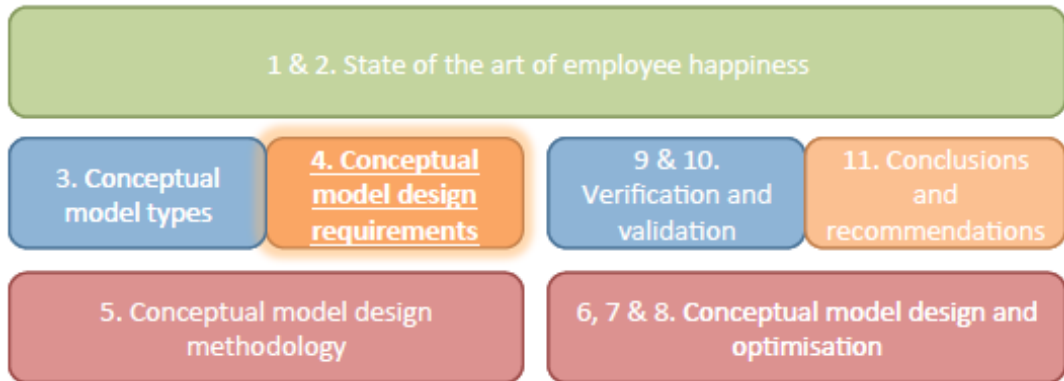
A strategic framework forms the basis for these activities at the objective level. This fits the need to offer a high-level perspective. This study may set the scene for more localised research and application. In the meantime, an objective perspective is assumed. A strategic framework is therefore proposed as an appropriate type of conceptual model for achieving the research purpose. It may be adapted into logical frameworks within specific enterprise contexts in future studies. Although a strategic framework is adopted as the objective of this study, certain components of a conceptual framework remain relevant, such as linking multiple bodies of knowledge. These aspects are therefore incorporated into the development of the framework. For the sake of simplicity, the term “strategic framework” is used as an umbrella term to combine the relevant framework components.

### **3.3 Chapter conclusion**

This section produces a strategic framework as an appropriate type of conceptual model for managing employee flourishing. Its chief characteristic is to form the basis for implementing and monitoring and evaluating activities at the objective level. It also packages the bodies of knowledge linked to the concept of employee flourishing. The strategic framework is applicable to all types of enterprises.

Sections 2 and 3 streamline the subject of this study. Flourishing has been adopted as a term that describes the experience of the good life and a strategic framework as a suitable type of conceptual model for managing employee flourishing. This produces the title of this study, “The Employee Flourishing Strategic Framework”, henceforth abbreviated to EFSF. The research purpose of this paper has thus evolved into “The creation of the EFSF – a means to assist enterprises in managing employee flourishing.” The following few sections describe the building of the EFSF, beginning with the formulation of design requirements.

#### 4. EFSF DESIGN REQUIREMENTS



Formulating the EFSF design requirements ensures quality of design and that the end product is fit for purpose. The design requirements create structure for the development of the EFSF. This chapter answers the following research questions:

3.1. Is there evidence in literature of good practice for formulating design requirements?

3.2. What design requirements are produced through an understanding of the state of the art of employee flourishing?

3.3. What design requirements are produced by the development of a suitable type of conceptual model?

The chapter begins with an investigation of good practice for formulating design requirements.

##### 4.1 Good practice for formulating design requirements

Krause and Schutte (2015, p. 172), Brockmüller (2008, p. 89) and Weber (2011, pp. 170-171) show that design requirements can be commonly categorised as follows:

- Functional requirements: Depicting requirements on the performance or results of the design – what the design is intended to do (the most important requirements)
- User requirements: Specific requirements from the user’s viewpoint (e.g. maintenance or operating specifications)
- Design restrictions: Designated by the designer about the preferred solution space
- Attention points: Specifications that are relevant to design and should be noted, but are not hard requirements and cannot be named design restrictions
- Boundary conditions: Requirements or rules that may not be altered by the design (e.g. legislation, ethical habits or code of conduct)

This study makes use of this common categorisation. It also borrows a number of specific requirements from the afore-mentioned studies that align with the intent of this study. These are detailed in the following section.



## 4.2 Design requirements per category

The design requirements are listed according to requirement category along with a motivation for their inclusion. Relevant literature is referenced within the motivation. A number of design requirements are typical to the categories formed above. The remaining requirements originate from the previous discussions on the state of the art of employee flourishing (sections 1 and 2) and types of conceptual models (section 3). The following legend is used in the table:

1. Functional requirements = F
2. User requirements = U
3. Design restrictions = D
4. Attention points = A
5. Boundary conditions = B

The design requirements are listed in the tables below.

Functional requirements, listed in Table 4-1, describe what the EFSF is intended to do.

**Table 4-1: Functional requirements**

F1	<i>Requirement:</i> The EFSF should assist enterprises in managing employee flourishing.
	<i>Motivation:</i> This is in line with the research purpose of this study.
F2	<i>Requirement:</i> The EFSF should prescribe a process for managing employee flourishing.
	<i>Motivation:</i> Following a process allows for consistency and structure. The sources reviewed in section 1.2.3 all advocate some form of process.
F3	<i>Requirement:</i> The EFSF should prescribe tools for managing employee flourishing.
	<i>Motivation:</i> Although not meant to be an exhaustive manual, the EFSF should provide tools for enterprises to follow a more structured approach within the EFSF process (Krause & Schutte, 2015, p. 174).
F4	<i>Requirement:</i> The EFSF should prompt the designer to package the bodies of knowledge relevant to managing employee flourishing and draw creative insights from them.
	<i>Motivation:</i> The packaging of bodies of knowledge plays an integral role in the formation of a conceptual framework, as described in section 3 (UN Women, 2012). The EFSF draws from a variety of bodies of knowledge and should integrate them and insights gained from them appropriately.
F5	<i>Requirement:</i> The EFSF should form the basis for implementing activities.
	<i>Motivation:</i> This is a relevant attribute of a strategic framework, also described in section 3 (UN Women, 2012). Creativity is useless without a structured implementation process (Levitt, 2002).

F6	<i>Requirement:</i> The EFSF should form the basis for monitoring and evaluation activities.
	<i>Motivation:</i> This is another relevant attribute of a strategic framework. Monitoring and evaluation are necessary to ensure implementation has been effective (UN Women, 2012).

User requirements, listed in Table 4-2, describe the specific requirements from the user's viewpoint.

**Table 4-2: User requirements**

U1	<i>Requirement:</i> The EFSF should produce contextual elements from an objective, scientific standpoint (e.g. a construct for the experience of the good life).
	<i>Motivation:</i> This study sets the scene for more localised research and application. Therefore, development of the EFSF must begin with a high-level process and supplementary toolset. These are functional requirements. There is also scope to add to the high-level components in the form of elements. Elements demonstrate stages of the EFSF process. They may be offered to enterprises for practical use.
U2	<i>Requirement:</i> While prescribing a process, tools and offering elements, enterprises should be allowed to apply their own discretion when using the EFSF.
	<i>Motivation:</i> This study does not aim to offer a perfect solution for the complex topic of employee flourishing for every enterprise. The EFSF should not be rigid to the point that new insights and contextual factors cannot be incorporated.
U3	<i>Requirement:</i> The EFSF should be user-friendly, i.e. easy to adopt, understand and use.
	<i>Motivation:</i> Positive Psychology, the inspiration for this study, is a relatively new field (Leka & Houdmont, 2010). Few specialists exist. Even fewer are familiar with Industrial Engineering processes. Practitioners would appreciate a user-friendly EFSF. Furthermore, the EFSF is intended to affect all members of the enterprise. It will be most effective when these members understand its intent and components.
U4	<i>Requirement:</i> The EFSF should support repeated and continuous use.
	<i>Motivation:</i> The intention of the EFSF is not to be a once-off application, but to be used as an embedded approach for managing employee flourishing (Krause & Schutte, 2015).
U5	<i>Requirement:</i> The EFSF should provide clear definitions and explanations.
	<i>Motivation:</i> The domain of employee flourishing contains many fuzzy terms that may easily be misinterpreted and should therefore be clarified, as emphasized by Dodge <i>et al.</i> 's (2012) "The challenge of defining well-being". Some terms are newly introduced and defined to distinguish concepts forwarded by the EFSF. A glossary is provided at the beginning of this study to aid in meeting this requirement.

Design restrictions, listed in Table 4-3 are restrictions designated by the designer about the preferred solution space.

**Table 4-3: Design restrictions**

D1	<p><i>Requirement:</i> As much as possible, the EFSF should be applicable to all cultural contexts.</p>
	<p><i>Motivation:</i> This study takes a broad, objective perspective on the topic of employee flourishing. It is intended to be a frontrunner of more specific studies. Therefore, it should apply to enterprises in all cultural contexts. This requirement is qualified with “as much as possible” because it is readily admitted that this topic is approached with a large degree of subjectivity. People have varying interpretations of what produces happiness. This may differ drastically across cultures. A glaring example is the difference between the typical practices of collectivism and individualism in the East and West described, for example, by Hui (1989). The author approaches EFSF development as objectively as possible. However, the innate bias of the author may cause the study to be less applicable in certain contexts. The percentage of enterprises that deem the EFSF to be applicable will define the success of the study.</p>
D2	<p><i>Requirement:</i> The EFSF is not an off-the-shelf product – it does not contain an exhaustive list of process stages, tools and elements, but should be comprehensive enough to provide sufficient relevant options for enterprises.</p>
	<p><i>Motivation:</i> Following the EFSF to the word will not result in well-tuned management of employee flourishing. It sets the scene for programs to be localised (Krause &amp; Schutte, 2015, p. 175).</p>
D3	<p><i>Requirement:</i> The EFSF is aimed at established enterprises, but can be adapted for startups.</p>
	<p><i>Motivation:</i> While employee flourishing affects all enterprises, it is necessary to establish some focus for the development of the EFSF. It is also proposed that enterprises that have established themselves in the market have greater capacity to dedicate resources to employee flourishing programs. Furthermore, in recent history, the workplace has tended to overlook the notion of employee flourishing (Fisher, 2010, p. 2). The EFSF aims to amend this perspective. It is aimed at established enterprises but can be adapted for greenfield design.</p>
D4	<p><i>Requirement:</i> The EFSF should focus on the employee’s psychological experience of work.</p>
	<p><i>Motivation:</i> Although well-being is often considered to extend beyond psychological experience, the EFSF adheres to the proposition that the state of mind tends to govern other aspects of well-being. This perspective echoes the motivation for the establishment of Positive Psychology, as discussed at the end of section 1.7 and in section 2.2.</p>

D5	<i>Requirement:</i> The EFSF should be developed from the standpoint of pursuing flourishing for the sake of flourishing with performance viewed as a by-product of flourishing.
	<i>Motivation:</i> This is in line with the philosophical nature of this study. Flourishing is positioned as a goal that transcends money (Reinhardt, 2010, p. 2). Sources emphasize that employees will not respond well to policies purely aimed at improving financial metrics behind a mask of flourishing (Cooper, 2011, p. 3). This study is motivated by the idea that a focus on flourishing produces financial performance as a by-product, thus sustaining the enterprise.
D6	<i>Requirement:</i> The EFSF should draw from the non-specialist bodies of knowledge without adding to them.
	<i>Motivation:</i> The novel contribution of the development of the EFSF is the combination of insights from different bodies of knowledge using the Industrial Engineering domain. This author is not qualified to add new knowledge to non-specialist bodies and should refrain from doing so.

Attention points are not hard requirements, but specifications relevant to design. Boundary conditions are rules that may not be altered by the design. Both are listed in Table 4-4.

**Table 4-4: Attention points and boundary conditions**

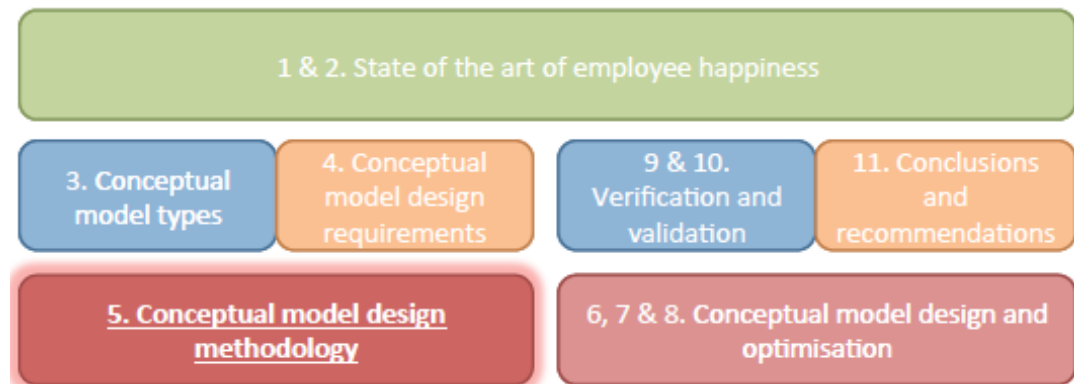
A1	<i>Requirement:</i> This study should showcase the development of the EFSF.
	<i>Motivation:</i> The advantage of doing this is that enterprises may better understand the logic of this research's methodology, thus enabling better use of the EFSF and an opportunity to borrow from the methodology to tailor the EFSF to fit the enterprise's context.
A2	<i>Requirement:</i> It is acknowledged that employee flourishing as a formal discipline is still relatively new and that the EFSF relies on emerging findings from a variety of related fields. The EFSF should be seen as a reflection of early best practice within an evolving field of knowledge.
	<i>Motivation:</i> Employee flourishing is itself a term that requires investigation in this study. Leka and Houdmont (2010, p. 1) state that there are numerous descriptors for subject specialties that concern the application of psychology in the workplace and that a new one, occupational health psychology, has attracted interest since the early 1990s. Naturally, the commercial uptake is even more recent. Flourishing is proposed to fit in with occupational health psychology. Seligman coined the term flourishing in 2011 (Seligman M. E., 2011). The EFSF relies on an evolving field. Its design adds to this evolution. It is not intended to be timeless and will require future work.
B1	<i>Requirement:</i> The EFSF should not be used to exploit parties involved in its implementation.
	<i>Motivation:</i> The EFSF calls for the nudging of psychological experience through the design of work. There is obvious risk in giving people tools over the human mind. The EFSF should be used responsibly.

B2	<i>Requirement:</i> Use of the EFSF should adhere to local laws and regulations. <i>Motivation:</i> The EFSF does not define these considerations, but it is expected that the enterprise does not act in contravention of local laws and regulations, specifically occupational health and safety standards.
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### 4.3 Chapter conclusion

This chapter has categorised a set of design requirements, according to best practice, into functional requirements, user requirements, design restrictions, attention points and boundary conditions. The EFSF design requirements are developed within these categories. A number of requirements are typical to these categories. The remainder are drawn from previous discussions on the state of the art of employee happiness and types of conceptual models. The design requirements proposed in this section are used as the input into the development of the EFSF. The study proceeds with a discussion of the EFSF design methodology.

## 5. EFSF DESIGN METHODOLOGY



The EFSF design methodology is a process for translating the design requirements into the conceptual model. Defining this process helps answer the following research questions.

4.1. How should the conceptual model be developed?

4.2. What is the refined scope of developing the conceptual model?

The chapter begins with a discussion of the philosophical perspective that guides the design methodology and proceeds with developing the methodology itself. It ends with a review of how the design methodology aligns with the goal of meeting the design requirements.

### 5.1 Philosophical perspective

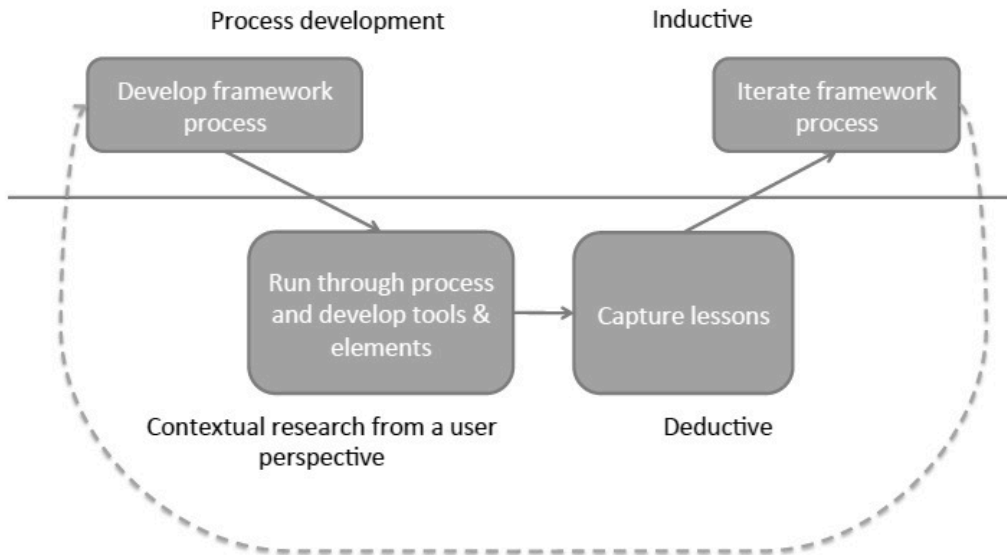
Ungerer (2015, p. 4) states that the purpose of scientific inquiry is the discovery of truth, but that every researcher has prior commitment to certain assumptions regarding the nature of reality and the way it can be investigated, known as a philosophical perspective. This perspective influences what is considered to be true and the suitable approaches to obtaining it. The EFSF is developed from a constructivism philosophical perspective. As stated by Ungerer (2015, p. 6), “constructivism embraces the subjective nature of the investigator and assumes that the investigator and the object of inquiry are inexorably linked. In fact, in the case of constructivism, knowledge is actually created and refined via the interaction between the investigator, respondents and the object of inquiry.”

This research perspective mirrors the practical teachings of the Lean Startup methodology. Ries (2011), author of “The Lean Startup”, proposes that startups develop more suitable offerings by testing business hypotheses, iterating product releases and engaging in validated learning. The lean start-up methodology is characterised by the Build-Measure-Learn cycle. It prompts enterprises to avoid overinvesting in an idea without gaining a sense of its validity.

The EFSF makes use of the constructivism philosophical perspective in combination with the Lean Startup methodology. The EFSF is thus “constructed leanly” as the author engages in its development.

## 5.2 Lean construction

The EFSF design methodology is portrayed in Figure 5-1. This methodology is newly created for the purposes of this study. A detailed description of the methodology follows.



**Figure 5-1: EFSF design methodology**

An initial “EFSF process” is developed as a high-level design concept (Build). The design concept is a product of inductive research: It is a process that is derived from an observation (Bryman & Bell, 2011, p. 9). The mode of inductive research is portrayed in the upper plane of Figure 5-1. Observations made in the upper plane lead to the identification of bodies of knowledge relevant to the EFSF.

The concept is then tested by performing a “run-through” of the prescribed process (Measure). This is portrayed in the lower plane of Figure 5-1. Activity in the lower plane involves a switch in research theory. Research becomes deductive: Findings are generated from following the process that was previously developed (Bryman & Bell, 2011, p. 9). The author performs contextual literature reviews that provide detail at each stage of the process. This enables development of the previously identified bodies of knowledge.

Three things are produced during the run-through: “EFSF tools”, “EFSF elements” and lessons surrounding the EFSF process (Learn). EFSF tools are developed to supplement the EFSF process. EFSF elements serve to demonstrate stages of the EFSF and are offered to enterprises for practical use. An example of an EFSF element is the construct for the

experience of the good life described in section 2. While tools and elements are produced, lessons are gained from completing the prescribed process. They further inform the process itself. Thus, the research becomes inductive once again: the implications of the lessons are inferred for the process that prompted them (Bryman & Bell, 2011, p. 9).

The EFSF is iterated in this manner. It is therefore in a constant state of optimisation, as portrayed by the dashed arrows in Figure 5-1. For the scope of this study, three, pre-validation iterations produce a sufficiently detailed design. Lessons surrounding the EFSF process and resulting iterations, EFSF tools and EFSF elements are tabulated and portrayed at relevant sections of the run-throughs to showcase the lean construction of the EFSF. The results of following this methodology are validated in section 10. The results of the validation process inform amendments to the EFSF. Incorporating these amendments produces the final iteration of the EFSF in this study. The EFSF is not practically implemented at this stage. Nor is it contextualised for any specific enterprise.

### 5.3 Aligning design methodology and design requirements

In this section, the EFSF design methodology is reviewed to determine how well it will meet the EFSF design requirements. Seemingly overlooked design requirements are then given specific attention. This brief review ensures that the study is headed in the right direction.

The design methodology is proposed to specifically address the requirements listed in Table 5-1. The table describes the methodology's alignment with each listed requirement.

**Table 5-1: Specific requirements addressed by design methodology**

F1	<i>Requirement:</i> The EFSF should assist enterprises in managing employee flourishing.
	<i>Alignment with methodology:</i> Naturally, the methodology is guided by the research purpose.
F2	<i>Requirement:</i> The EFSF should prescribe a process for managing employee flourishing.
	<i>Alignment with methodology:</i> The methodology produces such a process.
F3	<i>Requirement:</i> The EFSF should prescribe tools for managing employee flourishing.
	<i>Alignment with methodology:</i> The methodology produces such tools.
F4	<i>Requirement:</i> The EFSF should prompt the designer to package the bodies of knowledge relevant to managing employee flourishing and draw creative insights from them.
	<i>Alignment with methodology:</i> Bodies of knowledge are identified during inductive observations and developed during contextual literature reviews.
U1	<i>Requirement:</i> The EFSF should produce contextual elements from an objective, scientific standpoint (e.g. a model for the experience of the good life).
	<i>Alignment with methodology:</i> The methodology produces contextual elements.



U2	<i>Requirement:</i> While prescribing a process, tools and offering elements, the enterprise should be allowed to apply its own discretion when using the EFSF.
	<i>Alignment with methodology:</i> The methodology requires creative insights in order for iteration to continue. This sets an example for future designers, who may develop the linked bodies of knowledge or extend the EFSF to include entirely new ones.
D2	<i>Requirement:</i> The EFSF is not an off-the-shelf product – it does not contain an exhaustive list of process stages, tools and elements, but should be comprehensive enough to provide sufficient relevant options for enterprises.
	<i>Alignment with methodology:</i> The methodology is followed until a comprehensive set of process stages, tools and elements are produced but is halted before it is fit for any purpose. Three iterations are deemed to be sufficient.
A1	<i>Requirement:</i> This study should showcase the development of the EFSF.
	<i>Alignment with methodology:</i> The evolution of the EFSF is showcased throughout the study as a result of the lean construction philosophical perspective.

The remaining design requirements require attention in specific sections of the study. Notes about their inclusion are captured in Table 5-2.

**Table 5-2: Notes on remaining design requirements**

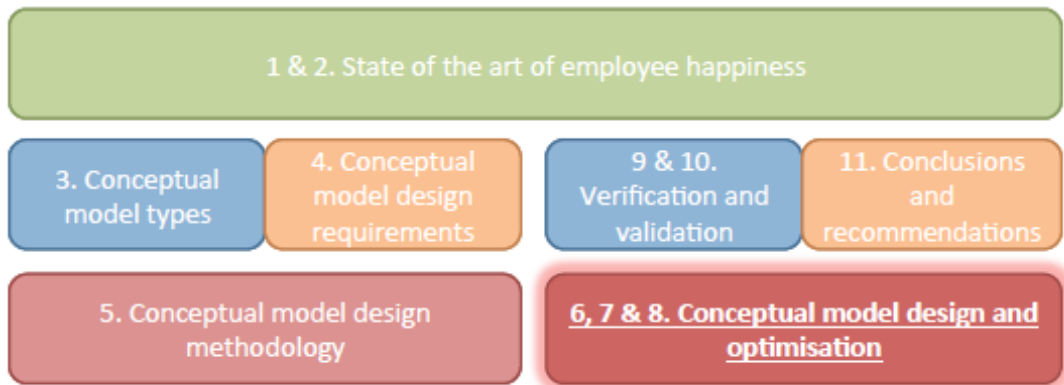
F5	<i>Requirement:</i> The EFSF should form the basis for implementing activities.
	<i>Note:</i> The EFSF process requires an implement stage.
F6	<i>Requirement:</i> The EFSF should form the basis for monitoring and evaluation activities.
	<i>Note:</i> The EFSF process requires a monitor stage and an evaluate stage.
U4	<i>Requirement:</i> The EFSF should support repeated and continuous use.
	<i>Note:</i> This should be specified during EFSF development.
U5	<i>Requirement:</i> The EFSF should provide clear definitions and explanations.
	<i>Note:</i> New terms and concepts used by the EFSF should be distinguished and captured in the glossary.
B2	<i>Requirement:</i> Use of the EFSF should adhere to local laws and regulations.
	<i>Note:</i> This should be specified during EFSF development.
U3	<i>Requirement:</i> The EFSF should be user-friendly, i.e. easy to adopt, understand and use.
	<i>Note:</i> The designer should keep this requirement in mind throughout the study. This note also applies to the following requirements.
D1	<i>Requirement:</i> As much as possible, the EFSF should be applicable to all cultural contexts.
D3	<i>Requirement:</i> The EFSF is aimed at established enterprises, but can be adapted for startups.

D4	<i>Requirement:</i> The EFSF should focus on the employee's psychological experience of work.
D5	<i>Requirement:</i> The EFSF should be developed from the standpoint of pursuing flourishing for the sake of flourishing with performance viewed as a by-product of flourishing.
D6	<i>Requirement:</i> The EFSF should draw from the non-specialist bodies of knowledge without adding to them.
A2	<i>Requirement:</i> It is acknowledged that employee flourishing as a formal discipline is still relatively new and that the EFSF relies on emerging findings from a variety of related fields. The EFSF should be seen as a reflection of early best practice within an evolving field of knowledge.
B1	<i>Requirement:</i> The EFSF should not be used to exploit parties involved in its implementation.

#### 5.4 Chapter conclusion

This chapter has produced the methodology for designing the EFSF and thereby meeting the design requirements. The EFSF uses lean construction as a philosophical perspective. This allows iterative optimisation of the EFSF as the author engages in its development. A combination of inductive and deductive research is performed to produce an EFSF process, lessons surrounding this process, a set of EFSF tools to supplement the process and a set of EFSF elements offered to enterprises for practical use. This methodology is proposed to explicitly result in meeting a number of design requirements. The remaining design requirements require more specific attention in the upcoming sections of the study. This is verified retrospectively at the end of EFSF development in section 9. The study proceeds according to the EFSF design methodology. The first stage of EFSF design is to develop a high-level design concept of the EFSF process.

## 6. EFSF PROCESS DESIGN CONCEPT



This chapter answer the following research question:

4.3. What is the initial design concept?

A high-level design concept of the EFSF process is developed from an observation according to inductive research theory.

### 6.1 Systems Approach

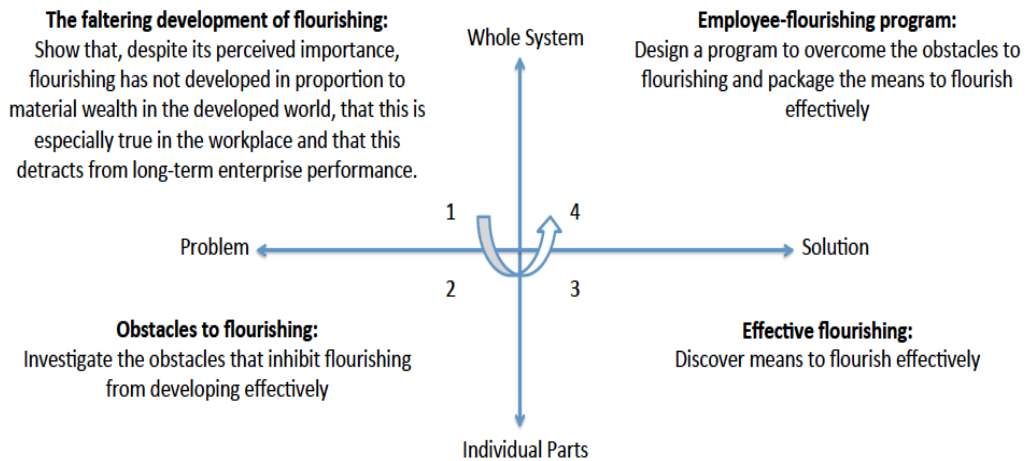
The observation is made that the faltering development of flourishing, described in section 1.2.1, must be the product of a number of constituent problems, termed here as “obstacles to flourishing”. This is the logic of the Systems Approach. Flood (2010, pp. 269-271) describes how systems thinking states that constituent parts combine to form an interrelated whole. A better overall understanding of a problem is gained by building up the whole as a sum of the individual parts. The whole problem is broken down into the parts of the problem. Solutions are investigated in response to the parts of the problem. These are then packaged into the whole solution.

The Systems Approach forms part of the Enterprise Engineering domain. Dietz, Hoogervorst and Albani (2013, pp. 90-114) describe Enterprise Engineering as the discipline concerning the design and redesign of enterprises, regarding both their business and organisation. A modern trend is to view enterprises as organised complexities. They are highly complex and highly organised entities of human endeavour. Because enterprises are intentionally created, they require design activities. The new perspective requires a holistic approach based on scientific foundation. The Systems Approach thus facilitates the Enterprise Engineering perspective.

### 6.2 EFSF iteration 1

A Systems Approach, presented as Figure 6-1, is advocated as the first iteration of the EFSF process. Other works from Enterprise Engineering such as Kennon (2010, p. 21) and Pretorius and Schutte (2015, p. 1334) inspire its design. The process advises showcasing the whole problem, termed the faltering development of flourishing, deducing the problem parts, termed “obstacles to flourishing”, investigating the solution parts, termed

“means to flourish effectively” and devising the whole solution in response to the problem and solution parts, termed an “employee-flourishing program”.

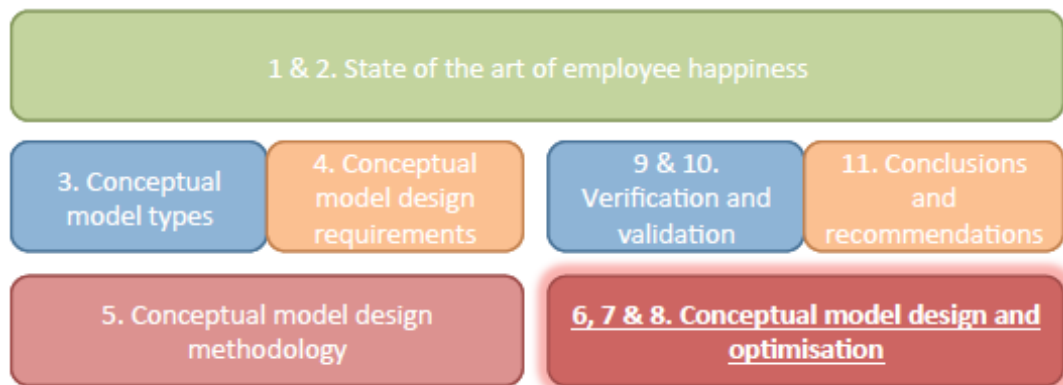


**Figure 6-1: EFSF process (Iteration 1)**

### 6.3 Chapter conclusion

This chapter has produced a high-level design concept of the EFSF process based on the Systems Approach, a technique from the Enterprise Engineering domain. At this stage, a basic process for managing employee flourishing is described. The EFSF has also incorporated Enterprise Engineering as a body of knowledge. Design requirements F2 and F4 are thus partially met. The study proceeds with a run-through of Figure 6-1, as per the EFSF design methodology, in order to optimize the framework and further meet the design requirements.

## 7. EFSF FIRST DESIGN OPTIMISATION



This chapter begins to answer the following research question:

4.4. What is the optimised design concept?

This study now moves into the lower plane of Figure 5-1: Deductive research is performed during a run-through of the current EFSF process. A number of tools and elements are derived and lessons are captured. Capturing the lessons allows for iteration of the EFSF process (performing inductive research once again). This methodology is performed for each quadrant of the current iteration of the EFSF process to produce a second iteration that is presented at the end of this section as Figure 7-7.

### 7.1 Quadrant 1: The faltering development of flourishing (the whole problem)

Describing the whole problem establishes the need for an employee-flourishing program. The essence of the whole problem has been described in this paper as the faltering development of flourishing, as well as the implications this has for enterprises. The whole problem is outlined in sections 1.2.1 and 1.2.2 and is summarized in the first quadrant of Figure 6-1. These sections can be documented as EFSF elements.

The business case has been established that employees deliver long-term performance if they can correlate the work they do with the goal of flourishing. An enterprise that acknowledges this is likely to attempt to ingrain flourishing into aspects of the enterprise. This is likely to result in change. One of the reasons for this is the legacy of Frederick Taylor's Principles of Scientific Management, a prominent influence on theories of enterprise development over the past century. Taylor separates management from the enterprise in a mechanistic view. The enterprise, like a machine, needs to be controlled by management. This view has come under criticism for its view of employees as mere cogs in the machine (Dietz, Hoogervorst, & Albani, 2013, p. 94). This study calls for a changed approach.

The EFSF incorporates a Change Management program to address this issue. The number one tip given by Prosci, Inc. (2014) for succeeding in Change Management is to start early.

Change Management is said to be most effective when it begins at the initiation of a project. This perspective is somewhat less relevant to startup enterprises. However, it does not exclude them. Startups may begin with a strategy to drive flourishing and thereby avoid the need for Change Management.

**7.1.1 Quadrant 1 run-through updates**

The updates resulting from the run-through of the first quadrant are presented in Table 7-1.

**Table 7-1: Quadrant 1 run-through updates**

Lessons	Tools	Elements	Process iterations
Centring the enterprise around employee flourishing will require Change Management that should be initiated at the beginning of the project	Memo outlining the need for an employee flourishing program	Section 1.2.1 and 1.2.2, for example	Centre enterprise on flourishing Begin with Change Management Showcase the need for an employee flourishing program (the faltering development of flourishing as the whole problem)

The run-through proceeds with the second quadrant of the Systems Approach.

**7.2 Quadrant 2: Obstacles to flourishing (the problem parts)**

The faltering development of flourishing is investigated as a result of the presence of obstacles. It is noted that these obstacles may be derived from various perspectives, for example, viewing obstacles as general to society, general to the workplace, specific to certain communities, specific to certain workplaces or combinations thereof. There are various implications to adopting a certain perspective. In a diverse working community, for example, different focus groups may be required to ascertain whether obstacles are work or culture specific. Enterprises should adopt a specific research perspective. For the purposes of this study, an objective perspective is taken that fits the length constraints of the study. The specific obstacles investigated are defining and measuring the experience of the good life, hedonic adaptation and the downside to economic utility. A number of other obstacles are presented in Appendix A: Further obstacles to flourishing. The described obstacles form elements of the EFSF.

**7.2.1 Defining and measuring the experience of the good life**

The first and seemingly largest obstacle was introduced in section 2: There is no conclusive understanding of defining and measuring the experience of the good life. There is, however, a rapidly increasing amount of research into the topic.

Kahneman (2010), for example, states, “I had somebody count the number of books with ‘happiness’ in the title published in the last five years and they gave up after about 40,

and there were many more.” SWB is positioned as an important component of the Organisation for Economic Co-operation and Development’s Better Life Initiative (OECD, 2013). As the field develops, the OECD makes a call for good practice. The OECD offers its 2013 guidelines on measuring SWB as “the first attempt to provide international recommendations on data collection”, but simultaneously states that these guidelines are offered as “more of a beginning than an end”. Dolan, Layard and Metcalfe (2011) make a similar but not necessarily aligned attempt for the UK’s Office for National Statistics.

One reason for the lack of standard was introduced in section 2. Seligman (2010, p. 231) shows that, up until recently, there has been a focus of psychology on repairing pathology. Seligman argues that the legacy of Schopenhauer and Freud, founding fathers of modern psychology, is a view that the best we can ever hope for is to keep our misery and suffering to a minimum. Over the last 50 years psychologists have become well equipped to deal with depression and other conditions of mental illness. Psychologists now argue that a patient free of mental illness remains to be scored on a separate axis of mental health. One is simultaneously able to combat mental illness and progress along the mental health axis towards a state of flourishing. This is the aim of Positive Psychology. The novelty of the field means that an understanding of the positive side of life is still relatively undeveloped. Enterprises should stay abreast of the latest research into this topic.

Section 2 alludes to recent evidence of the operationalization of flourishing in the form of the study performed by Kern *et al.* (2014). The study’s questionnaire is recommended as an element of the EFSF. Appendix B includes a screenshot of the questionnaire. Elsewhere in literature, measures of SWB remain prolific. Diener (2009) provides such a measure in the form of a Satisfaction With Life Scale (SWLS) and a Scale of Positive and Negative Experience (SPANE). These are more simplistic but seemingly useful measures of the experience of the good life. Diener’s scales are also presented in Appendix B. Layard (2005) offers a method for measuring momentary affect based in neuroscience. This involves using an EEG procedure to detect electrical activity in the part of the brain linked to affect. There seems to be an increase in the amount of well-being technology that leverages this and other procedures, as evidenced by Jatupaiboon, Pan-ngum and Israsena (2013). These may grow to complement or replace the qualitative measures mentioned thus far.

This section provides evidence that it is difficult to define and measure the experience of the good life. However, there is increasing evidence that constructs are being more clearly formed and that these constructs can be usefully measured. The underlying assumption of measuring flourishing is that this experience can be actively improved. The next section, however, showcases some evidence to the contrary.

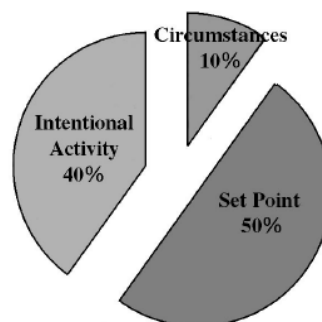
### **7.2.2 Hedonic adaptation**

A number of phenomena lend credence to the claim that flourishing cannot be actively developed.

The hedonic treadmill model states that happiness is temporarily affected by good and bad events but soon reverts back to a set point (Diener, Lucas, & Scollon, 2006). A popular example of this phenomenon is the curious case study of lotto winners and paraplegics, where both winners and paraplegics revert to similar levels of happiness at some time after their victories/accidents (Centre for confidence and well-being, 2016). The colloquial expression “happiness equals your reality minus your expectations”, offered by Burkeman (2013) and the idiom, “keeping up with the Joneses” seem to further illustrate this phenomenon. In the first instance, shifting expectations causing happiness to remain constant counteracts reality improvements. The second instance alludes to the point that expectations are especially susceptible to shifting when people make comparisons with other members of a social group. In this social age, evidence of someone living a better life is always within the click of a button, causing expectations to shift easily.

The concept of adaptive preference formation, defined as the unconscious altering of preference in light of available options (Colburn, 2011, p. 1), may be a response to the problem of shifting expectations. Adaptive preference formation results in people accepting debilitating conditions and reporting counter-intuitive levels of happiness. It is assumed that policies to develop flourishing in instances of adaptive preference formation would have limited effect. The hedonic treadmill and adaptive preference formation phenomena present flourishing as a zero-sum game.

The work of Lyubomirsky, Sheldon and Schkade (2005, pp. 111-131) on Pursuing Happiness: The Architecture of Sustainable Change maintains an optimistic outlook. The study proposes that SWB can be effectively pursued to some extent. Figure 7-1 shows the approximate percentage contributions of three factors of chronic SWB. 50% is determined by a genetic set point, 40% is the result of intentional activity and 10% is a result of circumstances in which individuals find themselves. Intentional activity is positioned as a promising opportunity to improve SWB. Lyubomirsky, Sheldon and Schkade (2005, p. 117) provide substantial evidence for the optimistic view that happiness can be pursued including, for example, the fact that older people tend to be happier than younger people. This poses the question, what activities lead to increases in SWB? This is the topic of the third quadrant of the Systems Approach, investigated in section 7.3.



**Figure 7-1: Factors of the chronic level of SWB (Lyubomirsky, Sheldon, & Schkade, 2005, p. 116)**



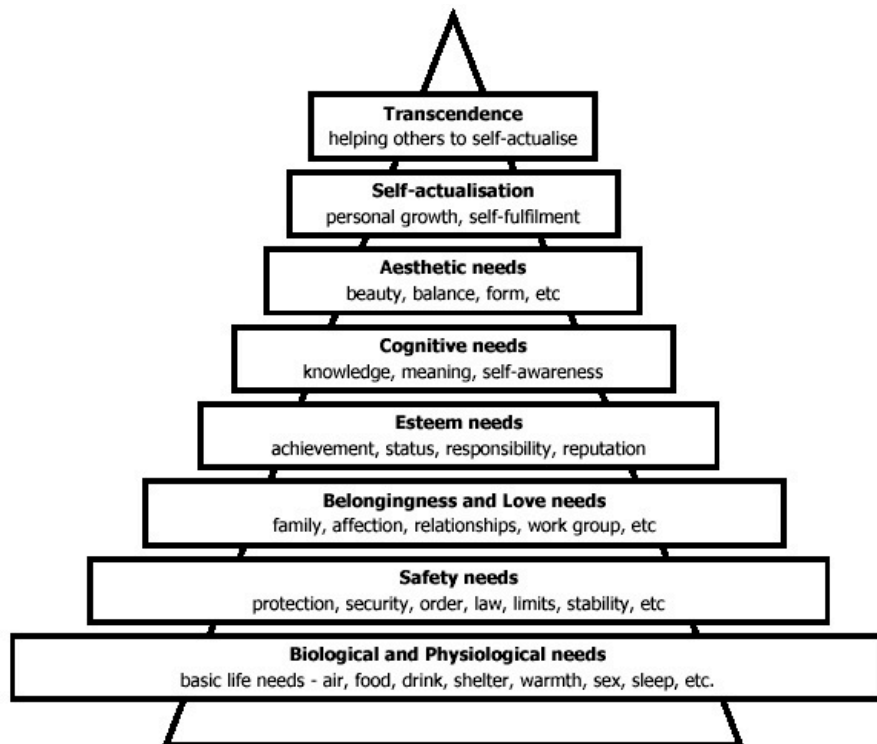
Lyubomirsky, Sheldon and Schkade (2005, p. 117) propose that changing one's life circumstances, such as level of income, has a relatively small effect on flourishing. The next section embodies this idea. It positions the faltering development of flourishing as the result of a world that is geared towards economic utility.

### **7.2.3 *The downside to economic utility***

The introduction in section 1.1 describes the rise of economic utility in place of happiness as a means to measure the satisfaction of human needs as a result of consuming a good or service. Classical economic theory suggests that all consumers want to get the highest possible level of utility for the money they spend (Investopedia, 2016). This seems to have shaped the materialistic world of today.

Today people typically measure success through production and income. On a national level, these measures occur in the form of Gross Domestic Product (GDP) and Gross Domestic Income (GDI). Together they form the national income and product accounts (NIPA's). NIPA's were developed in response to the lack of information available to policymakers about the state of the economy. The need for this information was underlined by the problems of the Great Depression in the 1930s. The Great Depression was a time of suffering. People's most basic needs were unmet. NIPA's proved to be an effective tool to address this. They guided policymakers to make overall sense of economic data and then take action to progress towards economic objectives. The NIPA's have therefore been lauded as one of the great inventions of the 20<sup>th</sup> century (Bureau of Economic Analysis, 2000). While a large part of the world is still in need of economic reform, many nations have developed beyond their most basic needs.

Maslow (1943, pp. 370-396) illustrates the tendency for people to strive towards higher order needs. He provides a hierarchy of human needs based on observation of human behaviour. A developed version of the model is shown in Figure 7-2. Maslow proposes that people seek to climb up the hierarchy of needs while satisfying the levels below.



**Figure 7-2: Maslow's hierarchy of human needs (Clark, 1997)**

Crevits (2012) describes how economic theory emphasizes monetary growth and this runs into conflict with human needs for growth. Money is necessary to satisfy lower order needs but, as people develop and seek needs such as friendship and community, money becomes less important. Progress means people are able to better meet lower order needs through the use of new technologies and systems. This should allow people to quickly rise through the hierarchy of needs and achieve greater happiness. However, Crevits (2012) shows that a focus on money leads to stretching of lower order needs and less time for growth. Studies have revealed that there is in fact a threshold income above which happiness does not improve with more money. The Gallup-Healthways Well-Being Index, cited by Robison (2011), reveals this number to be an annual income of \$75 000.

It is often quoted in business that what you measure is what you get (Fox, 2012). A focus on measuring wealth does not offer a holistic approach to development. This is the motivation for United Nations Resolution 65/309 and the global movement towards measuring happiness.

#### **7.2.4 Quadrant 2 run-through updates**

The updates resulting from the run-through of quadrant 2 are captured in Table 7-2.

**Table 7-2: Quadrant 2 run-through updates**

	<b>Lessons</b>	<b>Tools</b>	<b>Elements</b>	<b>Process iterations</b>
	One should be mindful of the perspective from which obstacles are derived			Adopt research perspective, derive obstacles to flourishing
<b>Obstacle</b>	<b>Lessons</b>	<b>Tools</b>	<b>Elements</b>	<b>Process iterations</b>
An objective view of the good life	A more conclusive understanding of defining and measuring the good life seems to be on the academic horizon. One can allow being optimistic given the fact that the Positive Psychology has recently started receiving increased attention.	(Kern, Waters, Adler, & White, 2014) questionnaire SWLS and SPANE: (Diener, 2009) EEG technology (Jatupaiboon, Pan-ngum, & Israsena, 2013)	Obstacle: An objective view of the good life Presence of PERMA and control of Depression and Anxiety as the determinants of the good life	Pay specific attention to constructing a current and valid model for the experience of the good life
Hedonic adaptation	Some evidence shows the pursuit of happiness is implausible. Lyubomirsky, Sheldon and Schkade (2005) maintain otherwise.		Obstacle: Hedonic adaptation	
The downside to economic utility	As the world becomes more developed, economic utility detracts from the pursuit of higher order needs. Enterprises should monitor the relevance of money for flourishing.	Maslow (1943): Hierarchy of needs	Obstacle: The downside to economic utility Gallup-Healthways Well-Being Index (Robison, 2011): An annual income of \$75 000.	

The study proceeds with a run-through of the third quadrant of the Systems Approach.

### **7.3 Quadrant 3: Means to flourish effectively (the solution parts)**

This section investigates a number of means to flourish effectively. The third quadrant of the Systems Approach usually calls for solutions that specifically respond to the problem parts investigated in the second quadrant. The EFSF promotes an alternative strategy. Rather than tackling the obstacles to flourishing at this stage, the means to flourish effectively are investigated from a new, objective perspective. This is based on the logic that positive and negative affect, as described by Warr, Barter and Brownbridge (1983, p. 644), are statistically independent. Means to flourish effectively are not necessarily contingent on obstacles to flourishing. Furthermore, there is evidence that people are not always good at predicting what will make them happy. This is highlighted by the world's longest study on human happiness, currently chaired by Robert Waldinger. The study examines happiness throughout people's lives and over generations. Waldinger (2015) shows that younger subjects typically report goals such as fame and riches as key to a happy future life. When asked to look back at their lives, subjects report different values. It is therefore proposed that investigating means to flourish effectively independently of obstacles to flourishing better informs the whole solution.

Section 7.2.2 introduced Lyubomirsky, Sheldon and Schkade's model of the factors of chronic SWB. The factors are a genetic set point, intentional activity and life circumstances. Lyubomirsky *et al.* (2005, p. 120) base this model on a platform of research and maintain that their findings have also proven it to be valid. The 50% genetic component, for example, illustrates how many people seem predisposed to a certain set point of happiness. Layous & Lyubomirsky (2012, p. 32) show that intentional activity has a greater effect on happiness than life circumstances. Lyubomirsky *et al.* (2005, p. 118) make a critical distinction between the two. Circumstances happen to people and activities are ways that people act on their circumstances. Intentional activity is positioned as the most promising factor for pursuing flourishing effectively. This section derives tools and elements based on this argument.

#### **7.3.1 Intentional activity towards flourishing**

Intentional activity is defined as the deliberate way people choose to think and behave (Layous & Lyubomirsky, 2012). Lyubomirsky, Sheldon and Schkade (2005, p. 118) distinguish between cognitive, volitional and behavioural activity and make the following comments.

Some types of cognitive activity, such as reframing situations in a more positive light or pausing to count one's blessings, are associated with increased well-being. The main evidence for this is the general success of cognitive-behavioural therapy in reducing suffering. Lyubomirsky *et al.* cite the positive effects of prompting people to practice psychological virtues such as gratitude and forgiveness.

Some types of volitional activity, such as striving for important personal goals or devoting effort to meaningful causes, are associated with increased well-being. In one example, students are asked to pursue self-generated personal goals over the course of a semester. High levels of goal progress or attainment consistently predict increased well-being.

Some types of behavioural activity, such as exercising regularly or trying to be kind to others, are associated with increased well-being. Faithfully engaging in a new exercise program, for example, boosts people's moods and can maintain the boosts for up to six months.

These types of intentional activity may inform an employee-flourishing program. Before discussing this program, this section continues with a more detailed look at the concept of activity.

Activity is integral to the field of motivation, defined as the reason or reasons one has for "acting" or behaving in a particular way (Oxford Dictionaries, 2016) and, by extension, to the field of Organisational Behaviour. Fisher (2010, p. 386) states that a number of constructs in Organisational Behaviour appear to have some overlap with the broad concept of happiness in the workplace. Fisher's insight shows that the specific perspective of flourishing adopted by this study may benefit from an investigation into Organisational Behaviour. This section continues with a brief investigation of activity within the context of theories from Organisational Behaviour and motivation in order to develop the EFSF.

### **7.3.2 Needs-based activity**

The three types of intentional activity positioned by Lyubomirsky *et al.* are oriented towards the goal of increased well-being. Deci and Ryan (2000, p. 227) state that this is consistent with most contemporary theories of motivation. These theories assume that people initiate and persist at behaviour to the extent that they believe the behaviours will lead to desired goals. Deci and Ryan (2000, p. 227) cite later research that suggests that different types of goals have different behavioural and affective consequences.

Deci and Ryan (2000, p. 227) also differentiate the concept of goal-directed behaviour from traditional behavioural theory. They propose that studying the content of goals is not enough. Their self-determination theory (SDT) highlights the regulatory processes through which goals are pursued. SDT uses the concept of innate psychological needs as the basis for predicting results from differentiations of goal contents and regulatory processes. Deci and Ryan (2000, p. 231) show how this mirrors the work of early motivational theorists such as Maslow (1943, pp. 370-396). Deci and Ryan (2000, p. 229) state that "human needs specify the necessary conditions for psychological health or well-being and their satisfaction is thus hypothesized to be associated with the most effective functioning." SDT seems to propose that a full understanding of well-being must address the underlying needs that direct people's behaviour towards goals. Activity is therefore positioned as process of meeting needs.

Deci and Ryan's (2000, p. 229) SDT considers three psychological needs to be essential for understanding human behaviour: competence, autonomy and relatedness. Competence and autonomy are the basis for intrinsically motivated activity, defined as activity that individuals find interesting and would do in the absence of operationally separable consequences. This is based on the assertion that people have a primary motivational propensity to feel like causal agents with respect to their own actions. Relatedness plays a role in the maintenance of intrinsic motivation. This became evident, for example, when children engaging in an interesting activity became less intrinsically motivated when the adult experimenter ignored their attempts to interact (Deci & Ryan, 2000, pp. 233-235).

From the standpoint of SDT, flourishing, positioned by Positive Psychology to be people's ultimate goal, must be the expression of meeting innate psychological needs. This gives credence to Seligman's (2011) argument that flourishing rests on a set of pillars (PERMA). The factors of PERMA can be seen as the pillars or needs that humans seek to build or fulfil in order to flourish.

SDT is not the only example of motivational theory that leverages the concept of innate psychological needs. This concept is also integral to Hackman and Oldham's well-referenced Job Characteristics Model, shown to be reasonably valid by Fried and Ferris (1987). Hackman and Oldham (1976, p. 255) theorise that a set of core job characteristics affect a set of work-related outcomes through a set of psychological states. The model is shown as Figure 7-3.

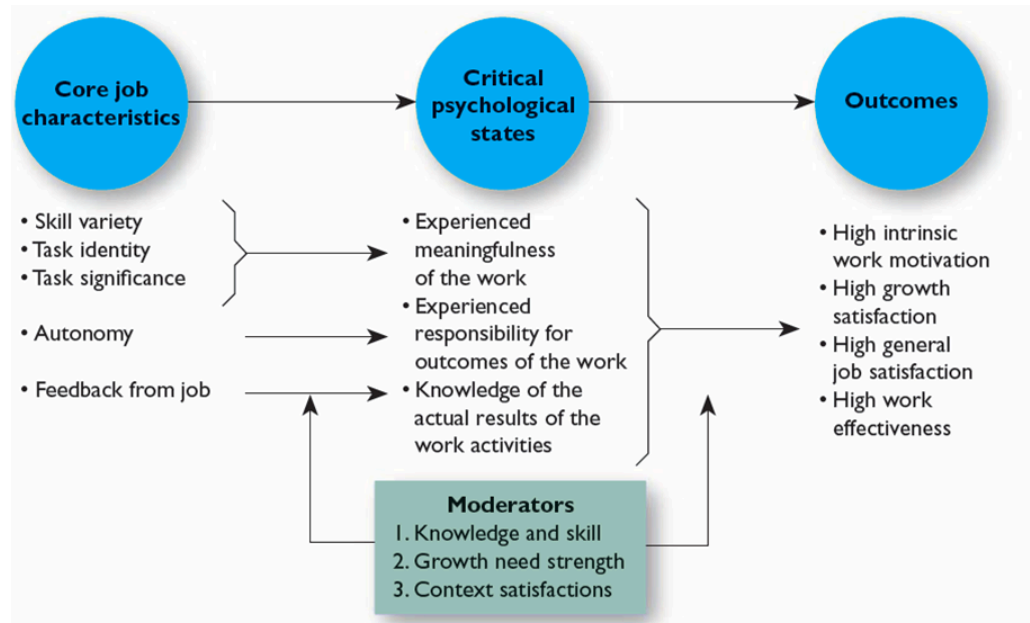


Figure 7-3: Job Characteristics Model (StudyBlue, Inc., 2016)

It stands to reason that an enterprise cannot directly address employees' innate psychological needs. This remains the responsibility of the individual. However, it is proposed that an enterprise can help create the conditions necessary for employees to flourish through pursuing intentional activity and meeting innate psychology needs.

PERMA has now been explored through the lens of meeting innate psychological needs within the context of motivation theories. Knowledge of PERMA may help people know "what" to pursue in order to achieve flourishing but this does not answer the question of, "how?" To answer this question, Positive Psychology offers the study of character strengths and virtues that empower people to achieve PERMA.

### **7.3.3 Character strengths and virtues**

Park, Peterson and Seligman (2004, p. 603) state that strength of character is among the central concerns of Positive Psychology. An initial step toward specifying important character strengths has been developed, The Values in Action (VIA) Classification of Strengths. The VIA Institute on Character (2016) states that Seligman theorizes that character strengths are the pathways to achieving PERMA.

Park *et al.* (2004, p. 603) define character strengths as positive traits reflected in thoughts, feelings and behaviours. This echoes the previous discussion on intentional activity. Park *et al.* (2004, p. 603) speculate that character strengths "are grounded in biology through an evolutionary process that selected for these predispositions toward moral excellence as means of solving the important tasks necessary for survival of the species". The conclusions of the VIA Classification of Strengths are as follows (Park, Peterson, & Seligman, 2004, p. 604):

- Character strength is a disposition to act, desire, and feel that involves the exercise of judgment and leads to a recognizable human excellence or instance of human flourishing
- Character strengths are plural - that is, good character comprises a family of positive traits
- Character strengths are not segregated mechanisms with automatic effects on behaviour; rather, virtuous activity involves choosing virtue for itself and in light of a justifiable life plan, which means that people can reflect on their own strengths of character and talk about them to others
- Character strengths can be distinguished from related individual differences such as talents and abilities by criteria
- The application of these criteria leads to the identification of 24 different strengths of character

The criteria for distinguishing character strengths from individual talents and abilities are summarized in Figure 7-4.

- 
1. Ubiquity—is widely recognized across cultures.
  2. Fulfilling—contributes to individual fulfillment, satisfaction, and happiness broadly construed.
  3. Morally valued—is valued in its own right and not for tangible outcomes it may produce.
  4. Does not diminish others—elevates others who witness it, producing admiration, not jealousy.
  5. Nonfelicitous opposite—has obvious antonyms that are “negative.”
  6. Traitlike—is an individual difference with demonstrable generality and stability.
  7. Measurable—has been successfully measured by researchers as an individual difference.
  8. Distinctiveness—is *not* redundant (conceptually or empirically) with other character strengths.
  9. Paragons—is strikingly embodied in some individuals.
  10. Prodigies—is precociously shown by some children or youth.
  11. Selective absence—is missing altogether in some individuals.
  12. Institutions—is the deliberate target of societal practices and rituals that try to cultivate it.
- 

**Figure 7-4: Criteria for character strength (Park, Peterson, & Seligman, 2004, p. 605)**

The 24 character strengths produced by the above criteria are portrayed in Table 7-3, classified under 6 classes of virtue.

**Table 7-3: Character strengths and virtues classification (Positive psychology program, 2015)**

Wisdom	Courage	Humanity	Transcendence	Justice	Moderation
Creativity	Bravery	Love	Appreciation of beauty	Teamwork	Forgiveness
Curiosity	Persistence	Kindness	Gratitude	Fairness	Modesty
Judgement	Honesty	Social intelligence	Hope	Leadership	Prudence
Love of learning	Zest		Humour		Self-control
Perspective			Spirituality		

Park *et al.* (2004, p. 610) investigate the relationship between character strength and measures of life satisfaction. The results show that the strengths consistently and robustly associated with life satisfaction are hope, zest, gratitude, love and curiosity. Developing these specific strengths may be a particularly effective means to flourish.

The discussion on means to flourish effectively, which has mostly focused on the development of a number of elements, concludes here. The run-through of this quadrant allows further updates to the EFSF.



### 7.3.4 Quadrant 3 run-through updates

The updates resulting from the run-through of quadrant 3 are presented in Table 7-4.

**Table 7-4: Quadrant 3 run-through updates**

Lessons	Tools	Elements	Process iterations
Flourishing is most effectively pursued through intentional activity. This is interesting given that people are typically managed with reference to their life circumstances in the form of salaries and benefits such as medical aid.	Figure 7-1: The three chronic components of SWB	Intentional activity: Cognitive, volitional and behavioural	Investigate means to flourish effectively so as to create conditions for employees to pursue them
Activity can be seen to stem from innate psychological needs; The components of PERMA can be seen as innate psychological needs (Deci & Ryan, 2000) (Hackman & Oldham, 1976)	Motivation/ Organisational Behaviour theory	Innate psychological needs: Competence, autonomy, relatedness; Meaning, responsibility, knowledge of results; PERMA	
Character strengths are theorized as the pathways to PERMA; Some strengths are more closely associated with flourishing than others		Develop character strengths: VIA Classification of Strengths and Park, Peterson and Seligman (2004) on targeting specific character strengths	

The run-through proceeds with the fourth quadrant of the Systems Approach.

### 7.4 Quadrant 4: Employee-flourishing program (the whole solution)

The whole solution is an employee-flourishing program that is designed with the objective of overcoming obstacles to flourishing and leveraging means to flourish effectively. The field of Human Resource Management (HRM) is proposed to be relevant to the development of such a program. Therefore, the next section begins with a literature review of HRM in the context of employee flourishing.

### 7.4.1 HRM: literature review

Figure 7-5 maps a structure of HRM. It consists of policy, structures and practices. The HRM policy, in the context of this study, is a focus on employee flourishing. Vanderstraeten (2015, p. 75) describes practices as the concrete, operational applications of HRM and systems as the bundling of practices. Performance management is an example of a system that is typically comprised of planning, coaching, evaluation and rewarding practices. The objective of an employee-flourishing program should be to develop a set of HRM systems and practices geared towards improving employee flourishing.



**Figure 7-5: The structure of HRM (Vanderstraeten, 2015)**

This section continues with a review of the concept of HRM systems and practices.

Mayhew (2016) identifies six main functions of the HRM department: Recruitment, health and safety, employee relations, compensation and benefits, compliance and training and development. This list is extended by Patidar (2014) to include:

1. Recruitment and selection
2. Job analysis and design
3. Performance appraisal
4. Training and development
5. Wage and salary administration (compensation and benefits)
6. Employee welfare (health and safety)
7. Maintenance (of employee relations)
8. Labour relations
9. Personnel research
10. Personnel record

There is limited literature on any conflict with identifying a definitive set of HRM systems. This second, more extensive list is therefore considered to be comprehensive. It is assumed that any set of practices can be appropriately bundled within these systems. This list of systems forms an element of the EFSF.

Tiwari and Saxena (2012, pp. 669-705) perform a comprehensive review of HRM practices with reference to corporate performance. Several attempts to describe a set of “best practices” are described. Pfeffer (1994), for example, produces the following set: Employment security, selective hiring, self-managed teams/team working, high compensation contingent on organizational performance, extensive training, reduction in status difference and sharing information. However, Tiwari and Saxena (2012, p. 672) also note that the question of whether there is a universal set of best practices still lingers. This is due to the effect of external and internal factors. Respective examples of these include area specific changes in legislation and organisation size. The review also links HRM practices with a variety of variables such as competitive advantage and trust. Specific HRM practices are more conducive to some variables than others. The strategic focus of the enterprise therefore affects the choice of HR practices. Tiwari and Saxena (2012, pp. 669-705) do not directly address HRM practices and employee flourishing. One variable that nears this strategic focus that is addressed is job satisfaction. Petrescu and Simmons (2008, pp. 651-667) find a number of HRM practices to have a statistically significant effect on job satisfaction. On-going learning, employee involvement and job autonomy have a strong positive effect. Some visual assessment of performance is desirable but close supervision is disliked. Satisfaction with pay is higher where seniority and individual performance-related schemes are in place. Finally, a pay structure that is seen as overly dispersed is associated with low levels of job satisfaction.

Studies such as that of Petrescu and Simmons (2008, pp. 651-667) may inform the EFSF. However, a clear set of HRM best practices for flourishing does not seem to exist. The practices of an employee-flourishing program should therefore be included on an ad hoc basis. In other words, once a practice that aligns with a policy of enhancing employee flourishing is identified or developed, it can be placed within the program. This is demonstrated in the next section.

#### **7.4.2 A practical example of an element of an employee-flourishing program**

A simplified process for developing an element of an employee-flourishing program is as follows: Highlight obstacle to flourishing and/or means to flourish effectively; develop HRM system/practice in response. At this stage of the EFSF, initial high-level design concepts are created as elements of the employee-flourishing program. A practical example is outlined in Table 7-5 and discussed below.

**Table 7-5: Employee-flourishing program example**

<b>Obstacle to flourishing</b>	<b>Means to flourish effectively</b>	<b>HRM System/practice</b>
The downside to economic utility	Relationship	Compensation and benefits/“Open Equity” model

The setting for this example is a new business owner that aims to transcend economic utility and realises the importance of relationship in achieving flourishing. The business owner therefore decides to develop an equity and salary model that fairly rewards employee input. Woon-kwong (2013) shows how science suggests that people have an

innate desire for fairness and justice as a consequence of an intrinsic need to be relational. This is evidenced by collaboration and empathy in primates. Buffer’s “Open Equity” model presented by Gascoigne (2014) is used as a point of reference. A core value of Buffer, a social media management company, is to default to transparency. They therefore provide full access to their equity structure and individual earnings breakdown. Buffer’s formula for equity is presented below.

$$\text{Open equity formula} = \text{Role} * \frac{\text{Choice}}{\text{Risk layer}} + \text{Seniority}$$

A section of the resulting individual earnings is shown in Figure 7-6.

Team Member	Role	Choice	Co. Size	Seniority	Total Equity
Joel	Executive Officer	-	-	CEO	42.700
Leo	Operations Officer	-	-	COO	23.000
Andy	Engineer	Salary	3-6	Senior	1.000
Sunil	Engineer	Salary	3-6	C-Level	2.000
Carolyn	Happiness Hero	Equity	3-6	C-Level	1.780
Åsa	Happiness Hero	Equity	7-15	Senior	0.416
Colin	Engineer	Salary	7-15	Senior	0.640
Brian	Product Manager	Salary	7-15	Senior	0.640
Niel	Engineer	Salary	7-15		0.640
Mary	Happiness Hero	Equity	16-30		0.300

**Figure 7-6: Individual earnings breakdown (Gascoigne, 2014)**

Buffer’s “Open Equity” model may be used as a starting point to develop a fair equity model that suits the context of the enterprise. It is hypothesized that such a model will serve to transcend an emphasis on economic utility and create better relationships in the long-term through transparency. It serves as a practical example of an element of an employee-flourishing program.

Due to its ad hoc nature, the scope of an employee-flourishing program seemingly has no boundaries. New practices can continue to be developed over time. The following section proposes some considerations for an employee-flourishing program so as to give some direction to the development of such a program.

#### **7.4.3 Considerations for an employee-flourishing program**

A number of considerations are proposed in this section. It is noted that this section can be added to and updated over time. Considerations for an employee-flourishing program may emerge, for example, as the EFSF is iterated through the course of this paper. A number of high-level design concepts are brainstormed in Table 7-6 according to the process: Highlight obstacle to flourishing and/or means to flourish effectively; develop HRM system/practice in response. Relevant literature is referenced alongside the proposed systems/practices. The table also references obstacles from Appendix A: Further obstacles to flourishing. Although a detailed discussion is out of this study’s scope, one particular concept that needs to be highlighted is adherence to local laws and

regulations. While this is not necessarily viewed as a strategic addition to the EFSF, complying with labour law is a building block of a successful employee-flourishing program. All other concepts should be developed in accordance with local laws.

**Table 7-6: Employee flourishing program high-level design concepts**

<b>Obstacle to flourishing</b>	<b>Means to flourish effectively</b>	<b>Concept (e.g. system/practice)</b>	<b>Relevant literature</b>
	Autonomy	Job analysis and design/20% time	(Bock, 2015)
Hedonic adaptation	Competence	Compensation and benefits/Optimistic goal-setting; emphasising personal improvement over competition	(Sharot, 2012)
	Controlling Anxiety	Labour relations/Develop concepts in line with local laws and regulations	E.g. (The South African Labour Guide, 2016)
	Character strengths and virtues	Recruitment and selection/Strength based recruitment	(Cherniss & Goleman, 2001)
	Engagement/Accomplishment	Job analysis and design/Gamification	(Kumar J. , 2013)
	Intentional activity (cognitive, volitional and behavioural)	Training and development/Employee coaching	(Smith, 2013)
	Meaning	Job analysis and design/Linking job objectives to enterprise vision	(Nemo, 2014)
	Meaning, Responsibility, Knowledge of Results	Job analysis and design/Core job characteristics	(Hackman & Oldham, 1976)
Burnout	Positive emotion/Controlling anxiety	Employee health & safety/Mindfulness, empathy and other psychological training	(McKenzie, 2015)
The downside to economic utility	Positive emotion	Performance appraisal/Experiential rewards	(Bock, 2015)
	Positive emotion/Controlling anxiety	Employee health & safety/Office design	(Friedman, 2014)

<b>Obstacle to flourishing</b>	<b>Means to flourish effectively</b>	<b>Concept (e.g. system/practice)</b>	<b>Relevant literature</b>
The downside to economic utility	Relationship	Compensation and benefits/ "Open Equity" model	(Gascoigne, 2014), (Finweek Team, 2016)
	Relationship	Performance appraisal/Value based management	(Hsieh, 2010), (Green & Howe, 2012)

The high-level design concepts in Table 7-6 showcase the type of elements envisioned for an employee-flourishing program. They form a backdrop for further development of the whole solution. This provisional step concludes the run-through of the fourth quadrant of the Systems Approach.

#### **7.4.4 Quadrant 4 run-through updates**

The updates resulting from the run-through of quadrant 4 are captured in Table 7-7.

**Table 7-7: Quadrant 4 run-through updates**

<b>Lessons</b>	<b>Tools</b>	<b>Elements</b>	<b>Process iterations</b>
An employee-flourishing program, rooted in the HRM domain, is comprised of policy, systems and practices.	HRM theory	(Patidar, 2014): List of HRM systems	Highlight obstacle to flourishing and/or means to flourish effectively; develop HRM system/practice in response
		(Petrescu & Simmons, 2008): HRM practices correlating with job satisfaction	
		(Gascoigne, 2014): Buffer's 'Open Equity' model	
		Concepts in Table 7-6	

The run-through of the design concept presented in chapter 6 is now complete. The updates from the first design optimisation have been captured throughout this chapter. They inform the second iteration of the EFSF process, presented in the following section.

#### **7.5 EFSF iteration 2**

At this stage, it is recognised that the EFSF requires additional research. The following points are highlighted:

- This study has not proceeded beyond the provisional design of an employee-flourishing program.
- The EFSF process does not include implementation, monitoring and evaluation activities necessary for a strategic framework.

- There is an opportunity to develop a more detailed set of EFSF tools so as to provide a more structured approach for EFSF practitioners.
- The EFSF process currently represents a theoretical life cycle: it constitutes a series of sequential steps that occur relative to time throughout the life of an enterprise (du Preez, Essman, Louw, Schutte, & Marais, 2013, p. 24). An actual life cycle represents a more realistic model. It allows revisiting of different phases of the design process as is required by newly gained insights, experimentation, prototyping and changes to the environment (du Preez *et al.*, 2013, p.24).

The second iteration of the framework, shown as Figure 7-7, incorporates these notes as well as the process iteration notes captured during the run-through. The dashed line shows that a specific enterprise may revisit previous stages of the framework, as well as make necessary amendments to its structure. This may be done from an objective perspective or to suit the needs of the enterprise. The addition of the implement and monitor and evaluate stages completes the EFSF process. The evaluate stage reconnects with the first stage of the process showing that it is to be used continuously.

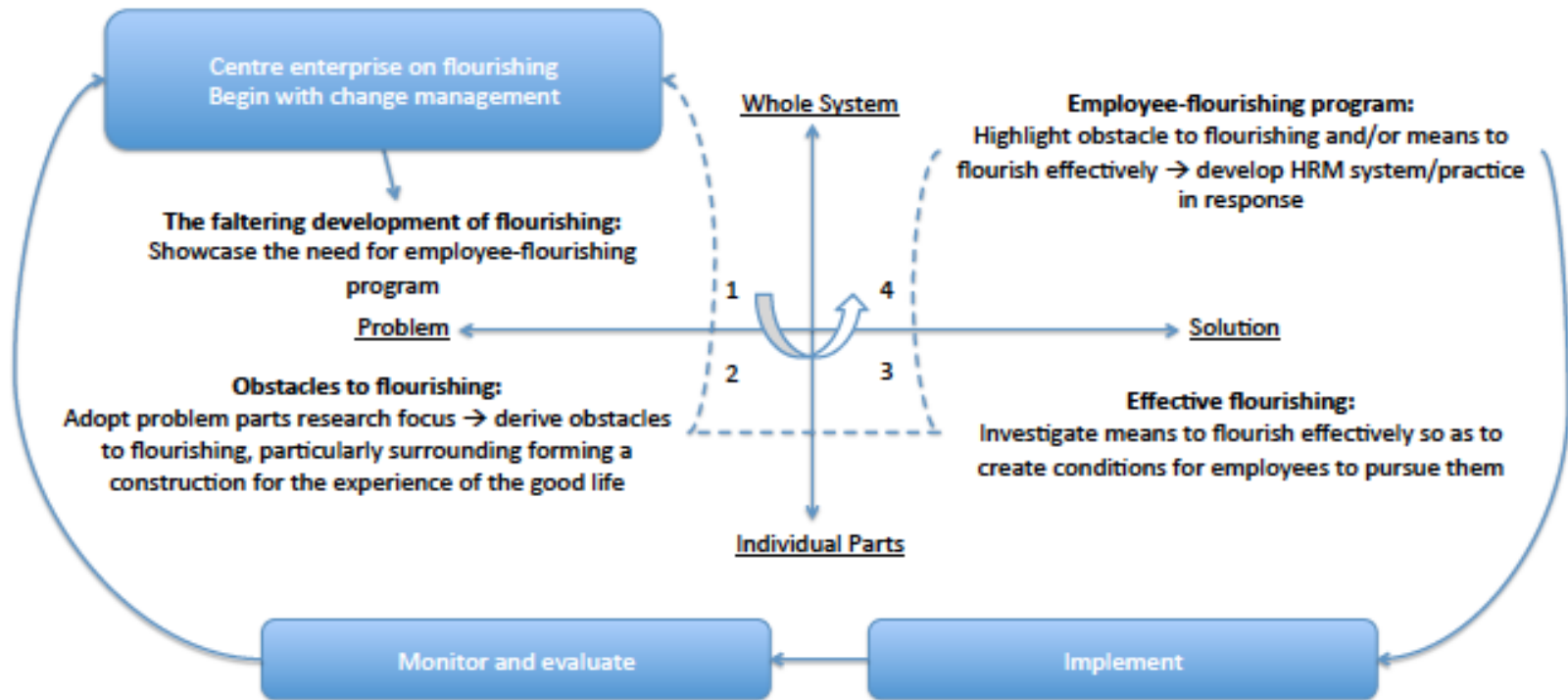


Figure 7-7: EFSF process (iteration 2)



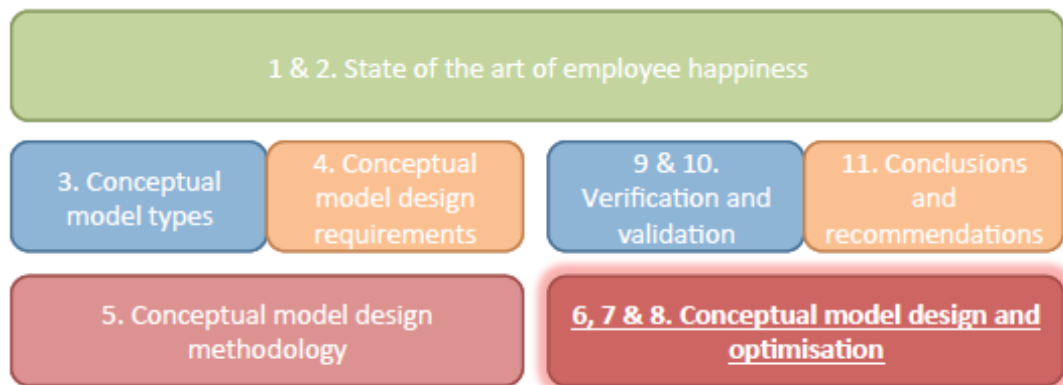
## 7.6 Chapter conclusion

This chapter presents a run-through of the high-level design concept of the EFSF process. The four quadrants of the Systems Approach are developed. In the first quadrant, it is recognised that the development of flourishing has faltered in the workplace. This is partly due to the legacy of scientific management. A Change Management program is prescribed to address this. In the second quadrant, a number of obstacles to flourishing are described. These include the difficulty in defining and measuring the experience of the good life, hedonic adaptation and the downside to economic utility. In the third quadrant, a number of means to flourish effectively are investigated from an objective, scientific standpoint. The key notion in this quadrant is that flourishing is most effectively pursued through intentional activity. This notion is developed in terms of needs-based activity and character strengths and virtues. In the fourth quadrant, a basic process for developing concepts of an employee-flourishing program is prescribed. This process packages insights from the second and third quadrants. The fourth quadrant also contains a review of HRM, positioned as the domain most relevant to the development of such a program.

As a result of the run-through, the EFSF now includes a more detailed process supplemented by more tools and elements. These are collated at a later stage of this study. Further lessons are drawn from Positive Psychology as well as Organisational Behaviour and HRM. The latter are two newly packaged bodies of knowledge. The psychological experience of employees is the focus of the second and third quadrants of the Systems Approach. Implement and monitor and evaluate stages have been added. The introduction of a Change Management stage shows that the EFSF is primarily aimed at established enterprises. Complying with local labour laws is highlighted as an important consideration of any employee-flourishing program. Design requirements F2, F3, U1, F4, D4, F5, F6, D3 and B2 have therefore been met to a greater extent.

The study proceeds with a run-through of the framework process portrayed in Figure 7-7 to form a third iteration of the EFSF and better meet the design requirements.

## 8. EFSF SECOND DESIGN OPTIMISATION



This chapter continues to answer the following research question:

4.4. What is the optimised design concept?

The second iteration of the EFSF process is run through in order to expand the recently added stages and add more tools and elements. Specific attention is paid to the development of a Change Management program and the implement and monitor and evaluate stages. This results in a third iteration of the EFSF.

This study proposes flourishing as a new strategic perspective from which to develop enterprises. It is noted that this may require enterprises to change and that change requires intentional design. The EFSF prompts established enterprises to initiate a change towards flourishing.

### 8.1 Initiate a change towards flourishing

Gordon (2016) defines Change Management as “any approach to transitioning individuals using methods intended to re-direct the use of resources, business process, budget allocations, or other modes of operation that significantly reshape a company or organization”. It is proposed that following a Change Management program facilitates continuous improvement of an enterprise. Enterprises should therefore embrace a mind-set that is open to change.

Brisson-Banks (2010, pp. 241-252) analyses the commonalities of various change and transition models developed over time to assist with and support managing organizational change. Brisson-Banks (2010, p. 241) advises that her comparison can assist individuals choosing a model based on organizational need, but that her findings also show that each change and transition model has similar methods of handling change.

It is proposed that multiple sources on Change Management are relevant to the general perspective adopted in this paper. Of the models reviewed by Brisson-Banks (2010, pp. 241-252), John P. Kotter’s 8 steps for transforming businesses is offered as a must-read for change managers. This is corroborated by the Harvard Business Review (2011), which presents Kotter’s Leading Change as its feature article in its edition on 10 must reads on

Change Management. Kotter's work has since been updated to remain at the forefront of Change Management. It is used as the primary source for developing a Change Management process within the EFSF.

Kotter (2015) provides an updated 8-Step Process for Leading Change. The process is depicted in Figure 8-1. Notes on the 8 steps provided by Kotter follow the figure.



**Figure 8-1: 8-Step process for leading change (Kotter International, 2016)**

1. Create a sense of urgency: Your top leaders must describe an opportunity that will appeal to individuals' heads and hearts and use this statement to raise a large, urgent army of volunteers.
2. Build a guiding coalition: A volunteer army needs a coalition of effective people — coming from its own ranks — to guide it, coordinate it and communicate its activities.
3. Form a strategic vision and initiatives: Create a single idea around which people are aligned as well as targeted and coordinated activities that, if designed and executed fast enough and well enough, will make your vision a reality.
4. Enlist a volunteer army: Large-scale change can only occur when very significant numbers of employees amass under a common opportunity and drive in the same direction.
5. Enable action by removing barriers: By removing barriers such as inefficient processes or hierarchies, leaders provide the freedom necessary for employees to work across boundaries and create real impact.

6. Generate short-term wins: Wins are the molecules of results. They must be collected, categorized, and communicated — early and often — to track progress and energize your volunteers to drive change.
7. Sustain acceleration: Change leaders must adapt quickly in order to maintain their speed. Whether it's a new way of finding talent or removing misaligned processes, they must determine what can be done — every day — to stay the course towards the vision.
8. Institute change: To ensure new behaviours are repeated over the long-term, it's important that you define and communicate the connections between these behaviours and the organisation's success.

This chapter continues with an expansion of Kotter's Change Management process within the context of the EFSF.

### **8.1.1 Create a sense of urgency**

A sense of urgency must be created around The Big Opportunity of employee flourishing. This paper has proposed conveying the whole problem according to the Systems Approach. These elements have been previously documented. The whole problem should encourage the enterprise to actively engage in developing flourishing.

Employee flourishing has been positioned as a strategy for long-term enterprise health and subsequent performance. The business benefits of a focus on flourishing may be difficult to quantify and may take a long time to be revealed. It is noted that this may pose a challenge to an executive committee that is constantly held accountable to demanding shareholders<sup>1</sup>. The executive committee, or an equivalent group of employees, is the chief decision-maker in an enterprise. Therefore, its buy-in is vital for the success of an employee-flourishing program. Although it is superfluous to the already established case for employee flourishing, a number of other initiatives can enhance the appetite of an executive committee. These include evidence of a link between flourishing and short-term performance and case studies of successful corporates that champion the case for employee flourishing. These may help create a sense of urgency and therefore receive brief investigation.

#### **8.1.1.1 Flourishing and short-term performance**

The link between flourishing and short-term performance has recently been made popular by a Johnnie Walker social media campaign, as told by PR Newswire (2015). The

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<sup>1</sup> This phenomenon was highlighted by the case of hedge fund investor Michael Burry, illustrated by Lewis (2010, pp. 179-194) in his novel *The Big Short*. Burry is described as the first man on Wall Street to see the subprime mortgage market for what it was: a flawed financial model. In 2005, Burry bet against the market. Over the years, Burry happily paid the interest on his bets with the knowledge that the market could not possibly sustain itself. However, his investors soon became concerned with their losses. They began to demand fortnightly performance reports rather than the original quarterly reports. By the time the markets crashed in early July 2007, Burry's investors had long been lining up to ask for their money back. Their need for short-term performance resulted in them missing out on the biggest short in financial history.

campaign questions whether joy can boost performance. Golfers are given negative criticism when hitting blue balls at a driving range and positive feedback when hitting red balls. The results show that the red balls are 45% more accurate than the blue balls. This simple example hints at a positive correlation between flourishing and short-term performance.

Case studies in the workplace provide further evidence of the link between flourishing and short-term performance. Oswald, Proto and Sgroi (2015) attempt to shed light on whether happiness induces better intrinsic motivation or promotes less careful behaviour in organisations. The study finds that happiness has large positive effects on productivity in settings where people are paid for their efforts. A meta-study by Lyubomirsky, King and Diener (2005, pp. 803-855) covering 225 papers asked the question, “Does happiness lead to success?” The results reveal that happiness is associated with and precedes numerous successful outcomes, for example, a 0.32 correlation between happiness (as measured by the Index of Psychological Well-Being) and job performance. In a paper entitled *Flourishing at Work*, Smit (2015) explores the link between subjective well-being and productivity at a law firm in Johannesburg, South Africa. Smit’s findings show that flourishing employees deliver better business outcomes. Specifically, Smit shows that well-being correlates with a Net Promoter Score, meaning that flourishing employees are more loyal. Bellamy (2016) counters the argument that happiness is too “soft and fluffy” for the workplace by listing a number of benefits of having happier employees. They are listed below, along with their original sources:

- 43% greater productivity (Hay Group)
- 33% higher profitability (Gallup)
- 37% increase in sales (Shawn Achor - Harvard)
- 300% more innovative (Harvard Business Review)
- 51% lower staff turnover (Gallup)
- 66% lower sick leave (Forbes)
- 125% less burnout (Harvard Business Review)

The quantified performance benefits showcased in this section are proposed to make a financial investment into employee flourishing more attractive for an executive committee.

#### **8.1.1.2 Corporate champions for managing employee flourishing**

The significance of employee flourishing is realized by a number of corporates. Examples include Google, Zappos and TOMS. The lessons provided by these corporates may serve to inspire a sense of urgency.

Crowley (2013) describes how “few businesses in the world’s history have had as profound an impact on human life in such a short period of time as Google.” This is most readily seen in terms of their efforts to provide the world with access to information. However, it can also be seen in terms of the employment standards they have set in the workplace. Google was ranked the top American employer in 2016 by Fortune (2016) for the seventh time in 10 years. Lazlo Bock, Senior Vice President in Charge of People Management, reveals many of Google’s employee management strategies in his book

Work Rules! (Brock, 2015). Attention to employee well-being is a recurring theme of the book. Brock (2015, loc. 86) states that, “you spend more time working than doing anything else in life. It’s not right that the experience of work, even at some of the best employers, should be so demotivating and dehumanizing”. Some of Google’s People Management practices, which highlight the enterprise’s attention to employee well-being, are listed below (Brock, 2015):

- Performing an annual survey across the organisation that asks employees how they are feeling and what they’d like to do differently
- Separating performance management from people management
- Founding the People and Innovation Lab tasked with the mandate to advance the science of how people experience work
- Allowing employees 20% of their time to work on whatever they think will most benefit Google resulting, for example, in Chade-Meng Tan founding the Search Inside Yourself Leadership Institute on mindfulness
- Offering experiential rather than cash rewards and measuring the resultant increases in happiness
- Providing unusual benefits such as free meals, doctors and washing machines
- Allowing employees to come and go as they please
- Rewarding employees with stock and, if the unthinkable happens, transferring unvested stock to the deceased’s surviving partner

Brock (2015, loc. 3937) offers a telling perspective that characterizes much of Google’s people development policy: “increasing happiness is not a universal management goal (although it should be – it works)”.

Tony Hsieh (2010) tells the autobiographical story of Zappos, the world’s largest online shoe store, in his book *Delivering Happiness* and how a focus on corporate culture became a powerful model for achieving success. Hsieh calls for enterprises to “make happiness your business model”. He describes how the company applies lessons from the “science of happiness” in the running of business. Hsieh theorizes that one can achieve sustainable happiness by focusing on purpose and passion. He positions profit to be a result of these two ideals. This mentality may be why Zappos is able to offer newly hired employees \$2000 to quit after their first month with the company.

TOMS CEO, Blake Mycoskie (2012), offers the following insight in his book *Start something that matters*: “Always remember: The better your employees feel about their jobs, the better your business performs”. TOMS is another example of a successful corporate that seems to embrace the case for employee flourishing.

The fact that TOMS, Zappos and Google hold employee flourishing in such high regard is proposed to inspire a sense of urgency for targeting employee flourishing. These three case studies are documented as elements of the EFSF.

The study proceeds with a discussion of the second stage of Kotter’s Change Management process: Build a guiding coalition.

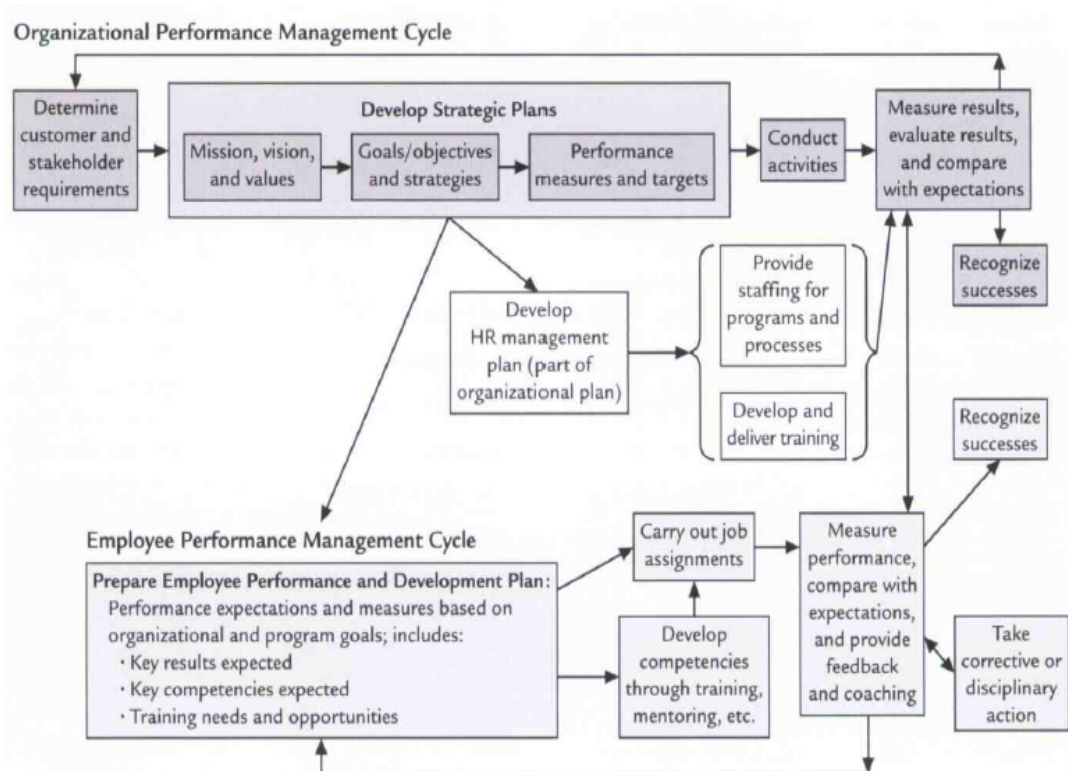
### **8.1.2 Build a guiding coalition**

HRM is discussed in section 7.4.1 as the most relevant field for developing an employee-flourishing program. For practical purposes, the guiding coalition should be formed from this enterprise department. It is noted though, that HRM directly affects every person in the enterprise. Therefore, all members of the enterprise play a role in driving such a program. Buy-in from the executive committee is thought to be especially important. The evolution of HRM into Strategic HRM highlights the key role of this function within the enterprise and its partnership with the executive committee. An investigation of Strategic HRM provides context for recommending roles within a guiding coalition for employee flourishing, henceforth termed a “flourishing coalition”.

#### **8.1.2.1 Strategic HRM**

Lengnick-Hall, Lengnick-Hall, Andrade and Drake (2009, pp. 64-85) provide a review of the evolution of the field of Strategic HRM. Lengnick-Hall *et al.* (2009, p. 64) state that Strategic HRM has its origins in the 1920s when a small but visibly elite group of employers sought to change the traditional commodity/command and control system of management to one that emphasized competitive advantage through unity of interest, cooperation and investment in labour as a human resource. Strategic HRM has come to cover the overall HR strategies adopted by enterprises and tries to measure the resulting impacts on performance. Lengnick-Hall *et al.* (2009, p. 65) identify seven themes that have characterized the flood of Strategic HRM literature over the past 30 years. The themes are related in that they all describe an expanding role of Strategic HRM. The second theme, for example, is “shifting from a focus on managing people to creating strategic contributions”. This section further details the Strategic HRM domain with an examination of two of its concepts: the human resource advantage and transformational HRM.

Boxall (1998, p. 267) describes the human resource advantage as an enduring form of competitive superiority based on superior management of human talents. This echoes the motivation for originating Strategic HRM in the 1920s. The human resource advantage is the product of two key categories: human capital and organisational (enterprise) process advantages. The categories can be distinguished as follows: Human capital focuses on micromanaging individuals while enterprise processes examines the interplay between people, teams, management and the greater enterprise. The contents of Figure 8-2 represent these categories. The figure portrays the flow of management activities in the context of a results-oriented enterprise. “Employee performance management cycle” is proposed to represent the human capital process and “organizational performance management cycle” the enterprise process. Evidently, they are closely linked showing that enterprise processes are strongly reliant on human capital and vice versa.



**Figure 8-2: Integrated enterprise and employee performance management cycles (Vanderstraeten, 2015)**

It seems that the trend within Strategic HRM is to pay greater focus to the role of human capital within the context of enterprise processes, rather than viewing them as separate, a trend that Newman (2014) terms Integrated Human Capital Management (IHCM). This mirrors the trend of moving from transactional to transformational HRM.

Jha (2014) describes the increasing need for the HRM division of an enterprise to extend from its traditional role of transactional management to a strategic role of transformational management. Transactional HRM covers the day-to-day mechanics required to keep an organisation running. Transformational HRM extends the role to focusing on strategies to align HRM with the enterprise's goals. Audenaert (2015) provides a list of the types of activities performed by the transactional and transformational HRM units, some of which are presented in Table 8-1.



**Table 8-1: Transactional versus traditional HRM (Audenaert, 2015)**

<b>Transactional HRM</b>	<b>Transformational HRM</b>
<b>Administration of employment:</b> Recruitment and selection procedures, appointment formalities, internal mobility, formalities of discharge, visa, expatriate formalities, and so on.	<b>Employment:</b> Strategic personnel planning, recruitment of candidates, screening of new employees, promotion, career planning, talent assessment.
<b>Wage or pay-related activities:</b> Payroll, administration of variable payment systems (stock options, bonuses), tax deductions, social security deductions, counting working hours, organization of vacation, statistics, and so on.	<b>Development:</b> Management development, learning, personal development plans, competence management, performance management, diversity development, organizational learning.
<b>Administration of financial and material benefits:</b> Organization of extra-legal benefits, medical service, employer-related compensations (relocation allowance, commuter allowance), information about financial and material benefits, contributions to a pension fund, and so on.	<b>Strategic payment:</b> Pay for performance, job analysis, performance measurement, strategic payment programs, profit sharing.
<b>Administration of personnel development and training activities:</b> Registering formation, training and education activities, legal regulations of VTO, and so on.	<b>Organization management:</b> Organization change, process management, organization diagnosis, change of organization culture, business process reengineering.
<b>Building and keeping up databases:</b> Keeping up to date personnel administration (change of address and family structure) social statistics, and so on.	<b>Communication:</b> Media management, internal communication, public relations, Human Resource Management Information System (HRMIS)

Jha (2014) proceeds to describe how transactional and transformational HRM should not be seen as mutually exclusive. Elements from both are required to run a successful enterprise. Routine administrative tasks should be integrated with strategic initiatives.

The purpose of this examination into Strategic HRM is to extricate the type of roles needed within a flourishing coalition. The following propositions are derived from this examination. Members of the HRM unit should be the driving force of an employee-flourishing program. This requires defining or redefining the role of HRM as a strategic contributor. HRM will therefore play a linking role with other strategic contributors of the enterprise. Boxall (1998, p. 267) shows that the human resource advantage is the product of human capital and enterprise process advantages. The HRM unit should link with

enterprise process teams to ingrain flourishing into the operations of the enterprise. Meanwhile, HRM remains responsible for its transactional duties. It may therefore be appropriate to appoint a flourishing coalition within HRM that focuses on flourishing strategy over and above HRM operations.

It is noted that enterprises tend to have various roles depending on their structure. Defining specific roles within a flourishing coalition is therefore proposed to be a task that is better suited to a local context. The review of Strategic HRM is proposed to provide useful context for enterprises to develop specific flourishing coalitions. Once a flourishing coalition is settled, Kotter's Change Management process advises forming a strategic vision and initiatives.

### **8.1.3 Form a strategic vision and initiatives**

Evans (2010) states that a vision statement defines the desired optimal future state of what an enterprise wants to achieve over time. A strategic vision acts as a guiding light for the Change Management program. It should give the enterprise clarity in terms of the desired destination towards which the change is leading. Evans (2010) emphasises that it is not to be confused with a mission statement. A mission statement describes the present state or purpose of an enterprise (or flourishing coalition). By enacting its mission, an enterprise can achieve its vision. Evans (2010) lists the benefits of having a well-articulated vision and mission statement, which include "strengthening culture through a unified sense of purpose" and "enhancing cross-functional relationships through a shared understanding of priorities". Defining a vision and mission statement aids a change towards flourishing.

The flourishing coalition should develop vision and mission statements based on the state of the art of employee flourishing. The coalition should draw from Positive Psychology and ensure the statements resonate with the culture of the enterprise. Elements for mission and vision statements of the EFSF are as follows:

1. Vision: To be global leaders in employee flourishing
2. Mission: To maximize the experience of PERMA and minimize the experience of Depression and Anxiety across all members of the enterprise

Once the vision and mission statements are complete, initiatives for achieving them are formed. This study proposes following a designed process for developing initiatives. This has been provisionally discussed in the fourth quadrant of the Systems Approach in section 7.4 and is discussed further in section 8.2.

The Change Management process advises that the strategic vision is better achieved by enlisting a volunteer army.

### **8.1.4 Enlist a volunteer army**

The goal of flourishing should be worked towards en masse. Every employee should be able to play a role. It is proposed that employees will readily enlist themselves to a project aimed at improving their experience of work. This is proposed to happen relatively organically and is not explicitly expanded within the Change Management

process. In order to allow the volunteer army to contribute to the success of such a project, the enterprise should enable action by removing barriers.

**8.1.5 Enable action by removing barriers**

Bock (2015, loc. 1606) advises on the practice of enabling action by removing barriers in his chapter titled, “Let the Inmates Run the Asylum: Take power from your managers and trust your people to run things”. Bock states that humans are susceptible to defaulting to authority but that a goal of Google’s is to encourage employees to act like owners. This is deemed to be in the best interest of the enterprise as it, for example, mitigates the dangerous effects of power and subservience. Bock (2015, loc. 1684) states, “One of the nobler aspirations of a workplace should be that it’s a place of refuge where people are free to create, build and grow. Why not let the inmates run the asylum?” Bock (2015) lists a number of steps for achieving mass empowerment that include:

- Making it safe for people to speak up
- Eliminating status symbols
- Making decisions based on data, not based on managers’ opinions
- Finding ways for people to shape their work and company, such as 20% time
- The Googlegeist survey
- Enlisting teams of employees to tackle the problems they identified in the first place

Bock (2015, loc. 1998) proposes that “decisions should be made at the lowest possible level of an organisation” but concedes that “some hierarchy in decision-making is important: it’s the only way to break ties and is ultimately one of the primary responsibilities of management”. Bock advises that questions that should rise up the org chart are ones where, given the same data and information, more senior leaders would make a different decision than the rank and file.

The process of enabling action by removing barriers can be viewed as a practice of an employee-flourishing program. Empowering employees is also proposed to meet the innate psychological needs of competence and autonomy. This practice can therefore be fit within the process advocated in the fourth quadrant of the Systems Approach. This is depicted in Table 8-2.

**Table 8-2: EFSF process for removing barriers to action**

Obstacle to flourishing	Means to flourish effectively	System/practice
Inefficient processes/hierarchies barring action	Competence & autonomy	Job analysis and design/mass empowerment and constituent practices

The insights gained from the discussion on Change Management have resulted in the addition of an element to the fourth quadrant of the Systems Approach. This illustrates how considerations for an employee-flourishing program evolve over time, as discussed in section 7.4.3. The practice of mass empowerment has been fit into the job analysis and design system. It is now recognised that this system may be seen on various levels. At the

micro level, for example, job design may entail defining the decision-making ability of the employee, whereas, at the macro level, job design requires defining the fit of the job within the greater organisational structure. Organisational structure is proposed to have a fundamental impact on the enterprise's capability to design for employee flourishing. Configuring organisational structure requires an investigation of its own and should form an important part of developing an employee-flourishing program. This may form part of future iterations of the EFSF.

#### **8.1.6 Section conclusion**

This section proposes Kotter's Leading Change as an appropriate source for developing the Change Management component of the EFSF. This component is necessary for established enterprises to rectify negative corporate culture.

As per the Leading Change process, the EFSF now urges enterprises to create a sense of urgency by showcasing the whole problem, or the faltering development of flourishing. This is aided by drawing the executive committee's attention towards the link between flourishing and short-term performance and showcasing high profile enterprises that champion the case for managing employee flourishing. The second stage of the process is to build a flourishing coalition. This section presents an extended review of the HRM domain, which is positioned as an appropriate source of members for such a coalition, because it is transforming into a strategic roleplayer that works across enterprise processes. The EFSF then calls for forming a strategic vision and mission. This is an appropriate stage for enterprises to settle on a construct for the experience of the good life, a crucial step for the EFSF to continue effectively. Enlisting a volunteer army, the next step of Change Management, is proposed to happen relatively organically. Enabling action by removing barriers is highlighted as a concept within an employee-flourishing program rather than forming a separate stage in the EFSF process.

The final steps of Kotter's Change Management process, generate short-term wins, sustain acceleration and institute change are deemed to be relevant at a later stage of EFSF development. They are discussed in later sections of this study. The next section captures the lessons gained from the run-through of the initial part of the Change Management program.

#### **8.1.7 Change Management run-through update**

EFSF updates resulting from the review of the initial steps of the Change Management process are provided in Table 8-3. This chapter then continues with the run-through of the second iteration of the EFSF, beginning with the implement stage.

**Table 8-3: Change Management run-through updates**

<b>Step</b>	<b>Lesson</b>	<b>Tool</b>	<b>Element</b>	<b>Process iteration</b>
<b>Create a sense of urgency</b>	A number of case studies may encourage an enterprise's executive committee to embrace flourishing as a business imperative and thereby create a sense of urgency from the top down	Memo outlining the need for an employee-flourishing program	E.g. section 1.2.1 and 1.2.2	Showcase the whole problem and create a sense of urgency
		Study of link between flourishing and short-term performance	E.g. section 8.1.1.1	
		Study of successful corporates as promoters of the case for flourishing	E.g. section 8.1.1.2	
<b>Build a guiding coalition</b>	HRM should be viewed as a strategic contributor in the enterprise. An independent flourishing coalition should be primarily formed from the HRM department and then extend into other sectors.	Strategic HRM review	E.g. section 8.1.2.1	Form a flourishing coalition from a Strategic HRM unit

Step	Lesson	Tool	Element	Process iteration
<b>Form a strategic vision and initiatives</b>	The vision should act as a unifying force and should therefore be solidified early. It should combine with a mission statement. Initiatives to achieve the vision follow a designed process discussed elsewhere	Vision and mission statements	Vision: To be global leaders in employee flourishing	Form strategic vision and mission statements
			Mission: To maximize the experience of PERMA and minimize the experience of Depression and Anxiety across all members of the enterprise	
<b>Enlist a volunteer army</b>	Thought to happen relatively organically			
<b>Enable action by removing barriers</b>	The removal of barriers should be seen as an important element of an employee-flourishing program	Organisational structure theory	EFSF process for removing barriers to action (Table 8-2) - discussed in section 8.1.5	

## 8.2 Implement

The implement stage occurs after the initial steps of Change Management and after the Systems Approach. At this stage of the EFSF, a critical investigation of the notion of employee flourishing has occurred and a number of high-level concepts have been creatively composed for an employee-flourishing program. Levitt (2002) writes in the Harvard Business Review that creativity is not enough. He argues that, “creativity as it’s commonly defined - the ability to come up with brilliantly novel ideas - can actually be destructive to businesses. By failing to take into account practical matters of implementation, big thinkers can inspire organizational cultures dedicated to abstract chatter rather than purposeful action”. Levitt’s comments are echoed by Staudter, Hugo, Bosselmann, Mollenhauer, Meran and Roenpage (2009, p. 2) who state that every company relies on innovation to complete globally but that “creative ideas are mostly insufficient if you want to translate an innovative spirit into commercial success”.

It is now time to consider the implementation of these concepts. This paper refrains from considering implementation in any specific context. Rather, it highlights the general perspective that should be considered during this stage.

### **8.2.1 Implementation as part of an innovation process**

The concept of innovation is key to this study. While an invention is a new or novel idea, an innovation is the successful commercial application of such an idea (du Preez, Essman, Louw, Schutte, & Marais, 2013, p. 40). Du Preez et al. (2013, p. 40) define innovation as “the successful generation, development and implementation of new and novel ideas, which introduce new products, processes and/or strategies to a company or enhance current products, processes and/or strategies leading to commercial success and possible market leadership and creating value for stakeholders, driving economic growth and improving standards of living”.

Implementing concepts of an employee-flourishing program can be seen as innovation projects. This study describes these as “flourishing projects”. Staudter et al. provide an approach for systematic Innovation Management in their book Design for Six Sigma + LeanToolset. Arnheiter and Maleyeff (2005, pp. 5-18) show that Six Sigma and Lean are two of the most popular programs for enhancing competitiveness in industrial organisations. The Motorola Corporation founded Six Sigma as a strategy for reducing defects in a process. A Six Sigma process produces good quality 99.99966% of the time. Lean management can be traced back to the Toyota production system in Japan. It involves a variety of techniques aimed at reducing waste. Together, Six Sigma and Lean management produce high quality and low waste. Although it originates in an industrial context, this thinking is relevant to all forms of business management. This further illustrates the motivation for the field of Enterprise Engineering, summarized as the application of design principles to business management processes (Giachetti, 2010, p. 3).

Staudter et al. (2009, p. 2) offer the DMADV phased approach (DMADV = Define, Measure, Analyse, Design, Verify) as a best in class approach for effectively and efficiently

realizing ideas. The book is introduced with the note that the DMADV approach is applied globally to optimize processes. It is therefore proposed to be suitable for developing the implement stage of the EFSF.

### **8.2.2 Aligning the DMADV approach with employee experience design**

It must be noted that the DMADV approach is characterized as being customer-oriented. Each step of the approach is performed with the customer in mind. This is positioned as being key to its success. In this study, an employee-oriented approach is adopted. The employee is viewed as the customer. It is proposed that the Six Sigma + Lean methodology can be usefully applied to this perspective. This is evidenced by the emergence of employee experience (EX) design.

Doherty (2014) describes how customer experience (CX) design has become a burgeoning industry. CX design holds that products and services should be fundamentally designed according to the needs of the customer. CX is replacing the traditional methods of designing products and services based on enterprise needs to which the customer must conform. This thinking is becoming more relevant to the workplace and has resulted in the emergence of EX design. This echoes Staudter *et al.*'s (2009, p. 122) labelling of employees as internal customers. It is proposed that incorporating the voice of the employee to the objective view of the researcher will add to the effectiveness of flourishing projects. The term employee therefore substitutes the term customer in the context of the DMADV process.

### **8.2.3 Implementation ramp-up**

This section's initial aim was the development of the implement stage of the EFSF. However, lessons from Staudter *et al.* are heeded. A number of stages are required before successful implementation can take place. Therefore, this section proceeds with a brief investigation of the full DMADV process as described by Staudter *et al.*, as well as its fit within the context of the EFSF. Staudter *et al.* provide an extensive list of tools that are proposed to help develop a more comprehensive EFSF. These tools are investigated in the following sections.

### **8.2.4 Define**

The Define phase answers the question: "Why is this being done and what is the scope of this development activity?" (Staudter *et al.*, 2009, p. 29).

This phase immediately follows the already discussed steps of the Change Management process. Focus is now turned to completing flourishing projects that align with the strategic vision and mission formed by the flourishing coalition. This coalition continues to take responsibility for the flourishing project. Staudter *et al.* (2009, pp. 33-83) provide a number of tools that enable the definition of flourishing projects. A set of appropriate tools is listed in Table 12, along with their relevance to the EFSF.



**Table 8-4: Tools for the Define phase/early steps of the Change Management process**

<b>Tool</b>	<b>Relevance to EFSF</b>
Project Charter: Business Case, Redesign and New Design & Project Team	Summarise all necessary information for defining the flourishing project
Project Scope: In/Out-Frame	Scope the flourishing project
Multi Generation Plan	Give a preview of potential future developments for flourishing projects
Best Practice Check	Review internal projects that align with flourishing as well as projects being pursued by competitors, initiatives being conducted by employees and expected regulatory changes to form best practices
Project Management	Dynamically control project activities in order to maximize flourishing with available resources
Work Breakdown Structure	Detail the project with subtasks (work packages)
Network Plan	Map work packages in a logical sequence and discover the critical path for minimizing project duration
Time Plan/Gantt Chart	Define and visualize duration and effort required for work packages
Resource Planning	Identify necessary resources and ensure availability for the project
RACI (Responsible, Accountable, Consulted, Informed) chart	Specify roles within flourishing coalition for specific flourishing project
Budget Planning	Draft the budget for flourishing project and enable monitoring of budget adherence
Stakeholder Management	Extends the discussion of winning support from the executive team (section 8.1.1)
Project Communication	Schedule communication and set media type in an effort to create transparency
Risk Management	Identify risks and evaluate their likelihood of occurrence and potential impact on project success
Kick-off Meeting	Share plans with the extended project team and enterprise

Before proceeding from any stage in the DMADV process, Staudter *et al.* advise performing a gate review.

#### **8.2.5 Gate review**

A gate review ensures that the purpose of the stage has been achieved, presents recommendations about the future direction of the project and poses questions that typically need to be answered (Staudter *et al.*, 2009, p. 84). The act of reflecting on

project work in a gate review is proposed to improve the effectiveness of the stage. The EFSF therefore makes use of gate reviews. Staudter *et al.* (2009, pp. 84-85) advise the following procedure:

- Present results completely and comprehensibly
- Check current status of the project according to the following criteria:
  - Completeness of results
  - Probability of project success
  - Resource allocation in the project
- Decide if the project can enter the next phase

Staudter *et al.* (2009, pp. 85, 201-202, 345-346, 472-474) provide sets of questions to help with the gate reviews of each phase of the DMADV process. These questions may facilitate locally designed gate reviews.

Deciding if the project may enter the next phase may be further facilitated using a definitive set of reflective questions. The following recommendation is made. The reflective questions should be answered with either No, Yes, or Not Yet (NYNY). Actions that correspond to NYNY answers are portrayed in Table 8-5. Once all questions are answered with Yes, the flourishing project may continue. The answer No is considered for extreme cases where the current project is deemed to be no longer within the best interests of the enterprise. This should result in halting of the flourishing project, redress of the current stage or even reverting to the beginning of the EFSF and redoing the initial stages. The answer Not Yet prompts more work in the current stage.

**Table 8-5: NYNY gate review actions**

No	Yes	Not Yet
Halt project	Proceed	Continue with present stage

A final reflective question, “Can the project enter the next phase?” is recommended. The project may proceed with a Yes answer to this question.

#### **8.2.6 Measure**

The Measure phase answers the question: “Who is the central employee of the project and what specific requirements does he/she require of the product/process?” (Staudter *et al.*, 2009, p.89).

The concept of Measure has been key throughout this study. This is evidenced by discussions in sections 2 and 7.2.1, particularly regarding the experience of the good life. These discussions have produced the factors of PERMA, Depression and Anxiety and corresponding measures as proposed elements of the EFSF.

Due to the complex nature of this study, it is advised that the articulation of this measurement is completed in the early stages of the EFSF. There is little point in proceeding with an employee-flourishing program if the enterprise cannot settle on a flourishing construct. By this stage, the enterprise should have confirmed its

understanding of this notion. It is advised that the enterprise completes this when forming a strategic vision during the Change Management process, as discussed in section 8.1.3. Establishing a flourishing construct begins the measurement process. This is continued during the Innovation Management process. The tools of the Measure phase provide for systematic measurement throughout the flourishing project.

Staudter *et al.* (2009, p.91) categorizes the Measure tools into the following sub-phases:

1. Identifying employees and their needs
2. Structuring and prioritizing employee needs
3. Specifying employee needs

This section proceeds with a discussion of these sub-phases.

#### **8.2.6.1** Identifying employees and their needs

Employee needs have been discussed at length in this study. They are the topic of the second and third quadrants of the Systems Approach: identifying obstacles to flourishing and means to flourish effectively. Evidently, these quadrants fit within the Measure phase. This is incorporated into the EFSF.

Previous discussions on identifying obstacles to employee flourishing note that deriving obstacles depends on the perspective taken by the researcher. The general perspective taken in this study has produced the elements of section 7.2. The tools of this sub-phase supplement this discussion. These tools can be used to focus the research perspective for identifying obstacles to flourishing. The enterprise must first segment employees, choose a target group and then identify their needs. Tools for completing these steps are discussed below.

Table 8-6 lists a number of tools provided by Staudter *et al.* (2009, pp. 95-117) for segmenting employees.

**Table 8-6: Tools for employee segmentation**

<b>Tool</b>	<b>Relevance to EFSF</b>
SIPOE (Supplier, Input, Process, Output, Employee)	For a specific process, identify employees that supply inputs (downstream employees) and receive outputs (upstream employees)
System value chain	Extend the employee perspective from a specific process to the entire value chain and integrate all relevant employees
ABC classification	Classify employees in terms of turnover and allow for focus on employees who generate the biggest turnover share
Portfolio analysis	Add and extend relevant information on potential time employee will spend with the enterprise
Employee scoring	Score employees using a multi-dimensional procedure ((Staudter <i>et al.</i> , 2009, p. 111) provide exemplary evaluation criteria – parameters such as contribution margin, loyalty and development potential that may be adapted to be employee-oriented)

Tool	Relevance to EFSF
Employee value measurement	Classify employees in terms of short-term, mid-term and strategic success potential, segments such as “blue chip” or “opportunity” employees and implement actions recommended by Staudter <i>et al.</i> (2009, pp. 112-117)

The practice of employee segmentation reveals a point of ethical consideration. Customers are typically segregated according to their commercial potential. For example, A-classified customers may have an 80% turnover share compared to 15% and 5% for B- and C-classified customers. Staudter *et al.* (2009, p. 106) advise the enterprise to target A-classified customers, as this would better meet business objectives. Whether this logic can be applied to employees is a point of contention. Problems may arise in cases where one group of employees' flourishing is being actively managed and another group's is not. A stated requirement of the EFSF is that flourishing be pursued for the sake of flourishing and that performance should be viewed as resulting from flourishing. Ideally, all employees' flourishing should be maximized at all times. However, the capacity of the enterprise is limited. It must use some criteria to roll out an employee-flourishing program over time. Whereas customers are segregated purely on commercial potential, there are a number of options for segregating employees. These include:

- Managing the flourishing of employees that deliver the largest commercial potential
- Measuring all employees' flourishing and then managing those who score the lowest (those who are in most need of flourishing improvement) or highest (to possibly produce greater returns)
- Systematically working through departments
- Prioritizing projects that affect relatively more employees

The enterprise should use its discretion to segregate employees for flourishing management. Ideally, all groups will eventually be subject to flourishing projects. The tools provided by Staudter *et al.* are most easily adapted for segregating employees in terms of commercial potential. Expressing the difficulties mentioned in this paragraph may help to alleviate employee concerns.

Once a group of employees has been targeted, their needs can be derived. The first needs to identify, according to the Systems Approach, are obstacles to flourishing. Tools for identifying obstacles to flourishing are listed in Table 8-7 along with their relevance to the EFSF.

**Table 8-7: Tools for identifying employee obstacles to flourishing**

Tool	Relevance to EFSF
Lifecycle roadmap	Map the activities of a process from the employees' perspective, formulate hypotheses on the interaction of target employees with the process and thereby score the relevance of the process activities

Tool	Relevance to EFSF
5W + 1H table	Structure the existing information from the lifecycle roadmap according to the five Ws and one H (Who? What? When? Where? Why? & How?)
Select and conduct research methods	Staudter <i>et al.</i> (2009, p. 127) provide the following research methods for identifying needs: internal research, employee interaction study, participatory observation, 1-1 interview, focus group interview, survey

This section's discussion has been linked to the second quadrant of the Systems Approach. It has not yet been linked to the third quadrant (means to flourish effectively), despite its stated relevance. It is proposed that the voice of the employee is not necessarily suitable at this stage. This is based on the logic presented in section 7.3. People are often bad at predicting what will make them happy. Means to flourish effectively should therefore be derived from an objective, scientific standpoint. Once a scientific platform for effectively pursuing flourishing has been established, employee opinion may be embraced to contextualize the lessons from Positive Psychology. This is discussed in the next section. At this stage, the identifying employee needs phase is limited to deriving obstacles to flourishing.

Once the needs of a specific group of employees have been identified, there is requirement for them to be structured and prioritized.

#### **8.2.6.2 Structuring and prioritizing employee needs**

This section begins with a discussion of the structuring and prioritization of the obstacles to flourishing. It then proceeds with the structuring and prioritization of means to flourish effectively. The latter becomes relevant after the third quadrant of the Systems Approach.

Staudter *et al.* (2009, p. 152) advise the following procedure for structuring and prioritizing employee needs:

- Collate information collected on employee requirements using an Employee Needs Table
- Group needs into an Affinity Diagram
- Sort needs in a Tree Diagram
- Categorize with a Kano Model
- Prioritize using the N/3 Method, Nominal Group Technique or with the pair comparison/Analytic Hierarchy Process (AHP)

These tools and their relevance are described further in Table 8-8 in the context of obstacles to flourishing.

**Table 8-8: Tools for structuring and prioritizing obstacles to flourishing**

Tool	Relevance to EFSF
Employee Needs Table	For the targeted employee group, collect their obstacles to flourishing
Affinity Diagram	Sort obstacles to flourishing according to similar themes/content and start to recognize employees' thought processes
Tree Diagram	Sort obstacles to flourishing into hierarchical levels and identify outstanding obstacles
Kano Model	Recognize obstacles that must or should be solved by categorizing solved obstacles into delighters, satisfiers and dissatisfiers
N/3 Method	Weight priorities for delighters and satisfiers by a simple distribution of points
Nominal Group Technique	Multiple people rank delighters and satisfiers whose scores are then summed
AHP	Compare and weight delighters and satisfiers in pairs to systematically derive a clear ranking

The tools in Table 8-8 aid in producing a prioritized set of obstacles to flourishing. This enables the enterprise to tackle employee concerns effectively. The discussion now turns once again to the third quadrant of the Systems Approach (means to flourish effectively).

At this stage, the lessons from Positive Psychology have produced a set of means to flourish effectively. This study has produced the elements of pursuing intentional activity, meeting innate psychological needs and developing character strengths. A number of options for incorporating these means into the EFSF are listed below:

1. Repeat the use of the tools in Table 8-8 to produce an independently prioritized set of means to flourish effectively. It may be revealed, for example, that HR practitioners generally emphasize Relationship while salesmen generally emphasize Accomplishment and their experience of flourishing weighs more heavily on one than the other. This option requires that means to flourish effectively are structured and prioritised independently from obstacles to flourishing.
2. Link the employee-identified obstacles to specific means. One can imagine, for example, the following employee-prioritized obstacle: an overemphasis on competing to have the best quarterly figures is causing salesmen to undermine each other's performance. It is proposed that this obstacle can, to some extent, be linked to Relationship as an innate psychological need. In the example, Relationship has been negatively affected by competition causing performance to suffer.

As an aside, it is noted that a generalisation is made in the first option's example. This should not become common practice. It is proposed that, although an enterprise has limited capacity to offer tailor-made solutions, clustering individuals in ever-smaller groups is more effective than offering generalised solutions. Malcolm Gladwell (2004)

evidences this in his Ted talk on Choice, happiness and spaghetti sauce. He concludes that, “in embracing the diversity of human beings, we will find a surer way to true happiness”. Ideally, the enterprise identifies needs on an individual basis. This invokes a requirement for line managers to be trained in the EFSF.

The step-wise argument below, which re-emphasises the philosophical nature of this study, shows that both options listed above are relevant:

1. Flourishing is positioned as every person’s ultimate goal
2. Therefore, an obstacle can always be seen as something that hinders effective flourishing
3. However, developing a means to flourish effectively does not require an obstacle to prompt it

This stage of the EFSF therefore produces two sets of needs to which solutions can be developed:

1. A prioritized list of obstacles paired with means to flourish effectively
2. An independently prioritized list of means to flourish effectively

Table 8-8 can be adapted for structuring and prioritizing means to flourish effectively by substituting this term for obstacles to flourishing. The same process and tools are used. Both sets of needs feed subsequent stages of the DMADV process. Ideally, employee needs are structured and prioritized on an individual basis. However, this depends on the capacity of the enterprise. Once needs have been structured and prioritized, the EFSF proceeds with specifying employee needs.

#### **8.2.6.3** Specifying employee needs

This section asks the question, “What measurements, target values and specifications should be assigned to individual employee needs?” (Staudter *et al.*, 2009, p. 90).

The first step of specifying employee needs is to transform employee needs into specific and measurable employee requirements known as CTEs (CTE = Critical to Employee) with corresponding metrics (Staudter *et al.*, 2009, p. 171). The previous section made the point that an obstacle must link to a means to flourish effectively. This logic is leveraged in this section. It is proposed that measurement should aim specifically at flourishing, rather than contain various metrics that pertain to different obstacles. This ensures that the effect on flourishing caused by the removal of an obstacle is evident. This proposal is supported by the previously quoted phrase, “what you measure is what you get”. As the aim of the EFSF is to improve flourishing, flourishing improvements should be measured. The corresponding metrics of the CTEs should therefore be in line with the enterprise’s overall understanding of flourishing. It is further proposed that measurement be simplified completely at this point. The enterprise should adopt a standard measure of flourishing in line with its original strategic vision and mission rather than a variety of different metrics for every means to flourish effectively. This ensures consistency and enables the enterprise to gain a holistic impression of its flourishing projects.

The tools listed in Table 8-9, as prescribed by Staudter *et al.*, (2009, pp. 171-191), leverage the standardised flourishing metric.

**Table 8-9: Tools for specifying employee needs**

Tool	Relevance to EFSF
Derive CTEs and Key Output Metrics	Transform employee needs into specific employee requirements and pair with standardised flourishing metric
Conduct Benchmarking	Compare the experience of flourishing of employees in competing firms/other departments to local employees
Quality Function Deployment (QFD) & House of Quality	Derive flourishing metric target scores for the prioritized employee needs through several stages of QFD
Design Scorecard	Summarize the important results from the House of Quality and assign a relevant unit, operational definition, relevant specification and target value for the flourishing metric – this may help to detail the already established metric
Operational Definition	Create a uniform understanding of measurement and measurement method that includes instrument, method and criteria for decision-making

This study proposes the factors of PERMA and Depression and Anxiety as a useful flourishing metric. These seven factors may be paired with the derived CTEs. The EFSF prompts enterprises to track flourishing project success by assessing the impact caused by concepts of an employee-flourishing program on the standardised flourishing metric. This study proceeds with a discussion on developing these concepts.

### 8.2.7 Analyse

The Analyse phase asks the question, “What is the best high-level concept that can be created, based on the defined employee needs?” (Staudter *et al.*, 2009, p. 205). The objectives of this phase are:

- Develop appropriate high-level concept
- Evaluate and optimize the high-level concept
- Finalise and coordinate the best high-level concept

These objectives are discussed in turn.

#### 8.2.7.1 Develop appropriate high-level concept

The topic of high-level concepts has been discussed in the fourth quadrant of the Systems Approach in section 7.4. The following simple process has been advocated: Highlight obstacle to flourishing and/or means to flourish effectively; develop high level HRM system/practice in response. Staudter *et al.*, (2009, p. 205) prescribe a number of tools that allow the enterprise to elaborate on this process. These tools are split into two sub-sections: developing a number of high-level concepts and choosing the most appropriate. Tools for developing a number of high-level concepts are listed in Table 8-10 along with their relevance to the EFSF.



At this stage, the concepts have been characterized as HRM systems and practices. It is now noted that this is a simplified view. Concepts may also take the form of individual products or processes that can be grouped into practices and systems. Section 8.1.5 also mentioned that an employee-flourishing program might extend beyond HRM systems to affect greater organisational structure. The term concept is henceforth used as a collective description for items such as products, processes, HRM practices, HRM systems and initiatives that extend beyond the HRM department that aim to increase flourishing. However, it is also necessary to distinguish between stages of concept development. Various clarifiers such as “high-level”, “detailed” and “finalised” are therefore used to describe concepts as they progress.

**Table 8-10: Tools for developing high-level concepts**

Tool	Relevance to EFSF
Functional Analysis	Describe the concept in terms of its interacting functions, based on the question, “What must the concept do in order to fulfil the defined requirements?”
Prioritize Functions	Extend the QFD to check the connection between the prioritized measurements and identified concept functions and then weight the functions
Define task	The weighted functions become the basis for defining the task that the concept must perform
Search for solutions externally	Identify alternative solutions for realizing the concept functions with the help of existing approaches
Search for solutions internally	Identify alternative solutions for realizing the concept functions with the help of one’s own creativity

These last two tools are expanded into lists of their own. Table 8-11 and Table 8-12 portray the tools relevant to searching for solutions externally and internally.

**Table 8-11: Tools for searching for solutions externally**

Tool	Relevance to EFSF
Benchmarking	Derive solution ideas from existing “Best-in-Class” systems
Patent Analysis	Generate solution approaches inspired by innovative ideas of others. Staudter <i>et al.</i> (2009, p. 223-224) provide criteria for strategic analysis that ranges from activity to growth of patents and the International Patent Classification as a source of hierarchically structured patents.
Trend Analysis	Derive solution approaches from technology or industry trends
Inspect the Voice of the Employee	When employees are surveyed to generate needs they are likely to utter their own ideas about how their problems could be solved
Lead User Approach	Derive solutions from approaches from especially innovative users who are dealing with the system intensively

Tool	Relevance to EFSF
Cross Innovation	Inspire solutions by focusing on breakthrough ideas from other industries
Function Database	Create an encyclopaedia of opportunities for fulfilling functions that serves to broaden the problem-solving horizon
Evolution of technological systems	Push concept development forward by predicting the future evolutionary steps of a technology

**Table 8-12: Tools for searching for solutions internally**

Tool	Relevance to EFSF
Brainstorming	Develop a collection of ideas that are as diverse and extensive as possible. Before this section, the fourth quadrant of the Systems Approach is mostly derived using this tool.
Brainwriting	Collect ideas in a calmer, more concentrated atmosphere than brainstorming
Anti-solution Brainstorming	Collect ideas for finding solutions by asking the question: "What could make this situation even worse?"
Mind Mapping	Structure the collection of ideas by visualizing the connections between alternative solution ideas
SCAMPER	Supplement developed concept ideas with structured questioning of the concept environment (SCAMPER = Substitute, Combine, Adapt, Modify, Put to other purposes, Eliminate, Rearrange)
Analogy Brainstorming	Support creative solution finding by investigating other systems which have similar features to the system at hand
Morphological Box	Bring together all concept and development elements in order to highlight all conceivable combination possibilities based on the defined and prioritized concept functions

A number of high-level concepts are produced at this point. It is then necessary to choose the most appropriate one. This concept can then be carried forward in the Analyse phase. Tools for choosing an appropriate high-level concept, as prescribed by Staudter *et al.* (2009, pp. 259-278) are listed in Table 8-13, along with their relevance to the EFSF.

**Table 8-13: Tools for choosing an appropriate high-level concept**

Tool	Relevance to EFSF
Conjoint Analysis	Examines the preferences of employees with respect to the characteristics of a concept's features and benefits in order to identify the system which delivers maximum benefit from the employees' perspective
Concept Evaluation from the Employees' Point of View	Evaluate the alternative high-level concepts with respect to their capability of fulfilling the employee requirements using Criteria Based Selection

Tool	Relevance to EFSF
Concept Evaluation from the Innovation Point of View	Evaluate the alternative high-level concepts with respect to their novelty and their ability to differentiate from the competition using Criteria Based Selection
Concept Evaluation from the Company's Point of View	Evaluate the alternative high-level concepts with respect to the expected realization effort connected to them
Concept Evaluation Matrix	Plot the alternative high-level concepts according to the degree of capability expected to be achieved from the employees' and innovation point of view and scale them according their realization effort
Concept Evaluation with the Help of Pugh	Conduct a simplified concept evaluation by taking capability and effort into account using a single table that evaluates concepts against a standard and a set of prioritized CTEs

The criteria for choosing an appropriate high-level concept can be summarised using the following formulation: the appropriate high-level concept is the one that delivers the highest "benefit" versus "effort" ratio, where benefit is the amount of flourishing created and effort is the amount of resources expected to be expended by the enterprise. Once an appropriate high-level concept is chosen, it is evaluated and optimized.

#### 8.2.7.2 Evaluate and optimize the high-level concept

The focus now turns away from choosing between concepts effectively to delivering the chosen concept efficiently. This highlights the difference between effectiveness and efficiency, distinguished as follows: effectiveness is doing the right thing and efficiency is doing the thing right (Business Dictionary, 2016).

Staudter *et al.* (2009, p. 279) list the following goals for evaluating and optimizing the high-level concept:

- Identify target costs for the project and distribute them across the components
- Identify and eliminate weaknesses of the concept
- Obtain the approval of the concept by employees and other stakeholders

This sub-phase is split into two parts: evaluating and optimizing the high-level concept, each discussed in turn.

Table 8-14 lists a specific tool for evaluating the high-level concept prescribed by Staudter *et al.* (2009, pp. 280-283) and its relevance to the EFSF.

**Table 8-14: Tool for evaluating the high-level concept**

Tool	Relevance to EFSF
Target Costing	Identify target costs and distribute them across concept components

Staudter *et al.* (2009, pp. 284-285) prescribe the following process for optimizing the high-level concept:

- Compile conflicts identified so far and address with TRIZ
- Realize calculated necessary cost reductions from Target Costing
- Detect and eliminate further weaknesses of the concept using a Failure Mode and Effect Analysis (FMEA)

Supplementary tools for optimizing the high-level concept prescribed by Staudter *et al.* (2009, pp. 285-191) and their relevance to the EFSF are listed in Table 8-15.

**Table 8-15: Tools for optimizing the high-level concept**

Tool	Relevance to EFSF
House of Quality correlation matrix	Identify technical conflicts between measurements
TRIZ	Innovatively eliminate contradictions in the selected concept without compromises (discussed in detail by Staudter <i>et al.</i> (2009, pp. 286-311))
Suffield Analysis and 76 Standard Solutions	Eliminate suboptimal, functional structures in the concept
Failure Mode and Effect Analysis (FMEA)	Identify weaknesses in the high-level concept, evaluate them and, if required, define actions to eliminate them, noting that costs of errors rise exponentially as the concept's level of detail increases
Risk Analysis	Develop counter measures to big risks produced by a risk management matrix
Storytelling	Exemplify the concept in order to enable employees and other stakeholders to form an opinion and give clear feedback
Early Prototyping	Demonstrate the concept in order for employees and other stakeholders to form an opinion and give clear feedback

The employee/stakeholder feedback produced by these tools is then collected and agreement is reached on the best, optimized high-level concept that is to be finalised and coordinated.

#### **8.2.7.3** Finalise and coordinate the best high-level concept

Staudter *et al.* (2009, p. 335) present the following goals for this phase of the process:

- Draw up a high-level process matching the high-level concept
- Roughly plan the concept's launch
- Define and organize the resources which are necessary for future dealing and implementation

These goals are discussed in Table 8-16 along with relevant tools prescribed by Staudter *et al.* (2009, pp. 336-344).

**Table 8-16: Tools for finalising and coordinating the best high-level concept**

Goal	Tool	Relevance to EFSF
Draw up a high-level process for the concept	SIPOE/EOPIS	The high-level process can be visualized using SIPOE. However, it is recommended creating the diagram in reverse, starting from the relevant employee.
Roughly plan the concept's launch	Innovation marketing: early prototyping, agenda setting, direct marketing, integration of agents	Initiate marketing activities and convince target employees of the development's advantages, reduce resistance to change and set a standard
Define and organize necessary resources	Resource checklist: time, money, manpower, equipment, materials, machines, etc.	Clarify necessary resources for the detailed further development of the concept

A single high-level concept is now selected, finalised and coordinated. In other words, it becomes the focus of the flourishing project. This concludes the Analyse phase of the DMADV process.

### 8.2.8 Design

The Design phase asks the question, "Which detailed concept design is the best design of the high-level concept?" (Staudter *et al.*, 2009, p. 349). The sub-phases of Design are as follows (Staudter *et al.*, 2009, p. 350):

- Develop detailed concept
- Evaluate detailed concept
- Develop and evaluate Lean process

These sub-phases are discussed in turn.

#### 8.2.8.1 Develop detailed concept

Staudter *et al.* (2009, p. 356) state that a great number of different methodologies can be applied for the systematic definition, mapping and optimisation of design elements. The following procedural model, indicating respective techniques and methodologies, is provided:

1. Creativity techniques
2. Mathematical models and calculations of sensitivity
3. Statistical tools
4. Design of experiments

A number of supplementary tools for developing the detailed concept prescribed by Staudter *et al.* (2009, pp. 358-385) are listed in Table 8-17, along with their relevance to the EFSF. These tools serve to develop the detailed concept.

**Table 8-17: Tools for developing the detailed concept**

Tool	Relevance to EFSF
Design Tree/Morphological Box	Describe components of the best high-level concept systematically and in detail through the relevant design dimensions. Relevant dimensions include material procurement, equipment, employees, architecture and design and service.
Cost Breakdown Structure	Assign the allowable total costs of a component to its subcomponents
Tolerance Design: Monte Carlo Simulation, Worst Case Analysis, Root Sum Square Method	Select a suitable calculation methodology and identify production tolerances for the mechanical components of the design elements
Alternative Design Comparison	Optimize the design further by comparing alternative design elements and their characteristics with respect to their performance capability using various statistical tools
Design of Experiments (DoE)	Determine the optimal characteristics of the design elements and equipment settings using the experimental procedure provided by Staudter <i>et al.</i> (2009, p. 376)

The next sub-phase is to evaluate the detailed concept.

#### **8.2.8.2** Evaluate detailed concept

The goals of this sub-phase are to optimize the detailed concept so that is capable of further implementation, document the detailed concept, prepare it for implementation and estimate relevant residual risks on the detailed concept so as to mitigate them from occurring (Staudter *et al.*, 2009, p. 386). Staudter *et al.* (2009, p. 386) prescribe the following procedure:

1. Compile specifications and target values of the detailed concept
2. Create prototype and conduct test runs and/or field tests
3. Simplify detailed concept by eliminating individual components
4. Design detailed concept with reliable, cost effective and more eco-friendly design elements
5. Identify residual risks and define counter actions for reliable defect protection

The tools relevant to this sub-phase, as prescribed by Staudter *et al.* (2009, pp. 387-408), are presented in Table 8-18.

**Table 8-18: Tools for evaluating the detailed concept**

Tool	Relevance to EFSF
Design Scorecard	Create a basis of decision making for the selection of individual design elements by documenting relevant design parameters, operational definitions, target values, specifications and further quality key figures
Test Detailed Concept	Progress the detailed concept in a development and optimisation process to the final pilotable product
Prototyping Methods: E.g. Tool and Die & CAD Prototyping for physical products	Create a physical concept early on to test the fulfilment of the defined employee requirements and functions, develop the detailed concept in iterative optimisation loops, recognize and correct weaknesses in the selected detailed concept and recognize starting points for system simplification
Trimming	Evaluate detailed concept components with the help of functionality-costs-relationship and simplify by eliminating individual components to achieve optimal value (value=functionality/costs)
Design for X (Manufacturing and Assembly, Configuration, Reliability, Maintainability, Services, Environment)	Develop alternative, reliable, cost-effective, environmentally friendly design elements by considering various aspects
Anticipatory Failure Determination (AFD)	Identify potential sources of failure in an anticipatory way with the help of provoking questions
Poka Yoke	Analyse and prevent potential errors before they can occur as a result of the identified causes

Once the detailed concept has been evaluated, a Lean process is developed and evaluated to support the production and service of the detailed concept.

#### **8.2.8.3** Develop and evaluate Lean process

The output of this sub-phase is to pilot a new process to support the production and service of the detailed concept. The process and tools for achieving this, as prescribed by Staudter *et al.* (2009, pp. 409-471), are listed in Table 8-19 along with their relevance to the EFSF.

**Table 8-19: Lean process development and evaluation tools**

<b>Process step &amp; tools</b>	<b>Relevance to EFSF</b>
Evaluate the current process capability	Test the process and input variables defined in the Design Tree for their availability and reliability
Draw up the process design: Flow chart & value stream map	Take design principles into account for optimizing production and supporting processes: focus on value-adding elements in core business areas, test value-enabling elements for their necessity, organize similar activities along stages of the process, separate information, communication and transport streams, prioritize process design, avoid potential defects and simplify unnecessary components
Minimize the process lead time	Eliminate complexity and waste in the process, enhance the flexibility of the process and increase the capacity at constraints
Plan facilities and buildings: Spaghetti diagram & 5S (Sort, set in order, shine, standardize & sustain)	Optimize the internal distances to be covered, create a healthy and safe working environment and ensure the performance capability of the process
Optimize equipment: Reduce setup times & total productive maintenance (TPM)	Identify necessary equipment and ensure and optimize the availability of required machines and facilities
Provide employees	Plan personnel deployment for implementing the modified and/or new processes in line with demand
Set up Key Performance Indicator (KPI) systems	Monitor the new process in an efficient way in terms of supply chain components: procurement, production and distribution
Set up process monitoring: Specification limits, control charts, performance scenarios & process management diagram	Monitor and control process performance by selecting key figures against which KPIs are compared
Simulate processes: Flow chart, simulation software & time plans	Test the complete process in a test environment, optimize it further and recognize and prevent further risks
Draw up work and operating instructions: Change Management on a micro-level	Describe the specific tasks of the individuals involved in the process in detailed work and standard operating procedures



Process step & tools	Relevance to EFSF
Plan material procurement: Single sourcing, dual sourcing & purchase pull systems	Ensure material provision at the right time, in the required quantity, at the required quality and at minimal costs
Provide IT: project management standards, process frameworks, process development and evaluation approaches, methods for developing software, hardware and systems	Harmonize process management with IT systems
Pilot processes: Plan-Do-Check-Act (PDCA)	Test the performance capability of the developed process, improve if necessary and create the basis for roll-out

This phase produces a detailed concept along with a supporting process for developing it. This concludes the Design phase of the DMADV process.

### 8.2.9 Verify

The Verify phase asks the question, “How can the detail design be implemented successfully and how can responsibility for the new process be handed over?” (Staudter *et al.*, 2009, p. 477). At this stage, the flourishing coalition nears completion of its responsibility for the flourishing project and seeks to hand over to the relevant enterprise team and new Process Owner. This emphasises the point that the HRM department must combine with enterprise process teams in a move towards Strategic HRM. The sub-phases of Verify are as follows:

- Prepare implementation
- Implement process
- Hand over process

These sub-phases are discussed in turn.

#### 8.2.9.1 Prepare implementation

This sub-phase calls for the derivation of an implementation strategy for the new process design, drawing up a detailed implementation plan and finalising launch (Staudter *et al.*, 2009, p. 481). Staudter *et al.* (2009, p. 481) provide a process for achieving these goals. This is captured in Table 8-20 along with a number of tools, as prescribed by Staudter *et al.* (2009, p. 482-502), and the relevance of the process and tools to the EFSF. Many of the tools for the new process design have already been discussed in the context of the DMADV process and are therefore listed without a detailed explanation.

**Table 8-20: Process steps and tools for preparing implementation**

Process step & tools	Relevance to EFSF
Derive implementation strategies: In phase, in sequences, integrated & transition plan	Plan the implementation of the process design in such a way that the changeover of live production can take place without delays and downtime
Draw up detailed implementation plan: Updated Project Charter (revised Business Case, tested Multi-Generation Plan, implementation team, risk assessment, escalation management, Change Management) & elements of operational project control (Implementation Frame, Work Breakdown Structure, scheduling tools, Project Report, resource planning, risk management)	Prepare the implementation of the process design in such a way that the changeover of live production can take place without delays and downtime
Finalise market launch: pre-marketing (demand-oriented, problem-oriented and need-oriented levels of employee action), pilot marketing (Lead Users), mass marketing (promote on-going demand), market follow-up cultivation (during marketing, e.g. employee satisfaction analyses & acceptance tests and at the end of the product lifecycle, e.g. advance marketing for a new concept & editions of media information)	Convince the market (the targeted group of employees) of the project's link to flourishing by accompanying market launch with appropriate marketing activities

Once a strategy has been put in place, the process may be implemented.

#### **8.2.9.2** Implement process

The goals of this sub-phase are to create an intuitively clear description of the newly designed process for the individuals involved in the process, ensure a quick start-up phase and ensure a robust, defect-free process (Staudter *et al.*, 2009, p. 503). The process for achieving these goals prescribed by Staudter *et al.* (2009, p. 503-512) is listed in Table 8-21 along with corresponding tools and their relevance to the EFSF.

**Table 8-21: Process and tools for implementing process**

Process step & tools	Relevance to EFSF
Draw up new process documentation and Standard Operating Procedures (SOPs): Graphic illustrations and charts, flow charts, exploded drawings, pictograms, images, photos and films, reference parts	Describe tasks and working resources in the new process in a clear and simple way with defined responsibilities and interfaces, enable autonomous decisions, enable fulfilment of the set process standards, simplify initial training of new employees and ensure uniform documentation of the new process
Define implementation team: RACI	Actively control the transition to full scale production and improve the probability of implementation success by distributing improvement and process control tasks to a wide group of people
Visualize and control process performance: Work units and key figures	Create greater transparency to control processes

The completion of the implement process sub-phase allows for the process to be handed over.

### 8.2.9.3 Hand over process

The goals of this sub-phase are to document project results in a comprehensible way, document experience, knowledge and insights gained from project work, hand over process responsibility to the Process Owner and to close project work officially (Staudter *et al.*, 2009, p. 513). The process for achieving these goals prescribed by Staudter *et al.* (2009, p. 513) is listed in Table 8-22 along with corresponding tools and their relevance to the EFSF.

**Table 8-22: Process steps and tools for process hand over**

Process step & tools	Relevance to EFSF
Finalise project documentation: RACI, documentation tools (e.g. MS Excel/Power Point), Project Charter, Roadmap, Project Benefit, Management Summary & Lessons Learned	Summarize the project's content in a generally intelligible way, ensure exchange of experience beyond the flourishing coalition and communicate project results

Process step & tools	Relevance to EFSF
Hand over process responsibility and conduct project closure officially: Process management based on process documentation and SOPs, defined responsibilities, KPIs, control parameters and target values, Monitoring, Performance Reviews and Audits; gathering of experiences and insights; Eliminate-Reduce-Increase-Create (ERIC) square methodology	Hand over responsibility from the flourishing coalition to the new Process Owner, hand over final project documentation officially and close project and project work officially. This highlights the point that the flourishing coalition works in tandem with enterprise process teams, as discussed in the Strategic HRM review in section 8.1.2.1.

### 8.2.10 Section conclusion

The Verify phase concludes the DMADV process. This process is offered as a best-in-class process for Innovation Management. Innovation Management ensures good ideas to improve employee flourishing are successfully implemented. The DMADV process describes all the steps necessary for completion of a flourishing project.

Flourishing projects are initiated in the Define phase. The purpose and scope of the project are described. The Measure phase produces specific employees as targets of the flourishing project and assesses their needs with the help of the Systems Approach. The Analyse phase produces a concept for meeting the identified employee needs. This concept is detailed in the Define phase. This phase includes the development of a Lean process to support the detailed concept. The Verify phase prompts the flourishing coalition to implement the detailed concept and handover responsibility to the relevant enterprise process team.

The completion of a flourishing project does not mean termination of the EFSF process. The end of the Verify phase allows the flourishing coalition to return to the Define phase and embark on further flourishing projects. Implemented flourishing projects also require further attention, as highlighted by Table 8-22. The table calls for constant review by the Process Owner. This need is also demonstrated by the fact that a strategic framework calls for monitoring and evaluation activities, on top of implementation. These activities are incorporated into the final steps of the Change Management process. These steps are discussed in the following section. The updates resulting from the run-through of the DMADV process and the final steps of Change Management are collated in the subsequent section.

### **8.3 Cement the change towards flourishing**

The final steps of the Change Management process introduced in section 8.1 are generate short-term wins, sustain acceleration and institute change. The steps cover the monitoring and evaluation activities necessary for a strategic framework. Their completion cements an enterprise's change towards flourishing.

#### **8.3.1 *Generate short-term wins***

Once the flourishing coalition hands over the process for the newly generated flourishing project to the Process Owner, an emphasis on generating short-term wins is advised. The immediate goal is to increase flourishing. The enterprise must determine any correlation between newly implemented flourishing projects and the configured flourishing metric. Data is collected, categorized and communicated, as advised by Kotter (2015). A short-term win consists of a flourishing project that is successfully correlated with an improvement in the flourishing metric. Once short-term wins have been generated, the Change Management process calls for sustained acceleration.

#### **8.3.2 *Sustain acceleration***

As mentioned in section 8.1, Kotter (2015) describes sustaining acceleration as adapting quickly in order to maintain speed. Kotter (2015) calls for improvements to be made daily in order to stay the course towards the vision for change. The rapid development of a series of successful flourishing projects is proposed to sustain acceleration of an employee-flourishing program. Having generated short-term wins, the flourishing coalition should seek to build on this momentum by quickly repeating the EFSF process.

#### **8.3.3 *Institute change***

Instituting change, the succeeding stage, is the definition and communication of the connection between new behaviours and the organisation's success (Kotter, 2015). Section 8.3.1 highlights the need to quickly correlate flourishing projects with improvements in flourishing metrics. At this stage, it is necessary to extend this perspective.

This study proposes that flourishing is pursued for the sake of flourishing and that performance is the by-product of this focus. There is requirement to continue to establish the link between flourishing projects and flourishing metrics after initial success. There is also requirement for the link between flourishing and enterprise performance to be tracked over time. This safeguards the financial health of the enterprise and allows it to keep providing the experience of flourishing. Correlations between flourishing and performance improvements are evaluated at this stage of the EFSF using the application of statistical techniques. An investigation of these techniques is recommended for future studies.

#### **8.3.4 *Section conclusion***

The EFSF concludes with an emphasis on monitoring and evaluating the effectiveness of flourishing projects in terms of their link to flourishing and subsequent link to enterprise performance. This is highlighted by concluding the EFSF process with the generate short-

term wins, sustain acceleration and institute change steps. This is proposed to cement the enterprise's change towards flourishing.

The overview of the DMADV process and the remaining Change Management steps provides the enterprise with context for managing flourishing projects. It is advised that the enterprise follows this general process and draws specific tools that suit the scope of the local flourishing project. This study has showcased the possibility of adapting the tools provided by Staudter *et al.* to be employee-oriented. At this stage, these tools are listed with brief discussions of their relevance to the EFSF. There is an opportunity to specify these tools in subsequent studies in line with specific flourishing constructs and in local enterprise contexts.

#### **8.4 DMADV process and Change Management run-through update**

Table 8-23 presents the updates for the EFSF that result from the run-through of the DMADV process and the final three steps of the Change Management process.

**Table 8-23: DMADV and Change Management run-through updates**

Phase	Sub-phase	Lessons	Tools	Elements	Process iterations
		Implementation results from a structured innovation process	Innovation Management	DMADV process	Integrate the DMADV process into the EFSF
<b>Define</b>		The Define phase initiates a flourishing project aimed at developing a concept of an employee-flourishing program	Listed in Table 8-4		Define flourishing project: Specify the purpose and scope
<b>Gate review</b>		The act of reflecting on project work in a gate review improves the effectiveness of the phase	Table 8-5: NYNY gate review actions		Add gate reviews between DMADV stages Ask NYNY questions
<b>Measure</b>	<b>Identify employees and their needs</b>	Obstacles to flourishing can be viewed as a set of employee needs	Table 8-6: Tools for segmenting employees	Segmenting options: commercial potential, those in need, in order of department & prioritizing projects that affect relatively more employees	Form criteria for segmenting employees
		Means to flourish effectively, a second set of employee needs, are best viewed from an objective, scientific standpoint	Table 8-7: Tools for identifying their needs		Identify employees and their needs (Incorporated into the Systems Approach)
		Criteria for segmenting employees for flourishing is a point of contention			

Phase	Sub-phase	Lessons	Tools	Elements	Process iterations
<b>Measure</b>	<b>Structure and prioritize employee needs</b>	Obstacles are linked to means to flourish effectively	Listed in Table 8-8		Structure and prioritize obstacles (after quadrant 2)
		Means can also be structured and prioritized independently	Gladwell's (2004) study on embracing diversity		Link obstacles to means
		Needs should be structured on an individual basis, pending enterprise capacity			Structure and prioritize independently derived means (after quadrant 3)
	<b>Specify employee needs</b>	Measurement should be aimed at flourishing rather than combating obstacles	Listed in Table 8-9		Measures for the experience of the good life
Measurement should be standardised					
<b>Analyse</b>	<b>Develop appropriate high-level concept</b>	Many of the tools seem to apply specifically to manufactured products and processes, but can be adapted for all types of concepts in all types of enterprises - This is the motivation for enterprise engineering	Listed in Table 8-10, Table 8-11, Table 8-12 & Table 8-13	"Concept" is used as a collective description for flourishing products, processes, HRM practices, HRM systems, etc.	Develop high-level concept in response to employee needs
					Select high-level concept based on benefit versus effort ratio



Phase	Sub-phase	Lessons	Tools	Elements	Process iterations
<b>Analyse</b>	<b>Evaluate and optimize the high-level concept</b>	Having chosen a concept effectively, seek to deliver it efficiently	Listed in Table 8-14 & Table 8-15		Evaluate and optimize the high-level concept
	<b>Finalise and coordinate the best high-level concept</b>	This sub-phase, and a number listed below, fit appropriately into the EFSF	Listed in Table 8-16		Finalise and coordinate the best high-level concept
<b>Design</b>	<b>Develop detailed concept</b>		Listed in Table 8-17		Develop detailed concept
	<b>Evaluate detailed concept</b>		Listed in Table 8-18		Evaluate detailed concept
	<b>Develop and evaluate Lean process</b>		Listed in Table 8-19		Develop and evaluate Lean process
<b>Verify</b>	<b>Prepare implementation</b>		Listed in Table 8-20		Prepare implementation
	<b>Implement process</b>		Listed in Table 8-21		Implement process
	<b>Hand over process</b>	Despite project completion, flourishing effectiveness should be evaluated constantly	Listed in Table 8-22		Hand over process

Phase	Sub-phase	Lessons	Tools	Elements	Process iterations
		The final stages of the Change Management become relevant once again			Cement the change towards flourishing
<b>Generate short-term wins</b>		Links between flourishing projects and metrics should be quickly correlated and conveyed	Statistical techniques	Measures for the experience of the good life	Generate short-term wins
<b>Sustain acceleration</b>		The flourishing coalition should use short-term wins as a catalyst for further flourishing projects			Sustain acceleration
<b>Institute change</b>		Links between flourishing and enterprise performance ensure the enterprise is sustained, allowing it to continue to provide the experience of flourishing	Statistical techniques		Institute change

This concludes the run-through of the second iteration of the EFSF process, allowing for a third iteration to be formed.

### **8.5 EFSF iteration 3**

The process iterations produced by this run-through are presented in Figure 8-3, a high-level EFSF process and Figure 8-4, a detailed version. For the purposes of this study, optimisation of the framework process is now complete.

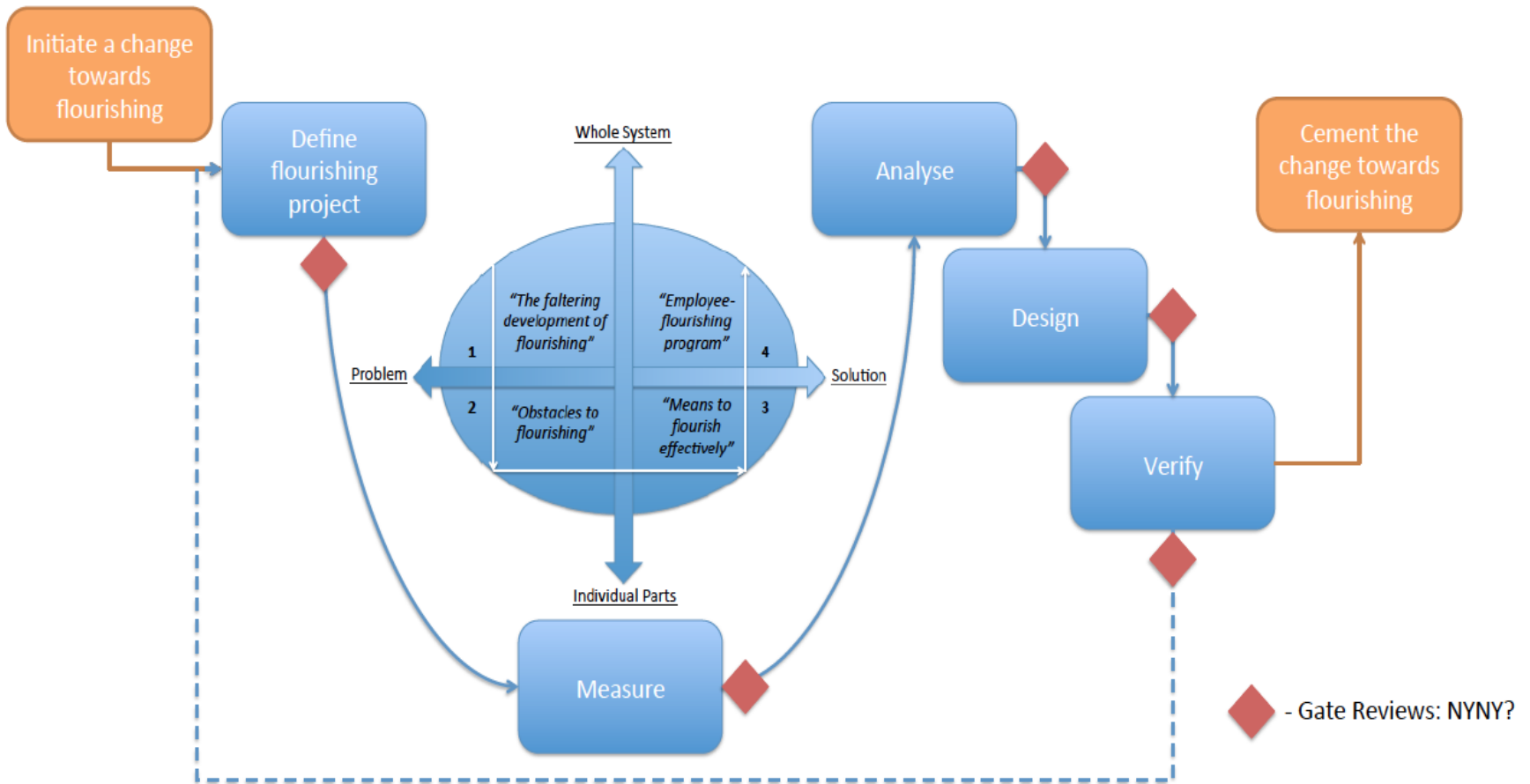


Figure 8-3: EFSF process (iteration 3) – high level

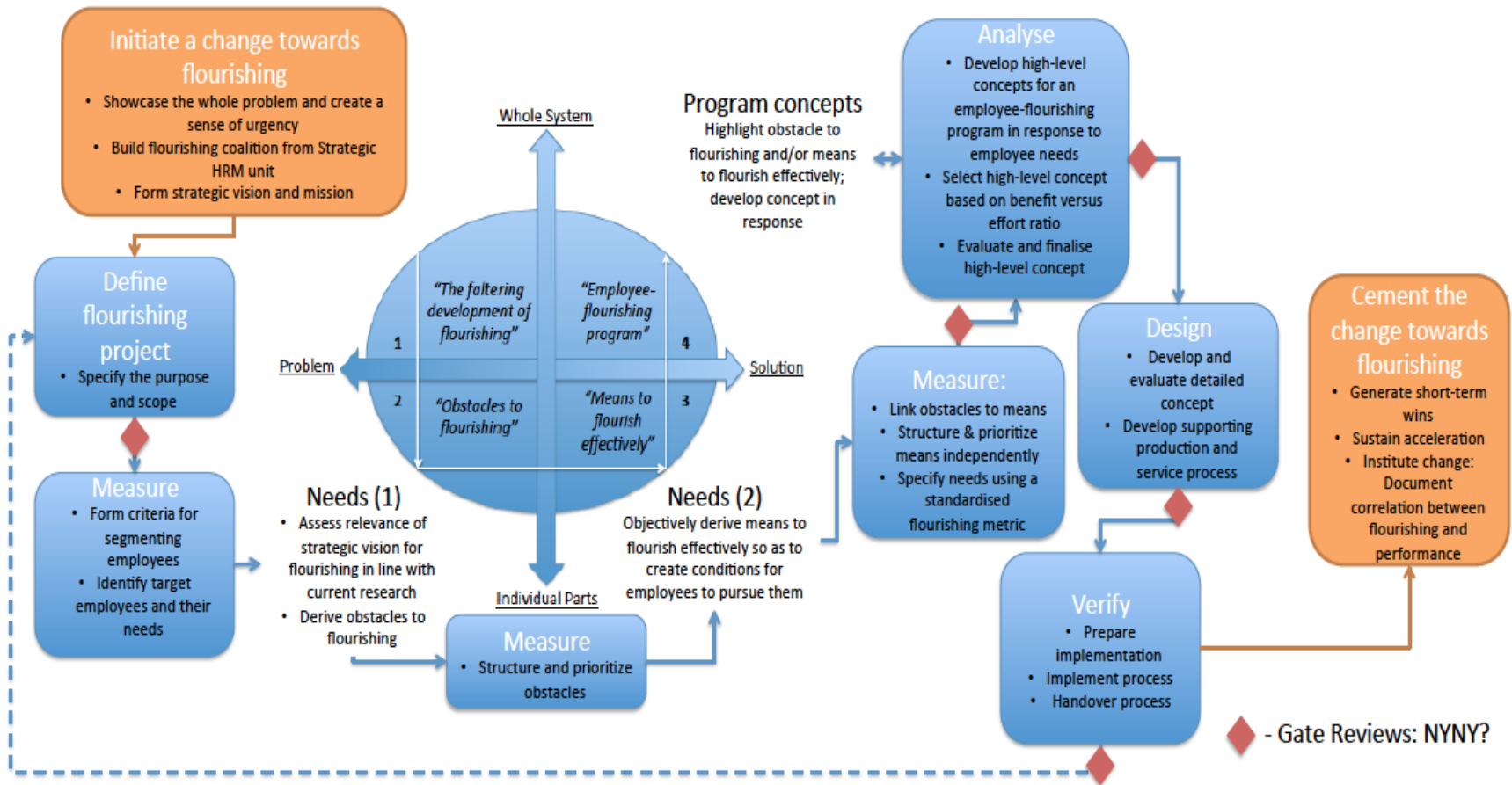


Figure 8-4: EFSF process (iteration 3) – detailed

The full list of framework tools and elements is listed in Table 8-24 alongside the associated stage of the framework process. Table 8-24 and Figure 8-4 are offered as a means to assist enterprises in managing employee flourishing. The research purpose of the study is thus provisionally fulfilled.

**Table 8-24: 3<sup>rd</sup> iteration EFSF process with associated tools and elements**

Process stage	Tools	Elements
Initiate a change towards flourishing: Showcase whole problem (Systems Approach quadrant 1)	Memo outlining the need for an employee flourishing program	E.g. section 1.2.1 and 1.2.2
Initiate a change towards flourishing: Create a sense of urgency	Study of link between flourishing and short-term performance	E.g. section 8.1.1.1
	Study of successful corporates as promoters of the case for flourishing	E.g. section 8.1.1.2
Initiate a change towards flourishing: Build flourishing coalition from Strategic HRM unit	Strategic HRM review	E.g. section 8.1.2.1
Initiate a change towards flourishing: Form strategic vision and mission	Vision and mission statements	Vision: To be global leaders in employee flourishing
		Mission: To maximize the experience of PERMA and minimize the experience of Depression and Anxiety across all members of the enterprise
Define flourishing project: Specify the purpose and scope of the flourishing project	Listed in Table 8-4	
Gate review: NYNY?	Table 8-5: NYNY gate review actions	
Measure: form criteria for segmenting employees	Table 8-6: Tools for segmenting employees	Segmenting options: commercial potential, those in need, in order of department & prioritizing projects that affect relatively more employees
Measure: Identify target employees and their needs	Listed in Table 8-7	
Needs stage 1: Obstacles to flourishing (Systems Approach quadrant 2)	Measures: SWLS and SPANE: (Diener, 2009); EEG technology; (Kern, Waters, Adler, & White, 2014) questionnaire	Obstacle: An objective view of the good life
		Presence of PERMA and control of Depression and Anxiety as the determinants of the good life

Process stage	Tools	Elements	
Needs stage 1: Obstacles to flourishing (Systems Approach quadrant 2) cont.		Obstacle: Hedonic adaptation	
	Maslow (1943): Hierarchy of needs	Obstacle: The downside to economic utility	
		Gallup-Healthways Well-Being Index (Robison, 2011): An annual income of \$75 000	
Measure: Structure and prioritize obstacles	Listed in Table 8-8		
Needs stage 2: Means to flourish effectively (Systems Approach quadrant 3)		Intentional activity: Cognitive, volitional and behavioural	
	Motivational/Organisational Behaviour theory	Innate psychological needs: Competence, autonomy, relatedness; Meaning, responsibility, knowledge of results; PERMA	
	Figure 7-1: The three chronic components of SWB	Develop character strengths: VIA Classification of Strengths and Park, Peterson and Seligman (2004) on targeting specific character strengths	
Measure: Link obstacles to means			
Measure: Structure and prioritise means	Listed in Table 8-8		
	Gladwell's (2004) study on embracing diversity		
Measure: Specify needs using a standardised flourishing metric	Listed in Table 8-9	See measures listed in Needs stage 1	
Analyse: Develop high-level concepts for an employee-flourishing program in response to employee needs (Systems Approach quadrant 4)	HRM theory	(Patidar, 2014): List of HRM systems	
	Listed in Table 8-10, Table 8-11, Table 8-12 & Table 8-13	Organisational structure theory	(Petrescu & Simmons, 2008): HRM practices correlating with job satisfaction
			(Gascoigne, 2014): Buffer's 'Open Equity' model
			Concepts in Table 7-6, Table 8-2
			"Concept" is used as a collective description for products, processes, practices, systems, etc.
Analyse: Select high-level concept based on benefit versus effort ratio			

Process stage	Tools	Elements
Analyse: Evaluate and finalise high-level concept	Listed in Table 8-14, Table 8-15 & Table 8-16	
Design: Develop and evaluate detailed concept	Listed in Table 8-17 and Table 8-18	
Design: Develop supporting production and service process	Listed in Table 8-19	
Verify: Prepare implementation	Listed in Table 8-20	
Verify: market short-term wins		
Verify: Implement process	Listed in Table 8-21	
Verify: Handover process	Listed in Table 8-22	
Manage a change towards flourishing: Generate short-term wins	Statistical techniques	Measures for the experience of the good life
Manage a change towards flourishing: sustain acceleration		
Manage a change towards flourishing: Institute change	Statistical techniques	

## 8.6 Chapter conclusion

This chapter details the Change Management and Innovation Management components of the EFSF. Kotter's Leading Change and Staudter *et al.*'s Design for Six Sigma + Lean Toolset are used as references for developing these respective components. The insights gained from this literature are captured in the section conclusions throughout this chapter.

The EFSF methodology has been performed to complete three iterations of the EFSF. There is now a detailed process and comprehensive set of tools and elements. The implement, evaluate and monitor stages have been incorporated into the Innovation and Change Management processes. These bodies of knowledge have been newly packaged. The previous section provides both a high-level and detailed third iteration of the EFSF process as well as a set of tools and elements per process stage. Specific note is made that the flourishing coalition should embark on new flourishing projects after process handover, showing that the EFSF supports repeated and continuous use. Requirements D2, F2, F3, F4, F5, F6, U1, U3 and U4 have therefore been met to a greater extent.

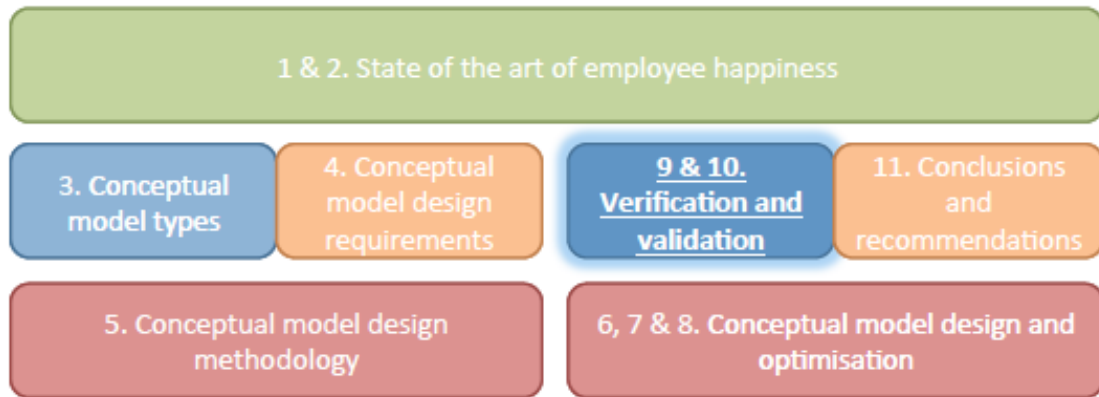
EFSF development has specifically addressed the following requirements: F2, F3, U1, F4, D4, F5, F6, D3, B2, D2, U3 and U4. Due to their nature, the remaining requirements have not been explicitly addressed but have received due attention. This is verified in the upcoming chapter.

The study now turns away from development to perform verification and validation of the developed product. Martin (2015) makes the intentions of these sections clear. Martin states that, "Verification is testing that your product meets the specifications/requirements you have written". It answers the question, "Did I build what I said I would?" Validation, on



the other hand, “tests how well you addressed the business needs that caused you to write those requirements”. It answers the question, “Did I build what I need?”

## 9. VERIFICATION



This chapter answers the following research questions:

5.1. How is the conceptual model verified?

5.2. Does the conceptual model meet the design requirements?

### 9.1 Verification design

The purpose of verification is to ensure the designed and optimised EFSF meets the EFSF design requirements. This is performed by appropriately pairing each design requirement with a related section of the study.

### 9.2 Design requirements verification

The EFSF design requirements are paired with related sections of the study in Table 9-1. The table includes a brief description of how each requirement has been fulfilled.

**Table 9-1: EFSF design requirements verification**

EFSF design requirement	Related sections	Requirement fulfilment description
F1. The EFSF should assist enterprises in managing employee flourishing.	11. Conclusions and recommendations	The success of the study in achieving the research purpose is discussed in the study conclusion.
F2. The EFSF should prescribe a process for managing employee flourishing.	Figure 6-1, Figure 7-7, Figure 8-3 & Figure 8-4: EFSF process iterations	The figures present the evolving EFSF process.
F3. The EFSF should prescribe tools for managing employee flourishing.	Listed in column 2 of Table 8-24	Tools are developed during the run-throughs of the EFSF process, captured at the end of each section and collated in Table 8-24.
F4. The EFSF should prompt the designer to package the bodies of knowledge relevant to managing employee flourishing and draw creative insights from them.	6: Systems Approach/Enterprise Engineering 1.1, 1.2.1, 2 & 7: Positive Psychology 7.3.2: Organisational Behaviour 7.4.1 & 8.1.2.1: HRM and Strategic HRM 8.1 & 8.2.9: Change Management 8.2: Innovation Management Throughout: Industrial Engineering	The listed bodies of knowledge are developed during the “lean construction” of the EFSF and are incorporated appropriately.
F5. The EFSF should form the basis for implementing activities.	8.2: Implementation	Implementation is designed using the DMADV process.
F6. The EFSF should form the basis for monitoring and evaluation activities.	8.2.6 & 8.3: Cement the change towards flourishing	The need for constant monitoring is highlighted during the Measure phase of the DMADV process and the final stages of Change Management, specifically in terms of changes to the flourishing metric and associated changes in enterprise performance.
U1. The EFSF should produce contextual elements from an objective, scientific standpoint (e.g. a model for the experience of the good life).	Listed in column 3 of Table 8-24	Elements are developed during the run-throughs of the EFSF process, captured at the end of each section and collated in Table 8-24.

EFSF design requirement	Related sections	Requirement fulfilment description
U2. While prescribing a process, tools and offering elements, the enterprise should be allowed to apply its own discretion when using the EFSF.	7.5: EFSF iteration 2	As the second iteration of the EFSF is formed, it is highlighted that the EFSF process should exist as an actual rather than a theoretical life cycle. This section specifies that enterprises may revisit stages of the process, add creative insights and even redesign them to suit their needs.
U3: The EFSF should be user-friendly, i.e. easy to adopt, understand and use.	E.g. Figure 8-3: High-level EFSF process (iteration 3)	In this example, the detailed EFSF process is introduced with a high-level version, in order to showcase the core components and give the user a holistic impression before specifying the steps. Generally, all additions to the EFSF are described in detail, ensuring the user understands the reasoning behind them.
U4. The EFSF should support repeated and continuous use.	8.2.9.3: Hand over process 8.3.2: Sustain acceleration	It is emphasised that the handover of a process for a flourishing project does not terminate the EFSF process. Instead, the flourishing coalition is urged to return to the Define phase and initiate further projects. This is proposed to sustain acceleration, as specified by the Change Management process.
U5. The EFSF should provide clear definitions and explanations.	V. Glossary	The EFSF makes use of a number of distinct terms that are specified in the glossary. The glossary is offered as an accompaniment to the EFSF.
D1. As much as possible, the EFSF should be applicable to all cultural contexts.	Throughout E.g. 8.1: Change Management and 8.2: Innovation Management	Effort is made to maintain an objective perspective throughout the development of the study. However, there is likely to be some bias at play, especially when forming elements. This is unavoidable considering the constructivist philosophical perspective. The EFSF process and tools are developed with the use of best practices. For example, Kotter's Change Management and Staudter <i>et al.</i> 's Innovation Management processes are both qualified as globally applied methodologies. These should be applicable to all cultural contexts.
D2. The EFSF is not an off-the-shelf product – it does not contain an exhaustive list of process points, tools and elements, but should be comprehensive enough to provide sufficient relevant options for enterprises.	Table 8-24: 3 <sup>rd</sup> iteration EFSF process with associated tools and elements Figure 8-4: Detailed EFSF process (iteration 3)	This study, whose product is encapsulated by this table and figure, is proposed to provide sufficient background for enterprises to implement tailored versions in their local context.

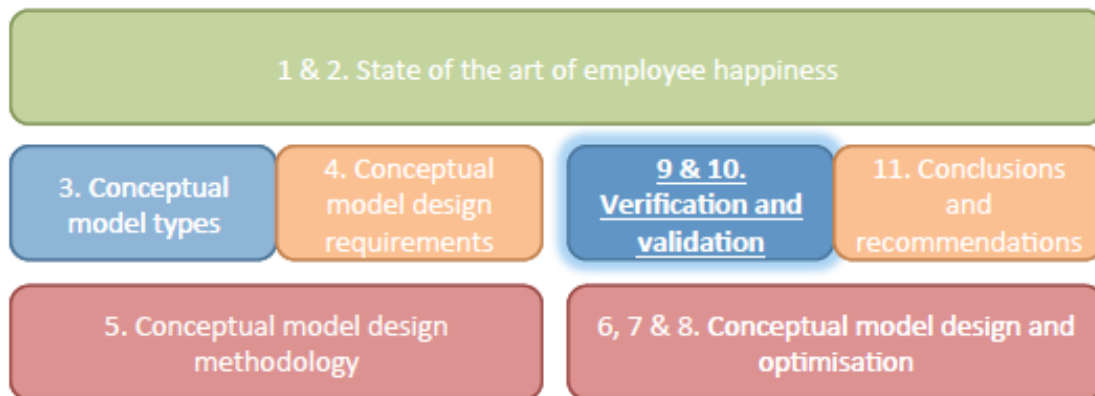
EFSF design requirement	Related sections	Requirement fulfilment description
D3. The EFSF is aimed at established enterprises, but can be adapted for startups.	E.g. 8.1: Initiate a change towards flourishing	This section calls for the enterprise to change towards flourishing, implying that it is already established. In the case of a startup, some of the Change Management steps are unnecessary and can be skipped. This is proposed to be relatively intuitive.
D4. The EFSF should focus on the employee's psychological experience of work.	1.2.3: Literature on managing employee happiness 2.2: Well-being, an extended perspective 7.2: Obstacles to flourishing 7.3: Means to flourish effectively	The argument is made for focusing on the psychological experience based on the new contract of employment and the idea that other aspects of well-being are governed by the state-of-mind. The investigation of employee needs performed during the Systems Approach relates to psychological needs.
D5. The EFSF should be developed from the standpoint of pursuing flourishing for the sake of flourishing with performance viewed as a by-product of flourishing.	Throughout 8.1.1.1: Flourishing and short-term performance 8.3.3: Institute change	The EFSF is fundamentally focused on managing the psychological experience of flourishing. As an extension, it showcases the link between flourishing and short-term performance. As a final consideration, the EFSF calls for the link between flourishing and long-term performance to be made. This is qualified with the point that this motivated by a need for the enterprise to be financially sustainable in order to continue to provide flourishing.
D6. The EFSF should draw from the non-specialist bodies of knowledge without adding to them.	Throughout 2.5: Flourishing as a construct for the experience of the good life	The majority of the EFSF's claims are backed up with references to literature from the appropriate body of knowledge. In other cases, claims are qualified as assumptions, propositions or opinions of the author or as common sense. The term flourishing is adopted for practical purposes. However, it is highlighted that the author is not qualified to promote a specific construct for the experience of the good life. Flourishing therefore remains an element of the EFSF.
A1. This study should showcase the development of the EFSF.	Throughout	Clearly, the development of the EFSF is described as the study progresses, culminating in the third iteration.

EFSF design requirement	Related sections	Requirement fulfilment description
A2. It is acknowledged that employee flourishing as a formal discipline is still relatively new and that the EFSF relies on emerging findings from a variety of related fields. The EFSF should be seen as a reflection of early best practice within an evolving field of knowledge.	7.2.1: Defining and measuring the experience of the good life	The evolving nature of this discipline is highlighted by the fact that experts have not been able to agree on a formal construct for the experience of the good life. Section 7.2.1 illustrates this fact. It is specified that enterprises should remain abreast of research in this field. Despite this, the EFSF offers a possible construct. This allows management of employee flourishing to begin while the discipline continues to evolve.
B1. The EFSF should not be used to exploit parties involved in its implementation.	Throughout 2.7: Conclusion of an objective view of the good life	The intentions behind managing employee flourishing have been elucidated throughout the study and are emphasized in section 2.7. The “why” of the study is to build the experience of the good life for enterprise employees. Practitioners of the EFSF are urged to stay true to this aim.
B2. Use of the EFSF should adhere to local laws and regulations.	7.4.3: Considerations for an employee-flourishing program	Adhering to local laws and regulations is highlighted as a consideration for an employee-flourishing program. This is positioned as a necessary touch point in the development of all concepts of such a program.

### **9.3 Chapter conclusion**

The purpose of this chapter is to verify that the developed EFSF meets the original design requirements. In other words, it answers the question, “Did I build what I said I would?” This purpose is achieved through the pairing of each design requirement with a corresponding section of the study along with a brief description of its fulfilment. The study proceeds with validation.

## 10. VALIDATION



This chapter tests whether this study effectively addresses a business need and whether the objectives of this study have been met. It answers the following research questions:

- 6.1. How is the conceptual model validated?
- 6.2. External validation: Does this study address a recognised business need?
- 6.3. External validation: Does the conceptual model assist in addressing this need?
- 6.4. Internal validation: Have the research questions been answered?
- 6.5. What amendments need to be made to the conceptual model?

### 10.1 Validation design

The validation process consists of external and internal validation. Each is described in subsequent sections. The chapter concludes with amendments to the EFSF resulting from the validation process.

### 10.2 External validation

The purpose of this section is to ascertain whether there is a recognised business need for managing employee flourishing and whether the EFSF helps to address this need. These questions require external opinion. The external validation process begins with the definition of possible types of external validation. It proceeds with a discussion of the external validation methodology. This involves adopting an appropriate external validation type. External validation is then designed and its results showcased.

#### 10.2.1 External validation types

A number of types of external validation exist, including those posited by Ungerer (2015, p. 258):

1. Interviews
2. Questionnaires
3. Practical implementation
4. Workshops
5. Case studies

A number of these are considered relevant to this study.

#### 10.2.2 External validation methodology

One external validation type that is particularly appealing is a one-on-one interview with industry experts. This is primarily because the topic of employee flourishing is proposed to be better understood through many years of experience in a specialist role. For this reason, a mass-market questionnaire is not appropriate. While everyone is certain to have an opinion on employee flourishing, it is proposed that, for the purposes of validation, some opinions are “more equal than others” (Orwell, 1946). Therefore, a select number of esteemed opinions are targeted.

Questionnaires do play a role as a medium for feedback from the interview participants. Practical implementation, although desirable, is considered out of the scope of this study as the EFSF may



take a long while to implement. A further possibility is to host workshops where the EFSF is used to assist enterprises in developing logical frameworks that suit their specific context. Participants could then be questioned about whether the EFSF proved to be a useful platform for further framework formulation. This method is also considered useful but better suited to future studies. Case studies, the remaining type of validation, are shown by Ungerer (2015, p. 258) to not reflect the true usefulness of a strategic framework as they only provide a retrospective perspective. Enterprises would not have had the EFSF when developing strategy.

This section proceeds with a discussion of a one-on-one interview as the primary component of validation design.

### **10.2.3 External validation design: one-on-one interview**

This discussion is two-part: sourcing participants and development of the interview itself.

#### **10.2.3.1 Sourcing external validation participants**

This section includes some of the challenges surrounding sourcing external validation participants, their preferred characteristics and strategies for sourcing participants that possess them.

The ideal validation participant is an Industrial Engineer that is expert in employee flourishing. Problematically, the author has not found evidence of studies into employee flourishing in the Industrial Engineering domain. This study is positioned as an early adopter of the developing field of employee flourishing. This field has recently emerged in a business context. Enterprises in Silicon Valley have started the trend of employing people in the role of Chief Happiness Officer (CHO) to manage the well-being of employees (Gregory & Rutledge, 2016, p. 218). This presents an opportunity for sourcing suitable external validation participants. However, CHOs are currently in short supply and do not seem to have emerged in the South African market. In general, the topic of employee flourishing seems to be more prolific in more developed nations. This hints at the need for international validation.

Although this study is rooted in the Industrial Engineering domain, this domain is, by definition, an integrated discipline (du Preez *et al.* 2013, p. 123). A further challenge for validation is that this study is not neatly compartmentalized into one specific sphere of academia or enterprise. Instead, it is built up using a variety of disciplines, or bodies of knowledge. These bodies of knowledge are displayed in Figure 10-1. Five key bodies of knowledge are used to develop the EFSF. Industrial Engineering is used as a platform to explore and combine them.



**Figure 10-1: EFSF bodies of knowledge**

Based on this discussion, the ideal validation participant is considered to have some of the following characteristics:

- Expert knowledge in the field of employee flourishing or one of the fields that constitute this study, such as:
  - Enterprise Engineering/Systems Approach
  - Innovation Management
  - Change Management
  - Positive Psychology/Organisational Behaviour
  - Strategic Human Resource Management
- Experience in people management in an academic or enterprise context
- Knowledge of Industrial Engineering
- Part of an organisation that has an established track record in providing employee flourishing

Participants are sourced according to the above criteria. The author initially makes use of his social network. There is then a snowball effect as participants and other people close to the study make referrals. This strategy is followed until a suitable number of participants are sourced. The next section describes the design of the interview conducted with the participants.

#### **10.2.3.2 Interview design**

This section describes the design of the interview held with the participants. The interview consists of an introductory hand-out, presentation and questionnaire.

Upon initial contact, the motivation for including the potential participant is communicated. The potential participants are also provided with a hand-out that introduces the study. This is attached as Appendix C: EFSF validation introductory hand-out. It is designed to capture the potential participants' attention and generate an interest in playing a further role in the validation process. Therefore, it is designed to be visually pleasing, short and to-the-point. Potential participants are requested to accept or decline the invitation to participate.

The next stage of the interview is to conduct a presentation of the study. A version of this presentation can be found online at <https://www.youtube.com/watch?v=jOJTOZdNIDY>. This YouTube recording allows for validation to be conducted remotely and possible international perspective. The presentation offers a general overview of the research study. It details the author's personal story behind the research study, the research motivation from an academic perspective, the research design and final output. The presentation works best when presented in its entirety as this gives the participants a holistic view. Ideally, this presentation is conducted live as this allows for the interview to then zone in on specific content, such as one of the bodies of knowledge, and allow for general questions and answers. The presentation is followed by completion of a validation questionnaire.

The validation questionnaire is the sole means for official data collection. Participants receive the questionnaire in the lead-up to the presentation in order to focus their attention. It is designed to ensure this study's remaining research questions have been answered. Its primary questions ascertain whether the participants recognise the need for this study and whether this study has achieved its purpose, namely, to assist enterprises in managing employee flourishing. A secondary set of questions is formulated retrospectively to validate the integrity of the development of the EFSF. These questions surround the process used to develop the EFSF and the bodies of knowledge that are packaged by the EFSF. Participants are given the option to judge the research process if they have experience in developing similar types of research study. They are also asked to focus on the bodies of knowledge in which they are expert. Participants may choose to have their identities concealed with the use of an alias, in accordance with the ethics policy of the author's institution.

The questionnaire is presented as Table 10-1. It uses a 5-point scale ranging from strongly agree to strongly disagree. It also allows participants to elaborate or comment on their answers and provide general insights. The study is deemed valid if the participants generally agree to the statements posed in the questionnaire. The external validation results are presented in the subsequent section.

Table 10-1: External validation questionnaire

<b>Name:</b>	<b>Position:</b>				
<b>Alias: yes/no</b>					
<b>Validation question</b>	<b>Participant's response</b>				
	<b>Strongly agree (4)</b>	<b>Agree (3)</b>	<b>Unsure (2)</b>	<b>Disagree (1)</b>	<b>Strongly Disagree (0)</b>
<b>Business need</b>					
<i>1. To what extent do you agree that</i>					
<i>1.1. there is a need to assist enterprises in managing employee flourishing?</i>					
<i>Please elaborate/comment</i>					
<b>Research design (optional)</b>					
<i>2. To what extent do you agree with</i>					
<i>2.1. the process used to complete the study?</i>					
<i>Please elaborate/comment</i>					

Validation question	Participant's response				
	Strongly agree (4)	Agree (3)	Unsure (2)	Disagree (1)	Strongly Disagree (0)
<b>Bodies of knowledge (mark the body/bodies familiar to you)</b>					
<i>3. To what extent do you agree with</i>					
<i>3.1. using the Industrial Engineering domain to approach the topic of employee flourishing?</i>					
<i>3.2. the content derived from Enterprise Engineering/the Systems Approach?</i>					
<i>3.3. the content derived from Positive Psychology/Organisational Behaviour?</i>					
<i>3.4. the content derived from Strategic HRM?</i>					
<i>3.5. the content derived from Change Management?</i>					
<i>3.6. the content derived from Innovation Management?</i>					
<i>Please elaborate/comment</i>					

Validation question	Participant's response				
	Strongly agree (4)	Agree (3)	Unsure (2)	Disagree (1)	Strongly Disagree (0)
<b>Research purpose</b>					
<i>4. To what extent do you agree that</i>					
<i>4.1. the EFSF satisfies the need to assist enterprises in managing employee flourishing</i>					
<i>4.2. there is an opportunity to apply the EFSF to your enterprise/client?</i>					
<i>Please elaborate/comment</i>					

**General comments**

*5.1. Please provide your overall impression of the study*

*5.1. Are there any other specific changes or improvements you would advise?*

#### **10.2.4 External validation results**

This section presents the final list of external validation participants, the results of the interview process and commentary on the collection of results.

##### **10.2.4.1 External validation participants**

The final list of participants is showcased in Table 10-2. It includes the participant's name, current position, highlights of previous experience, education, whether the interview was conducted live or remotely and extra notes on the motivation for their inclusion. One participant chose to have their name and employer kept private and is listed as Mr A. The participants are listed in the order they were interviewed.

The final list contains a variety of experts, many with extensive experience, that collectively offer a detailed opinion on the general validity of the study and touch on all the bodies of knowledge. It also includes one international participant (Ernie Messer). This list is therefore deemed to be suitable for the completion of the external validation process.

A limited bias exists between the participants. All interviews were conducted independently. None of the participants work together. One bias that does exist is that the author partnered with Cor Schutte during the development of some of his business interests. However, this was purely on a volunteer basis. Furthermore, although Cor's vision for building people-centric businesses helped inspire this study, it was conducted without Cor's input. Cor was interviewed primarily in his capacity as an Innovation Manager, a position that he held previously.



**Table 10-2: List of participants**

Participant	Position	Previous	Studied	Remote / Live	Motivation for inclusion
Cor Schutte	Business improvement consultant; Entrepreneur – current businesses include chopchop and prettysimpl	Innovation Manager at Transport for Cape Town	B. ENG - Industrial Engineering at University of Pretoria	Live	Innovation Management; Vision for building happy businesses
Donovan Muller	Retired (December 2015)	Director of Resources Technology at Accenture	MSc. Chemical Engineering at University of Cape Town	Live	28 years of management consultant experience over a broad range of business issues
Margie Sutherland	Professor at Gordon Institute of Business Science – lectures on all aspects of performance management, organisational behaviour, sustainable leadership & social relevance of business	Senior Lecturer at University of the Witwatersr- and Business School	B. Sc Hons, MM - Human Resources at University of the Witwatersra- nd; Doctorate of Commerce at University of Johannesburg	Remote	Strategic Human Resource Management; Organisational Behaviour
Diane Ritson	Founder and CEO at Diane Ritson Consulting	Director at Old Mutual Foundation; HR strategist at ISCOR	BPL - Industrial Psychology at University of the Orange Free State	Live	Designs and implements large scale transformation strategies
Iain Bryant	Director at Future Design	Director: Business Innovation at XYZ Design; Director at Financial Director Services	CA (SA) – University of Cape Town	Live	Innovation Management

Participant	Position	Previous	Studied	Remote / Live	Motivation for inclusion
Nico McLachlan	Managing Director at Organisational Development Africa (ODA)	Consultant at Gouws Woods & Partners	BA (Hons) - Political Science, Public Management and Policy Analysis at University of Stellenbosch	Live	Specialist in strategy and complex transformation projects
Kim Kay	Talent Manager at GetSmarter	Recruitment Officer at GetSmarter	BA - Labour, Organisational Psychology and Human Resource Management at University of Cape Town; Masters – Political Communication at University of the Pacific	Live	Leader of GetSmarter's retention initiatives
Ernie Messer	Managing Director at Messer Ltd; Principal Consultant and Visiting Lecturer at Cass Centre for Charity Effectiveness, City University of London	HR Director at 3SC	BSc (Hons) – Retail Financial Services at University of Manchester	Remote	Leading consultant and lecturer on business and people issues in the UK's 3 <sup>rd</sup> Sector
Brian Isaacson	Independent management consultant; Adjunct faculty member on Executive Development at Gordon Institute of Business Science	Not specified	BA – Psychology at University of Cape Town Masters – Personnel Management at University of the Witwatersrand	Remote	Consultant on strategy, talent, action learning, team alignment and organisational development

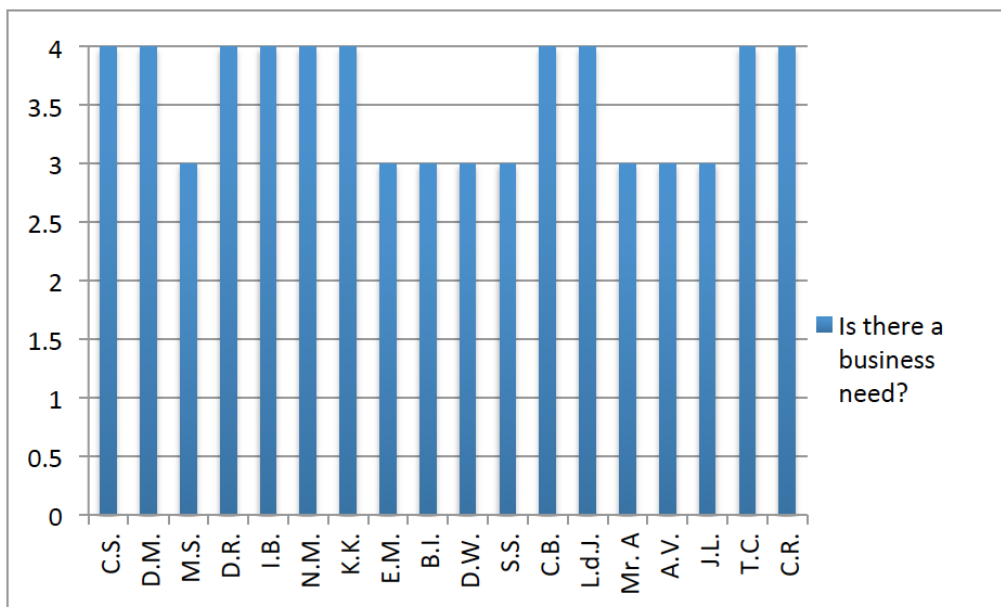
Participant	Position	Previous	Studied	Remote / Live	Motivation for inclusion
Daniel Weaver	Strategy analyst at Accenture	NA	B.Com. (Honours) – Management Science at Stellenbosch University	Remote	Keen interest and some experience in Strategic HRM projects, among general consulting initiatives
Sharon Spangenberg	Deputy Director, Organisational Development at Western Cape provincial government	Chief Organisation Development Officer at Western Cape provincial government	Honours in Public Management at Stellenbosch University	Live	Insights into Organisational Development challenges from a public sector perspective
Cate Band	Head of HR – Cape Region at South African Breweries (SAB)	Learning and Development at SAB	M.A. Political and International Studies at Rhodes University	Live	Strategic HRM and general business partner experience
Llewellyn de Jager	Director at Cebano consultants	Managing Director at Ginsberg Malan & Carsons	BSc – Actuarial at University of Cape Town	Live	Consults on talent alignment, culture alignment and interventions
Mr A	Chief Operating Officer - Investment Cluster at the Wealth and Investment Management division of a South African bank	Head of Execution at the Alternative Asset Management division of a South African bank	B. Com Information Systems at University of Cape Town	Live	Oversees a number of business units at a financial institution – a complex corporate environment
Adriaan Vorster	Divisional HR Manager at John Thompson, a division of ACTOM	Not specified	Not specified	Live	HR Manager at a manufacturing plant – a more traditional industrial setting

Participant	Position	Previous	Studied	Remote / Live	Motivation for inclusion
Jannie Lamprecht	Divisional CEO at Satchwell Controls, a division of ACTOM	Not specified	Not specified	Live	CEO at a manufacturing plant – a more traditional industrial setting
Tamryn Coats	Psychologist and consultant	Intern psychologist at Ububele Psychotherapy Trust	MA. Counselling Psychology and MA. Psychology at University of the Witwatersrand	Live	Private psychological counsellor and consultant for teams and individuals in corporate settings
Cindy Rautenbach	Executive: Africa Regional Talent Development Manager at SAB/ABInBev	Executive: National Psychological Assessment and Wellness Consultant at SAB	PhD, Industrial and Organisational Psychology at North West University	Live	PhD surrounding flourishing in the workplace and HR experience

#### 10.2.4.2 Interview results

This section showcases the results of the interview process. The questionnaire presented in section 10.2.3.2 is the formal means for data collection. However, interviews typically developed beyond the formal procedure into interesting discussions and suggestions, some of which were captured by the author. The results are therefore made up of both formal and informal data collection. This section includes scores for each category of question as marked by the participants as well as commentary on their insights. Scores range from 4 (strongly agree) to 0 (strongly disagree). The original insights are included in Appendix D: External validation participant insights. The interview results inform the EFSF amendments at the end of this chapter and recommendations for future work in section 11.2.

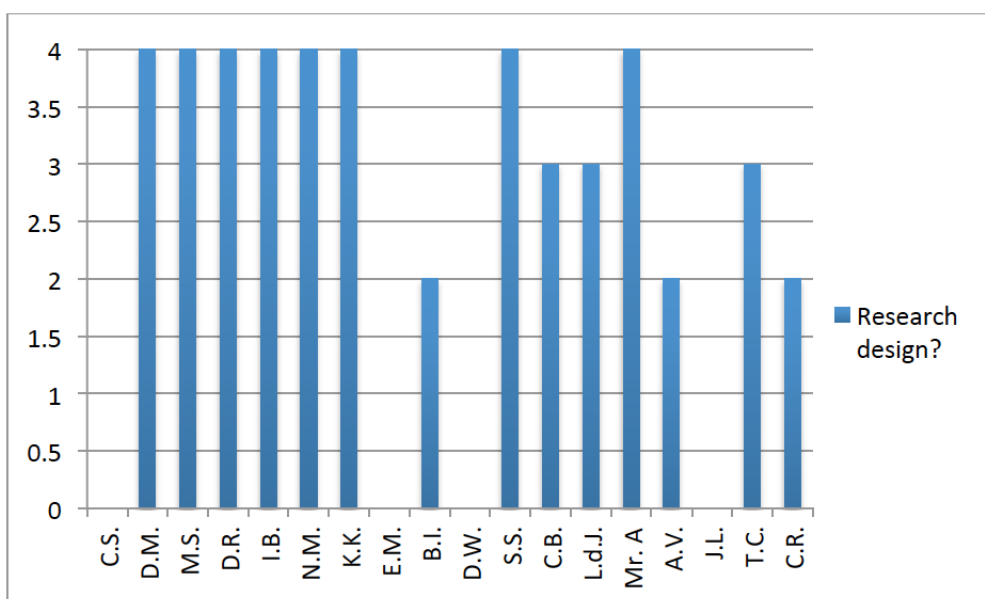
Figure 10-2 showcases the scores for the question: “To what extent do you agree that there is a need to assist enterprises in managing employee flourishing?” Participant initials are listed in the order they appeared in Table 10-2.



**Figure 10-2: Question 1 results**

On average, the participants showed 88.89% agreement with the need to assist enterprises in managing employee flourishing. Some believed it to be of utmost importance. Ernie Messer is a slight exception. He agreed that employee flourishing should be managed but disagreed with the idea of purely viewing enterprise design through the lens of flourishing. He called for the inclusion of traditional models from Organisational Behaviour. This indicates that some professionals may view the EFSF as extreme. Practitioners of employee flourishing should be aware of this tendency. However, there is enough general agreement to maintain the current perspective of the EFSF. Associations with traditional models from Organisational Behaviour may be the subjects of future studies.

Figure 10-3 showcases the scores for the question: “To what extent do you agree with the process used to complete the study?” It is noted that this section was optional. Participants with extensive academic backgrounds were encouraged to score this question.



**Figure 10-3: Question 2 results**

On average, the participants showed 83.93% agreement with the design of the research study. However, not all shared strong agreement. Brian Isaacson, for example, was unsure. He questioned why the research seems to presuppose an outcome or application. Although the EFSF is designed with the possibility of application in mind, it should be able to exist as stand-alone research. It is unclear whether possible application should affect the research design. Brian's query was probably out of interest more than anything else. Cindy Rautenbach was also unsure of the process used to complete the study. She said it would benefit greatly from involving an expert in the field of flourishing. Cindy adapted a flourishing construct for specific use in the workplace for her PhD thesis and hinted at possible collaboration in the future.

Figure 10-4 showcases the scores for the questions contained under the headlining question: "To what extent do you agree with the use of the various bodies of knowledge and their contents?" The participants were asked to stick to answering bodies of knowledge familiar to them.

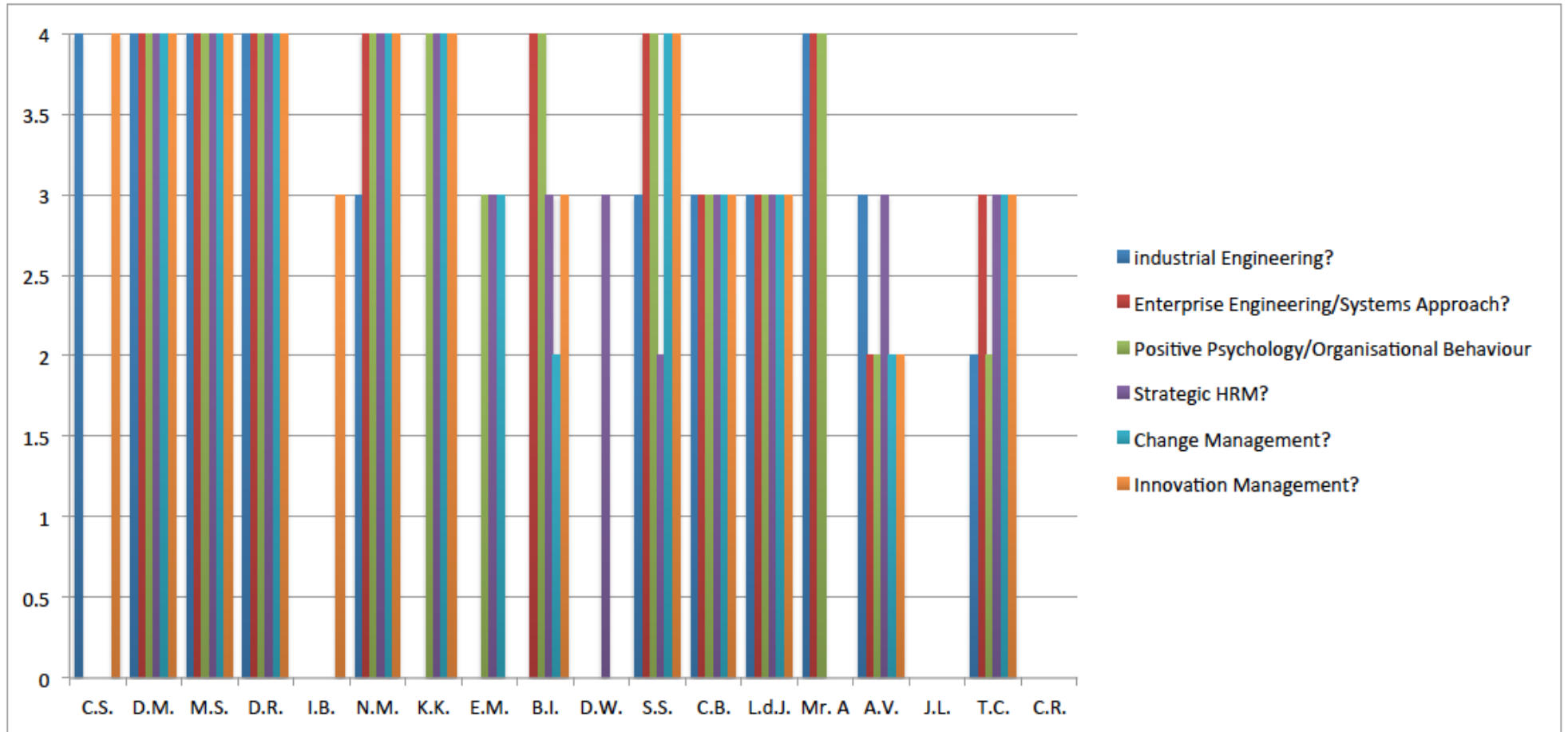


Figure 10-4: Question 3 results

On average, the participants showed the following levels of agreement with the contents of the bodies of knowledge:

- Industrial Engineering: 84.10%
- Enterprise Engineering/Systems Approach: 88.64%
- Positive Psychology/Organisational Behaviour: 86.54%
- Strategic HRM: 82.69%
- Change Management: 83.33%
- Innovation Management: 86.54%

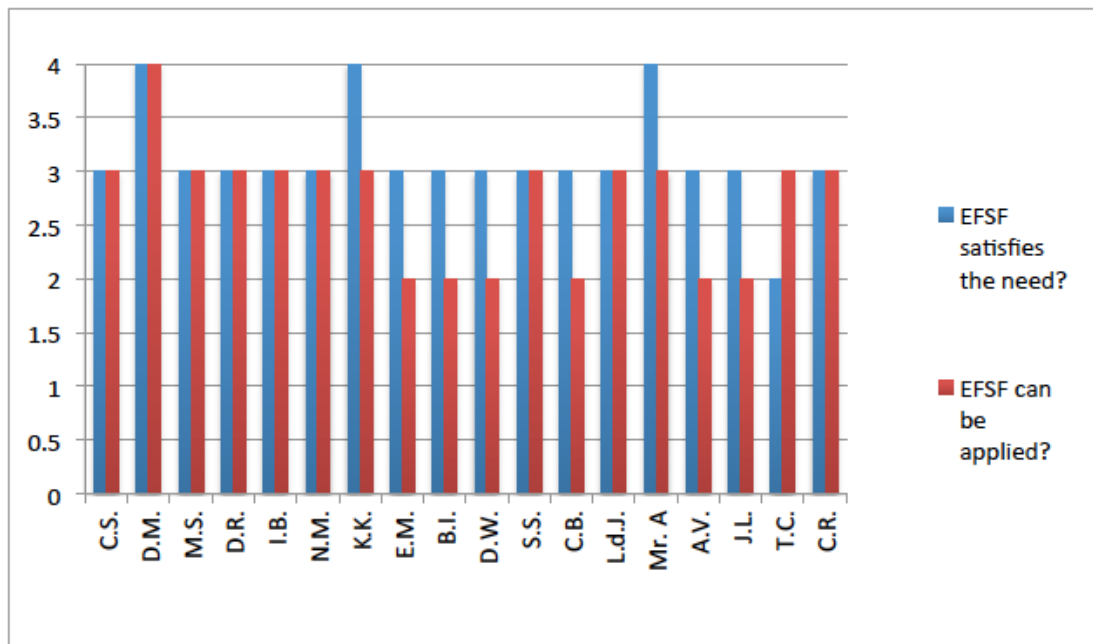
The average level of agreement shown over all the bodies of knowledge is 85.30%. Some commentary on the responses to specific bodies of knowledge is presented in Table 10-3.

**Table 10-3: Commentary on responses to specific bodies of knowledge**

Body of Knowledge	Commentary
Industrial Engineering	The participants were struck by the multidisciplinary nature of the study and the Industrial Engineer's ability to investigate specific contents while delivering a holistic solution. They applauded the idea of applying an engineering perspective to a topic that traditionally has a psychology focus. Cor Schutte ventured to mention that the Industrial Engineering discipline could benefit from some of the domains surrounding employee flourishing and called for greater emphasis in the curriculum on the people component of systems.
Enterprise Engineering/Systems Approach	Although not commented on explicitly, the participants generally approved of the use of the Systems Approach at the core of the EFSF.
Positive Psychology/Organisational Behaviour	Although not an expert, Iain Bryant shared that he'd done some personal research into happiness and thinks the PERMA model is "spot on".
Strategic HRM	Daniel Weaver commented on the need for HRM to become more "pivotal". He shared a portrayal of the new brand of HRM within the enterprise context.
Change Management	Nico McLachlan, a well-versed Change Manager, stated that the study draws expertly from this field, as well as the other bodies of knowledge.
Innovation Management	Cor Schutte applauded the use of Innovation Management to this complex topic as it "will provide the agility but also the certainty that organisations would expect from an initiative of this nature." He rued the fact that, in his experience, innovation in the people space is often overlooked. Iain Bryant initially queried the use of Innovation Management for managing happiness. He said, "the problem with Innovation Management is that it is typically complex and designed for areas such as software development." He theorised, "happiness needs a lighter approach so that users can comprehend the material immediately and completely". However, he also stated, "managing happiness most definitely needs a rigorous process in order to keep stakeholders accountable." He ended by saying, "it may well be Innovation Management, but it needs to be adapted from its current form."



Figure 10-5 showcases the scores for the questions: “To what extent do you agree that the EFSF satisfies the need to assist enterprises in managing employee flourishing” and, “To what extent do you agree that there is an opportunity to apply the EFSF to your enterprise/client?”



**Figure 10-5: Question 4 results**

On average, the participants showed 77.78% agreement with the EFSF’s ability to satisfy the need to assist enterprises in managing employee flourishing. However, they showed 68.06% agreement with the opportunity to apply to EFSF to their enterprise or client. Many used this opportunity to comment that the EFSF would need to be refined before possible implementation. Commentary on suggested refinements is included later in this section. Coincidentally, Adriaan Vorster was about to start a process of gauging employee happiness. He stated that the opportunity to apply the EFSF would be better understood as this process unfolded.

Finally, the participants offered a general impression of the EFSF and some suggestions for change and improvement. The general impression was very positive. Some suggestions for the EFSF’s improvement are discussed in Table 10-4. Commentary is grouped according to themes identified by the author within the suggestions.

**Table 10-4: Commentary on participant suggestions for change and improvement**

Theme	Commentary
Simplifying and streamlining the EFSF	Many participants highlighted that the EFSF would need simplification and streamlining before implementation. Cate Band used these exact words. Donovan Muller advised that the EFSF would need much simplification before becoming a suitable offering in the consulting context. He stated that we are in an age of instant gratification. The EFSF should therefore be easily understood and implementable. Iain Bryant reiterated this advice. The complexity of the current iteration of the EFSF is readily admitted. However, this is seen as a necessary stage of the process of bringing the EFSF to market. This study is positioned as a front-runner of a developing opportunity to apply the Industrial Engineering discipline to employee flourishing. A broad, sometimes complex overview is necessary before simplification can take place as it documents the extent of thought put into development. Streamlining the EFSF should be the subject of future research. This is discussed further in section 11.2.
Flourishing coalition	A number of participants drew attention to the building of a flourishing coalition from a Strategic HRM department. The participants advised that, based on their experience, HRM does not have significant sway in the enterprise. The original discussion on developing a flourishing coalition in section 8.1.2 highlighted a need for HRM to play a more strategic role. A Strategic HRM department was theorised to contain employees with a good understanding of people that are key influencers in the enterprise. However, HRM may require more time to evolve before this theory proves to be valid. The participants offered other creative ways to source members for such a coalition. Cor Schutte, for example, referenced the concept of including members that have the busiest emails, based on the idea that these members are the most connected and therefore have the biggest influence. Diane Ritson also highlighted the need to take cross-generational differences into account. She postulated that the young and the old have different flourishing requirements.
Segmenting employees	Cor Schutte suggested using existing employee engagement models to segment employees for flourishing management. Diane Ritson added the idea of using a traffic light signal system to highlight which employees are “green” and do not need to be managed, “amber” and should be monitored for future management and “red” and require immediate management, or in the case where the employee is actively harming the positive culture, dismissal.
Gate reviews	Realising the complexity of the task of implementing the EFSF, Diane Ritson applauded the use of gate reviews in the Innovation Management section. She recommended using this concept throughout the EFSF to ensure that “every piece of the puzzle fits together”. She postulated that getting small elements wrong would cause the entire undertaking to crumble. Constant review would help alleviate this risk.
Visual design	Cor Schutte highlighted the impact of elements of visual design such as font, style and colour on the effectiveness of the EFSF’s presentation. He queried how much thought had been put into these elements.

Theme	Commentary
Key Performance Indicators (KPIs):	Daniel Weaver highlighted the need to establish KPIs to show return on investment. This reiterates the need to develop the final step of the Change Management process, institute change, to allow for assessment of the impact of changes to the flourishing metric with changes to business performance.
Fit with other models from Organisational Behaviour	Ernie Messer and Brian Isaacson suggested exploring potential dilemmas associated with other models from organisational behaviour, such as Maslow and Herzberg.
Applying the EFSF	Diane Ritson, Tamryn Coats and Cindy Rautenbach called for piloting the EFSF in an SME context to practically test its usability.

The general comments and suggestions are the final pieces of data collected using the external validation questionnaire. The suggested changes and improvements feed the discussion on EFSF amendments and future work in sections 10.4 and 11.2. Before concluding the external validation results, the next section offers some analysis of the collected results.

#### 10.2.4.3 Analysis of collected results

This section contains an analysis of the collected data, specifically touching on the way it was collected, in order to assess the integrity of the results. Table 10-5 presents a number of key points.

**Table 10-5: Analysis of collected results**

Point of Analysis	Discussion
Time constraints (for presentation)	It became clear that the EFSF was more effectively conveyed if it was presented in its entirety. Specialists could then zone in on specific bodies of knowledge within the context of the bigger picture. Instead of skipping seemingly unnecessary sections, the author delivered a summarised version of the whole presentation. Participants were then offered the chance to probe into sections of interest. They could then provide general comments as well as better-informed specialist comments. However, this meant taking a longer time to present. Time constraints often meant limiting the amount of detail in specialist areas. Kim Kay's response evidenced that the presentation of the EFSF would need to be more detailed to properly gauge its applicability. The best was made of the available time.
Time constraints (for answering)	Generally, participants varied in the amount of detail they provided with their answers. This was largely due to the time constraints faced by senior academics and executives. Results may have been swayed in favour of participants that had more time.
Remote validation	Remote validation is probably less valid due to lack of interaction. There are certain instances where remote participants' scores and comments are unclear.

Point of Analysis	Discussion
Liberal marking	<p>Participants completed the questionnaires without oversight from the author. It is unclear how strictly they conformed to the instructions, for example, “only mark the bodies of knowledge familiar to you”. Non-specialist marking may have skewed results.</p> <p>The option to check “unsure” may have been misleading. In some cases, non-specialists may have marked unsure when it would have been more appropriate to skip the question.</p> <p>Participants with general experience tended to mark all the bodies of knowledge. It is unclear whether general experience qualifies a participant to mark specialist fields. It is judged that generalists are likely to have encountered the bodies of knowledge at some stage. Their scores are therefore included.</p>

On the whole, the questionnaire was well understood and answered. The above points have a negligible impact on the integrity of the validation results. Future studies may benefit from the above discussion and further improve data integrity. Possible improvements to the validation process include replacing the word unsure with neutral in the middle column of the questionnaire and providing a separate column for participants to check unsure.

#### **10.2.5 External validation conclusion**

On the whole, the external validation participants showed resounding agreement with this study and its product, the EFSF. The EFSF’s applicability for an enterprise or client received the lowest but still moderately strong score of 68.06%. This showcases the need for some refinement and future work. The average level of agreement from all the participants over all the validation questions was 83.05%. This shows that the participants generally agree that the EFSF effectively meets a recognised business need. The study has been externally validated.

### **10.3 Internal validation**

Internal validation focuses on the study’s research questions. These questions were drafted at the outset of the study in order to guide its analysis and help achieve the research objectives. There is now requirement to validate that they were answered in the study and that, consequently, the research objectives have been achieved. This section therefore consists of retrospective inspection of the research questions. The questions, first formulated in section 1.6.2, are numbered in Table 10-6 along with corresponding sections of the study. The table includes a summarised answer showing that the questions have indeed been answered. The table shows that this study has successfully showcased:

1. An understanding of the state of the art of employee flourishing, the terms relevant to this notion and its relevance to the Industrial Engineering domain.
2. Review of types of conceptual model to identify a type of model that assists enterprises in managing employee happiness as well as characteristics of this model
3. The definition of design requirements for the chosen type of conceptual model.
4. The development of a conceptual model to assist enterprises in managing employee flourishing.
5. Verification that the conceptual model satisfies the design requirements.
6. Validation that this study meets a recognized business need and that the conceptual model assists enterprises in managing employee flourishing.

The study has been validated internally.

**Table 10-6: Internal validation**

Research question	Related sections	Summarised answer
1.1.	1, 2	The experience of the good life is typically associated with happiness, but this term is revealed to be incomprehensive. Positive psychology aims to provide a useful construct. Flourishing, formed from PERMA and the control of Depression and Anxiety, is discussed as an EFSF element.
1.2.	1.1	The importance of flourishing has been emphasised by rational philosophy throughout history. It is positioned as people's ultimate goal.
1.3.	1, 1.2	Flourishing is important in an Industrial Engineering context because of the changing nature of work. Companies must provide flourishing in order to attract and retain talent. Designing for flourishing is positioned as a strategy for long-term enterprise performance.
1.4.	1.2, 1.3	The problem diagnosed in this study is that the development of flourishing has faltered in society and at work, that this is having increasing consequences for enterprises and current literature does not solve the problems surrounding employee flourishing.
1.5.	1.4, 1.5, 1.6	The purpose of the study is to create a conceptual model to assist enterprises in managing employee flourishing. This is achieved according to a plan comprised of research objectives, methods and questions.
2.1.	3	A strategic framework, combined with elements of a conceptual framework, is a suitable type of conceptual model.
2.2.	3.2	This model sets the scene for more localised research and application. It packages the bodies of knowledge surrounding employee flourishing and describes implementation and monitoring and evaluation activities at the objective level.
3.1.	4.1	Literature categorises the design requirements as follows: Functional requirements, User requirements, Design restrictions, Attention points and Boundary conditions. A number of design requirements typical to these categories are formed.
3.2.	1, 4.2	The study of the state of the art of employee flourishing produces design requirements F2, F3, U1, D4, D5, A1 and A2.
3.3.	3, 4.2	The study of characteristics of a strategic framework produces design requirements F4, F5 and F6.
4.1.	5	The EFSF is produced according to a newly designed development methodology that uses a lean constructivist approach.
4.2.	5.2	The scope of EFSF development in this study is for the author to construct three iterations independently and a fourth based on the validation results.
4.3.	6	The design concept is based on the Systems Approach, a component of the Enterprise Engineering discipline.
4.4.	7, 8	The optimised design concept builds on the Systems Approach and incorporates a Change Management and Innovation Management process. A variety of tools and elements are produced.
5.1.	9.1	The EFSF is verified by cross-referencing design requirements with sections of this study.
5.2.	9.2	Table 9-1 serves to verify that the EFSF meets the design requirements.
6.1.	10.1, 10.2, 10.3	The EFSF is validated through a process of external and internal validation. External validation is performed using one-on-one interviews with experts linked to employee flourishing and the constituent bodies of knowledge of the EFSF. Internal validation is performed using this table.
6.2.	10.2.5	The external validation results show that this study responds to a recognised business need.
6.3.	10.2.5	The external validation results show that the EFSF effectively meets the business need.
6.4.	10.3	This table shows that the research questions have been answered.
6.5.	10.2.4, 10.4	This section showcases the final amendments to the EFSF that are prompted by the external validation results.

#### 10.4 Post-validation amendments

The previous section showed that all the research questions have been answered, making the study internally valid. Section 10.2 showed that the EFSF, the product of this study, effectively meets a recognised business need. Therefore, this study does not require drastic change. However, there is room to improve the EFSF. The majority of this takes the form of future work. A number of minor amendments are discussed in this section. These amendments are mostly inspired by constructive criticism from the external validation participants. They result in the final EFSF iteration of this study, presented at the end of this section.

Cor Schutte highlighted the impact of elements of visual design when presenting the EFSF. Color Matters (2016) emphasises this point, stating that 90% of the information sent to the brain is visual and that 62-90% of reactions are based on colour. Cor mentioned that the gate reviews do not require emphasis in the process diagram. They should especially not be red as this typically evokes harsh emotion and draws immediate attention. The gate reviews have therefore been changed to blue to blend in with the Innovation Management process. Color Matters (2016) alludes to blue being a calm and trustworthy colour and therefore one of the most favoured colours in visual design. It is therefore maintained as the base colour of the EFSF process. The orange colour of the Change Management stages is maintained to show the difference between the Change Management and Innovation Management stages. Color Matters (2016) promotes the development of a colour scheme based on complementary colours to create maximum contrast and stability. Blue and orange achieve this effect as they are on the opposite ends of the colour wheel. Orange is also an example of a warm colour that typically evokes feelings of happiness and optimism. This seems suitable given the topic of this study.

Gate reviews have been added throughout the EFSF as a result of Diane Ritson's advice. She emphasized the need to keep close track of project details for the complex undertaking of managing flourishing. Gate reviews help in this regard.

A number of other insights from the participants prompt changes to the content of the EFSF stages and supplementary tools and elements. The changes are presented and underlined in Table 10-7. The reasons for these changes have been discussed in section 10.2.4.2.

The final amendment is a result of the examination process conducted by Stellenbosch University. This can be seen as a form of retrospective validation and is therefore included in this section. The examiners desired an event to link the two stages of Change Management to form a feedback loop for the EFSF process. This renders the process fluid so as to deal with changes to the internal and external environment. This step is labelled Maintain effectiveness. It specifically calls for ensuring the strategic vision for flourishing reflects the state of the art of Positive Psychology. As discussed, there is currently no

consensus on a best construct for the experience of the good life. This may change as the field continues to develop (external environment). Furthermore, a different construct may resonate better with an enterprise as it undergoes change (internal environment). The enterprise must maintain effectiveness by using the best possible construct, allowing them to measure the right things. The lack of consensus in Positive Psychology has been discussed previously as an obstacle to flourishing. Based on the examination comments, it is more appropriate to include a separate step to deal with this issue.

**Table 10-7: EFSF Amendments**

Process stage	Tools	Elements
Initiate a change towards flourishing: Build flourishing coalition that is connected, cross-functional and cross-generational	Selecting according to busy email nodes Literature on multiple generations at work	5 Generations: Traditionalists, Boomers, Gen X, Millennials and Gen 2020
Measure: form criteria for segmenting employees	Table 8-6: Tools for segmenting employees	Segmenting options: commercial potential, those in need, in order of department & prioritizing projects that affect relatively more employees
	Traffic light signals	Levels of engagement

Table 10-7 is followed by Figure 10-6 and Figure 10-7, which capture the changes to the EFSF process mentioned in this section. Together, the table and the figures represent the final EFSF iteration produced by this study.

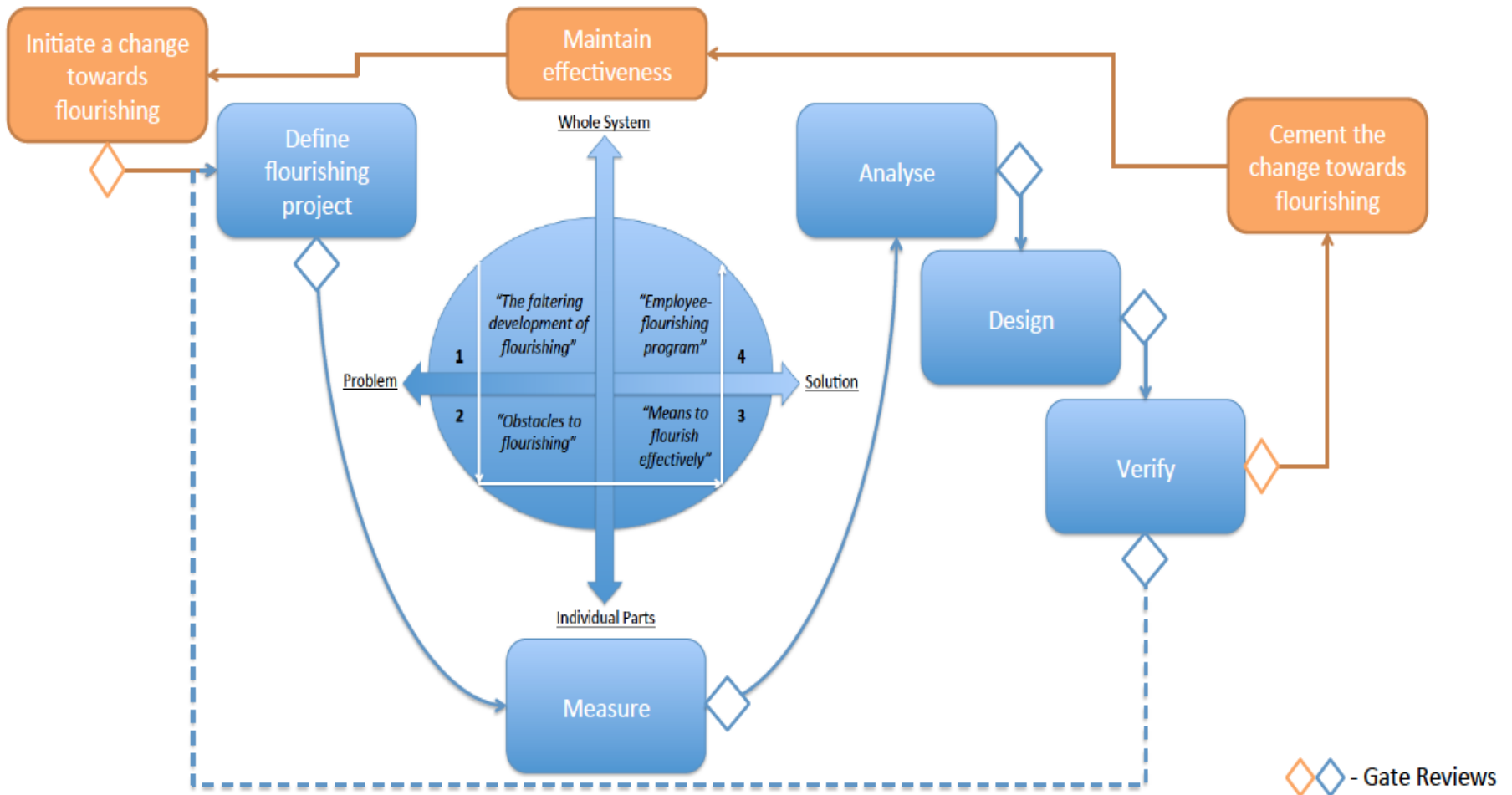


Figure 10-6: Amended EFSF process (Iteration 4) – high-level



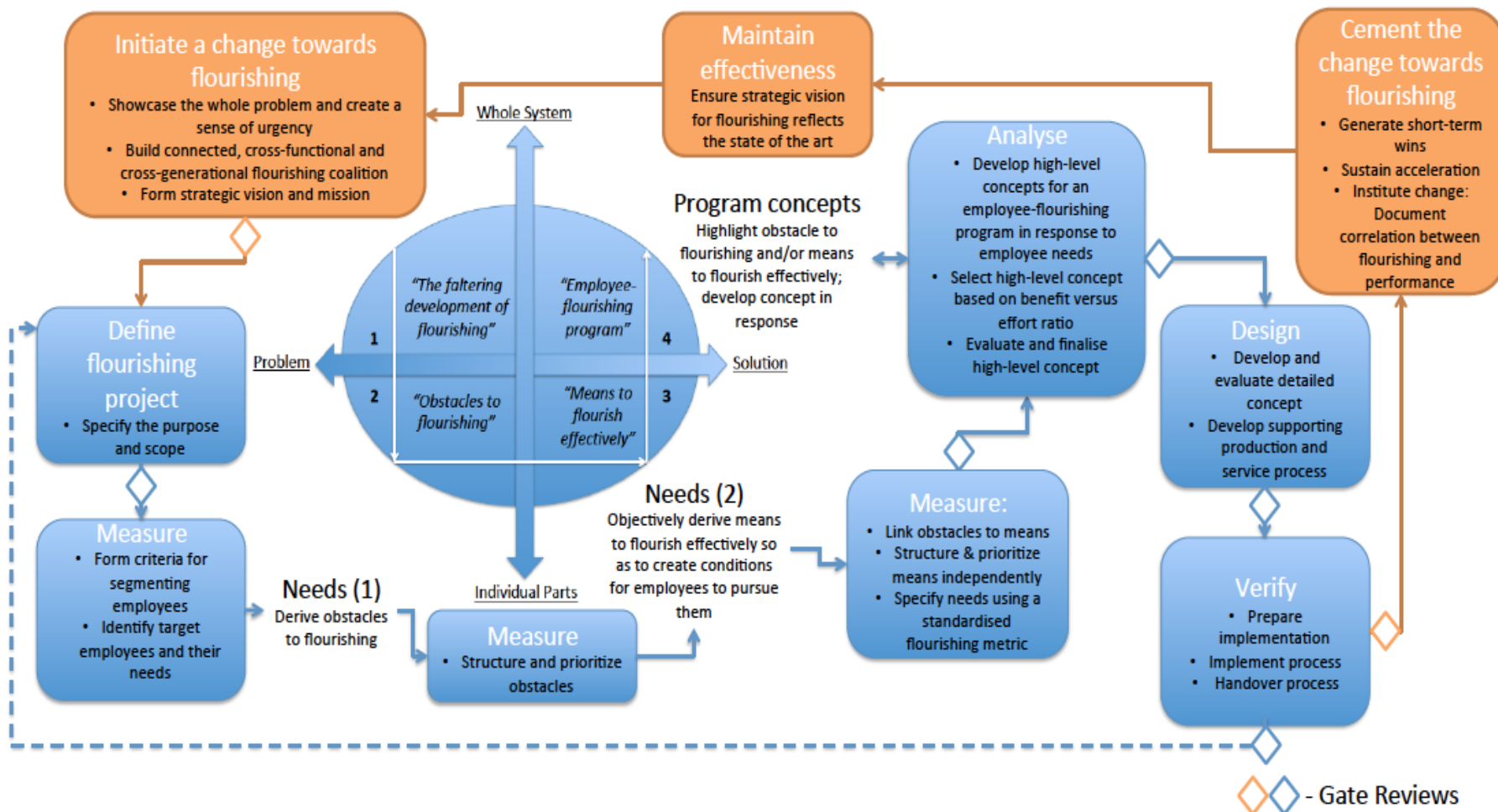


Figure 10-7: Amended EFSF process (Iteration 4) – detailed

## **10.5 Chapter conclusion**

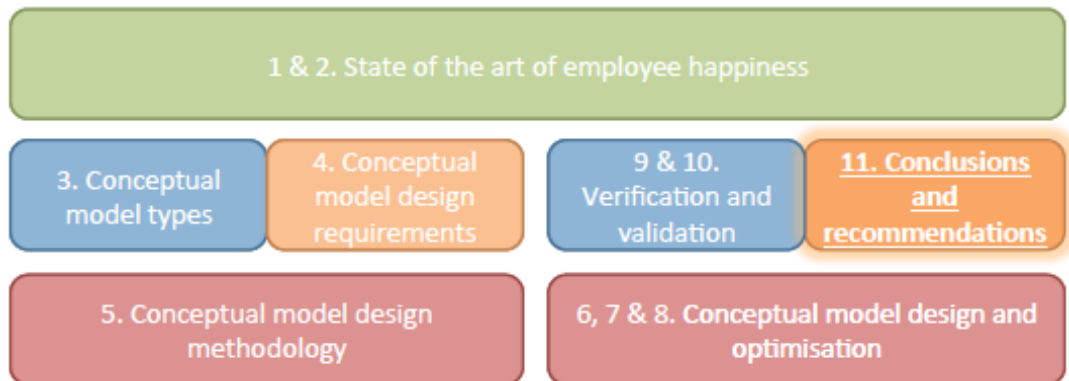
The chapter has met its purpose of validating that this study attends to a recognised business need and that the developed conceptual model effectively addresses this need.

These questions are primarily answered by conducting one-on-one interviews with external validation participants that have experience surrounding the management of employee flourishing and in the bodies of knowledge packaged by the EFSF. The average level of agreement from the 18 participants over all the validation questions was 83.05%.

Inspection of each of the original research questions shows that the research objectives have been achieved and that the study is internally valid.

The validation process results in a number of minor amendments to the EFSF to form the fourth and final iteration for the purposes of this study. This sets the scene for the study's conclusion and recommendations for future work.

## 11. CONCLUSIONS AND RECOMMENDATIONS



This chapter concludes the study by giving an overview of the study and offering recommendations for future work.

### 11.1 Study overview

This study is inspired by the emergence of the field of Positive Psychology, the study of what makes life worth living or living the good life, and the opportunity to apply its lessons within an enterprise context. Positive Psychology concerns itself with people's ultimate desires and the means to achieve them. This study proposes that enterprises should be designed with these concerns in mind, as this is both beneficial to employees and serves to motivate them to sustain the enterprise. This study therefore enables enterprises to achieve long-term performance. This is the guiding mandate of Industrial Engineering.

Positive Psychology has been dubbed the science of happiness. This study was introduced further with a discussion of the high regard for the notion of happiness, historically and philosophically. The following key problem components were then highlighted. While the developed world has accumulated material wealth, it has not become proportionately happier. This is especially true in the workplace. This is having increasing implications for enterprises as talented employees have gained increasing bargaining power, mostly due to developments in technology and globalisation. Employees want to be happy at work. There is an increasing need to offer a happy experience. Literature does not seem to present a global solution for the problem of delivering happiness in the workplace. There is seemingly no evidence of an Industrial Engineering application to this problem. These arguments produce the study's research purpose: To develop a conceptual model to assist enterprises in managing employee happiness.

Before the conceptual model was developed, a critical discussion on the term happiness was held. Although happiness is held in high regard, it has been labelled as an awkward and vague notion. Positive Psychology aims to combat this issue by providing a more practical construct for the experience of the good life. This discussion arrived at the flourishing construct, defined by the pillars on which it rests: Positive emotion, Engagement, Relationship, Meaning and Accomplishment. Similar to happiness, these are

shown to be pursuits in their own right, not merely a means to some other end. PERMA was extended to include control of Depression and Anxiety to account for the full spectrum of mental health. This is based on attempts to operationalize the PERMA construct in Australian high schools. This construct is positioned as the state of the art of employee happiness. It forms the basis for measuring the employee experience of work.

Because of the lack of evidence of an Industrial Engineering application of Positive Psychology, this study aims to set the scene for more localised research and application. It aims to take a broad, objective perspective, but also to offer practical assistance in managing employee flourishing. A specifically defined strategic framework is adopted as a suitable type of conceptual model for this endeavour. It draws together the various bodies of knowledge connected to employee flourishing and forms a basis for the employee-flourishing practitioner to pair creative insights with implementation, monitoring and evaluation activities at the objective level. The title of this study, “The Employee Flourishing Strategic Framework” (EFSF), is the product of the investigations into the state of the art of employee happiness and a suitable type of conceptual model. The EFSF is the product of this study.

The EFSF design requirements were formulated according to the investigations mentioned above as well as requirements typical to a set of best-practice categories. There are 21 in total, including a requirement to design a process for managing employee flourishing, to supplement the process with a set of tools and for stages of the process to be demonstrated with elements that may be used practically by an enterprise. This demonstrates how the EFSF offers broad perspective as well as specific, practical assistance.

The EFSF design methodology was developed to form a process for translating the design requirements into the actual model. The methodology forwards a constructivist philosophical perspective combined with the insights from the Lean Startup methodology. It allows the author to iterate the EFSF as he engages in its development.

The first iteration of the EFSF is based on the Systems Approach, a constituent of the Enterprise Engineering discipline. The optimised versions of the EFSF added knowledge from the fields of Positive Psychology/Organisational Behaviour, Strategic Human Resource Management, Change Management and Innovation Management.

The third iteration of the EFSF was verified against the original design requirements. This answered the question, “Did I build what I said I would?” It was then validated to answer the question, “Did I build what I need?” External validation took the form of one-on-one interviews with experts connected to management of employee flourishing and the constituent bodies of knowledge of the EFSF. 18 participants completed the full external validation process. The participants scored a series of questions aimed at establishing whether the EFSF effectively meets a recognised business need.

The participants showed 89% agreement with the view that managing employee flourishing is a recognised business need, 84% agreement with the design of the research study, 85% agreement with the collective contents of the bodies of knowledge, 78% agreement with the view that the EFSF assists with meeting the business need and 68% agreement with the view that there is an opportunity to apply the EFSF to their enterprise or client. Internal validation showed that all the original research questions were answered. This, along with the generally high scores from external validation, proved the study to be valid and that its research purpose has been achieved. Naturally, there is room for some improvement, particularly if the EFSF is to be applied in actual enterprises. A number of participant insights resulted in a few amendments for the final iteration of the EFSF. They also set the scene for future work.

## 11.2 Future work

The EFSF is a starting point for the application of Industrial Engineering to the notion of employee flourishing. External validation has revealed a great demand for this offering, on the basis that the EFSF is refined for local use. This study hints at the possibility of creating successful enterprises as a result of the experience of the good life. In order to achieve this objective, future work is required.

Recommendations for future work are discussed in the following subsections. They are the product of the insights gained by the author throughout the development of this study and specific insights provided by external validation participants that have not yet been incorporated.

### 11.2.1 Further EFSF iterations

The EFSF design methodology allows for the EFSF to undergo continuous improvement. Iterations are developed as the latest process is run through. The EFSF currently exists in its fourth iteration. It is in a relatively early stage of development. There is opportunity to expand the EFSF and add to its depth. Table 11-1 presents some specific opportunities.

**Table 11-1: Themes and opportunities for further EFSF iterations**

Theme	Opportunities
Best practice for framework and constituent processes	Performing an updated review of conceptual models that assist the management of employee flourishing. Cindy Rautenbach mentioned the work of Professor Rothmann of North West University as a point of interest. His website states that his research includes work engagement and flourishing of people in work contexts (Rothmann, 2016). An article worth investigating is, "Towards happiness-interventions: Construct clarification and intervention methodologies" (Van Zyl & Rothmann, 2014).
	Comprehensive evaluation of the current Change and Innovation Management processes against others from literature.

Theme	Opportunities
Systems Approach	Further development of the business case for managing employee flourishing (construct the whole problem).
	Develop elements for obstacles to flourishing (problem parts).
	Measure obstacles to flourishing in a specific enterprise.
	Develop elements for means to flourish effectively (solution parts).
	Measure means to flourish effectively in a specific enterprise.
	Analyse concepts for an employee-flourishing program (whole solution).
	Test concepts of an employee-flourishing program in a specific enterprise.
Change Management	Investigating further strategies for creating a sense of urgency, for example, showcasing more enterprises and emphasizing local enterprises that champion the case for managing employee flourishing. Kim Kay was particularly interested in the efforts of Zappos and Google to manage employee flourishing. She hoped to hear what other companies were doing in this regard. It seems that advertising corporates that champion the case for flourishing is an effective strategy for creating a sense of urgency.
	Investigating further strategies for building a flourishing coalition, for example, cross-functional and cross-generational teams and using email nodes to source connected members.
	Defining a flourishing coalition within an existing enterprise.
	Reassessing the state of the art of employee flourishing to produce better elements for strategic vision and mission statements (constructs for the experience of the good life). As described, this notion has not been solidified. Cindy Rautenbach's work, for example, surrounds a different flourishing construct. Hone, Jarden, Schofield and Duncan (2014, pp. 1-27) review four different constructs for flourishing and cite the need to work towards a common conceptualisation to improve the usefulness of the flourishing epidemiology. For local application of the EFSF, the researcher should settle on a construct that resonates with the culture of the enterprise.
	Further review of literature on enabling action by removing barriers. Designing organisational structure has been presented as a key component of an employee-flourishing program. A study into types of organisational structure and resulting effects on flourishing would be valuable.
	Developing the short-term wins stage by building a statistical model for assessing the impact of flourishing projects on a flourishing metric.
	Developing the sustain acceleration stage, for example, by investigating the potential of simulating the spread of flourishing through an enterprise and tipping points for positive culture.

Theme	Opportunities
Change Management	Developing the institute change stage by building a statistical model for assessing the impact of changes in a flourishing metric to changes in business performance. This will increase the value of the EFSF enormously.
Innovation Management	Piloting a flourishing project in an existing enterprise.
	Specifying steps of the Innovation Management process. This is more easily achieved using a specific flourishing construct.
	Literature review of employee engagement to assess criteria for segmenting employees for flourishing management in the Measure phase, as recommended by Cor Schutte.

### 11.2.2 EFSF streamlining and simplification

The major item of feedback from the external validation participants was that the EFSF would need to be refined in order for it to be applicable. A number of participants advised that the EFSF would need to be streamlined before it could be applied. Iain Bryant, for example, stated that everything he does in the field of Innovation Management is captured by the philosophy of making processes lighter. The weight of the EFSF should be reduced. Donovan Muller called for simplification before implementation. Ernie Messer mentioned that applying the EFSF in the UK's 3<sup>rd</sup> sector would require "heavy lifting". A streamlined EFSF may alleviate this difficulty.

The opportunities to expand and add depth to the EFSF discussed in the previous section need to be complimented by efforts to streamline and simplify it. These are discussed in Table 11-2.

**Table 11-2: Themes and opportunities for streamlining and simplifying the EFSF**

Theme	Opportunities
Presentation	The EFSF is currently presented in the form of a high-level and detailed process diagram and a table listing tools and elements per stage of the EFSF process. Extensive literature reviews are then linked within the table. The result is that the reader is laden with information. A large amount of time is needed to grasp the EFSF contents. The external validation participants reacted to this issue. The issue may be combatted to some extent with more attention to visual design. Better design may take the form of a stage-by-stage presentation of the EFSF process, beginning high-level and proceeding with systematic development of tools and elements.
Local application	The EFSF may be adapted into a logical framework using specific enterprises as case studies. This involves streamlining the process and specifying tools and elements that align with the enterprise.

Theme	Opportunities
Using a specific construct for the experience of the good life	A requirement of this study was to maintain an objective, high-level perspective. It therefore included but did not settle on a construct for the experience of the good life. This produced a set of generic tools and elements. A more specific set that leverages a specific construct may be more useful. In other words, a future study may, for example, use the construct of maximising PERMA and minimizing Depression and Anxiety and develop tools and elements accordingly.
Specifying frameworks according to enterprise type	The EFSF places focus on established enterprises that require a change towards flourishing. It is therefore not entirely suitable, for example, for startups and SMEs. The EFSF will require adaptation for enterprise type. Type may be defined, for example, using literature on enterprise lifecycles, according to extent of employee flourishing and for specific cultural contexts. This is a research topic in its own right.

### 11.2.3 *Extending EFSF verification*

The EFSF has been verified against its original design requirements. Verification therefore relies on the accuracy of these requirements. The requirements were established according to best practice and as a logical result of the early literature reviews, but do not comply with a recognised approach for framework design. A recent article by de Vries (2016, pp. 12-22) discusses the lack of such an approach as problematic to the field of Enterprise Engineering as it results in a proliferation of differently designed frameworks, thus impairing their evaluation. The EFSF may be verified further using de Vries's principles for framework design. Failure to conform to these principles may trigger a rework of the EFSF design requirements and subsequent rework of the EFSF.

### 11.2.4 *Associations with other theories from Organisational Behaviour*

Ernie Messer advised that flourishing is one of many perspectives needed to manage the human element. He advised assessing flourishing in the context of Adair (team, individual and task) and not just motivators but de-motivators. Brian Isaacson also suggested exploring potential dilemmas with models such as Maslow and potentially Herzberg. There is a risk that flourishing becomes just another in a long line of theories from Organisational Behaviour. This is not the intent of this study, as demonstrated by the philosophical perspective outlined in the early chapters. Flourishing or the experience of the good life is positioned as people's ultimate objective. It follows that other theories from Organisational Behaviour should fit within this perspective. Future studies should assess this thinking.

### 11.2.5 *South African and other cultural perspectives*

The external validation participants recognised that the EFSF had global application, but encouraged perspective on local application. Diane Ritson referenced Gallup's study on engagement in the South African population. She also theorised that there were lessons to be gained from local communities, many of which seem to be happy in the face of testing circumstances. Kim Kay also suggested expanding the business case for employee flourishing by advertising local corporates that act as champions for its management.



### **11.2.6 Multidisciplinary work**

Although Industrial Engineers have a robust skillset, they cannot be masters at everything. The EFSF makes use of a variety of bodies of knowledge. It would benefit from collaborative research between experts in these bodies of knowledge and other fields. A Positive Psychologist, for example, may help formulate a state of the art construct for the experience of the good life that is applicable in the context of work and a graphic designer may help with the presentation of the EFSF. This has to be enabled by the host of the research. Fortunately, universities are beginning to place greater emphasis on multidisciplinary research, as evidenced by Boyle (2016).

### **11.2.7 EFSF application and strategic rollout**

After specifying a logical framework for an enterprise, the natural follow-up project is its application. Cindy Rautenbach called for involving an SME in the field of flourishing. Diane Ritson advised testing the EFSF on small players in industry before rolling it out to bigger corporates – the eventual target. Cate Band was of the opinion that the EFSF is more appropriate for maturing SMEs. Ideally, this project would begin with pitching the EFSF to the enterprise's executive committee and ending with a statistical assessment of the impact of changes in the flourishing metric with changes in business performance, in other words, a full application of a localised EFSF.

## **11.3 Chapter conclusion**

Evidently, there is extensive opportunity for future work. At the very least, this study showcases the potential of the EFSF. It serves as a starting point for providing employees with the experience of the good life and thereby producing business success.

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## 13. APPENDIX A: FURTHER OBSTACLES TO FLOURISHING

The following obstacles to flourishing are offered as further elements of the second quadrant of the Systems Approach.

### 13.1 Perceived irrelevance of happiness in the workplace

This paper was introduced with the idea that people want to be happy and that if they see an enterprise as an enabler of their happiness, they will drive the success of the enterprise. It follows that the enterprise should be built fundamentally around the needs of its people. There are two perceived problems surrounding this proposal: the alternative influence of the evolution of enterprise management and the notion that happy employees are not necessarily engaged employees.

#### 13.1.1 *The evolution of enterprise management*

The biggest influence on theories of enterprise growth over the past century has been Frederick Taylor's "Principles of Scientific Management". Taylor separates management from the enterprise in a mechanistic view. The enterprise, like a machine, needs to be controlled by management. This view has come under criticism for its view of employees as mere cogs in the machine or as a means to an end. A modern trend is to view enterprises as organised complexities. They are highly complex and highly organised entities of human endeavour. This necessitates a new approach for developing enterprises (Dietz, Hoogervorst, & Albani, 2013).

Scientific management has undoubtedly been an effective methodology for increased productivity. However, the forces of globalization and technology are quickly changing the nature of work. Middle-income jobs are being wiped out; conditions are becoming increasingly favourable for those at the top of the socio-economic ladder. History tells us that, over the long term, unequal societies have not been sustainable (EnerGeoPolitics, 2014). Eric Schmidt, former CEO of Google, states that "we are in a race between computers and people and we need to make sure people win". A degree of selflessness is needed from those who have the means to influence the outcome of the race between technology and people. Businesses need to view people as ends themselves. Employee happiness needs to become a heartfelt consideration of companies. This requires overcoming the legacy of scientific management.

#### 13.1.2 *Happiness and engagement*

A number of articles have been written in response to the wave of literature on happiness. They point out that happy employees are not necessarily engaged and that a focus on happiness may have negative consequences, such as making people aware of their unhappiness, leading to decreased motivation.

ADP, Inc. (2012) defines employee engagement as the employees' commitment and connection to work as measured by the amount of discretionary effort they are willing to expend on behalf of their employer. Employee happiness, on the other hand, is a measure of satisfaction with job and conditions. ADP, Inc. argues that focusing on satisfaction without addressing engagement does not foster the kind of performance necessary to drive results.

The likes of Beard (2015) go one step further. She points out that a constant focus on happiness may actually have a negative impact. This is summarized by her quote, “Nothing depresses me more than reading about happiness”. She points out that, despite the growing body of literature on the subject, happiness remains elusive. The article continues to state that there’s something sinister about the way HR managers are “measuring, manipulating, and ultimately making money from our insatiable desire to be happier”. Spicer & Cederstrom (2015) add their concerns, saying that “happiness is a great thing to experience, but nothing can be willed into existence”.

The fact that happy employees may be disengaged and that, in some cases, a relentless pursuit of happiness has negative consequences should not detract from the importance of happiness. Even Beard (2015) states that no one is arguing against individuals aspiring to having a generally happy life. Happiness remains the ultimate objective for all parties.

Ideally, engagement is the result of a happy match between enterprise and employee. In the words of Achor (2016), “happiness fuels success, not the other way around”. It can also be argued that a focus on employee engagement may lend towards a system of scientific management, where output is the key concern and the means justify the end. It is proposed that a change in mentality from engagement to sustainable employee happiness will serve to address the challenges identified by Kumar, Arasu, & Nagarajan (2014) in their appraisal of employee engagement. The report included a global survey with 568 respondents from organisations with 500 or more employees. The majority of these respondents were senior-level executives. It revealed that achieving a high level of employee engagement is a top three factor in achieving business success. In fact, “71% of survey respondents rank employee engagement as very important to achieving overall organizational success”. Despite an acceptance of the importance of employee engagement, only “24% of respondents say employees in their organisation are highly engaged.”

This section discusses the legacy of scientific management and the potential long-term ramifications for business and society. Scientific management creates the conception that happiness is irrelevant in the workplace. Advocates of employee engagement instead of employee happiness echo this sentiment.

This paper proposes that scientific management and a sole focus on engagement is unsustainable. While employee engagement measures discretionary effort, it does not take into account the underlying health of the employee and, by extension, the health of the enterprise. The following section extends the discussion on the workplaces impact on employee health.

### **13.2 The rush of the day**

This section discusses instances where high demands from work impact employee health and potentially inhibit performance in the long-term. Although there may be “no

substitute for hard work”, employees may overly subscribe to “working hard and being happier later”. In the worst-case scenario, highly focused work leads to job burnout, zero future discretionary effort and limited happiness.

Workplace Mental Health Promotion (2016) defines job burnout as a state of physical, emotional and mental exhaustion caused by long-term exposure to demanding work situations. It stems from negative conditions at work. A point of concern is that particularly valuable employees become more susceptible to burnout as their input has a relatively higher output compared to their colleagues leading to higher work expectations. This highlights the point that happiness is a necessary strategy to acquire, nurture and retain talent.

Deligkaris, Panagopoulou, Montgomery and Masoura (2014) perform a systematic review of the association between burnout and cognitive functioning. In 13 out of 15 studies burnout is found to be negatively correlated with cognitive functioning. The article also references the well-documented effects of burnout on psychosomatic health and work performance.

Literature on the prevalence of burnout is limited. In one example, Gyes (2012) estimates the prevalence of job burnout in the Belgian working population as 0.8% (about 19,000 people). The prevalence of burnout seems relatively low. However, there are many cases where employees suffer from some of the components of burnout to some degree.

It is also noted that negative affect may be helpful in certain instances. For example, the fear of heights causes people to steer clear of cliff edges. However, a large amount of negative affect in the workplace may hinder long-term performance.

The concluding finding of these last two sections is that employee engagement without happiness is a short-sighted pursuit. The next section shows how a difficulty in overcoming short-sightedness is part of human nature.

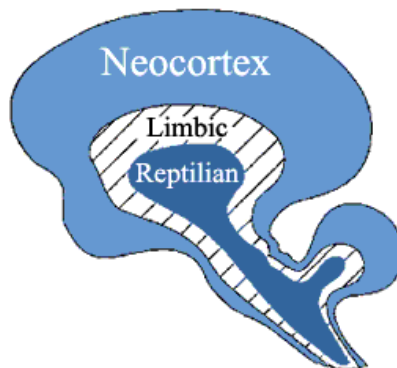
### **13.3 Overcoming short-sightedness**

This section explores why people are bad at pursuing happiness in the long-term.

Centre for Confidence and Well-being (2016) describes Daniel Gilbert’s work on affective forecasting. This involves an investigation of how people make predictions about the emotional impact of future events. His work begins with a look into the most recently developed part of the human brain: the frontal lobe. This is what gives humans the power to imagine the experience of future events. The problem, Gilbert points out, is that the newness of the lobe means there are still a number of shortcomings. This includes the fact that the brain does not have the capacity to retain an entire fabric of memory. Imagination is therefore constructed out of selected experiences. These experiences may not align with the future event. Another shortcoming is that the brain is wired to pick up on the presence of something and ignore its absence. People are biased by, for example,

the shark attack victim they read about in the news rather than the millions of other safe swimmers. Gilbert describes the difficulty in imagining as “projecting into the future with a blind spot.”

Naturally, knowledge of the brain is a good place to search during an investigation into happiness. The frontal lobe forms part of the neocortex, the newest of three sections of the brain. These three sections are displayed in Figure 13-1. At the core of the brain is the reptilian section responsible for innate survival functions such as the beating of the heart. The limbic section is wrapped around the reptilian brain and is responsible for emotions. The third and outer section is the neocortex. It is the most complex and has expanded greatly in higher mammals. It can be described as “the source of foresight, hindsight and insight”. The sectioning of the brain into the limbic and neocortex offers perspective on the definition of subjective well-being. Affect takes place in the limbic brain and judgements of life satisfaction in the neocortex. These sections are interconnected but independent. This lends perspective to the problem of measuring SWB objectively.



**Figure 13-1: Sections of the brain**

The difficulty in imagining impacts people’s ability to predict what will make them happy. This is the subject of the world’s longest study of happiness. Robert Waldinger is currently the director of the Harvard Study of Adult Development – one of the world’s longest and most complete studies of adult life. In a recent TED talk (2015), Waldinger reveals some of the insights into real happiness revealed by the study. Subjects typically report goals such as fame and riches as key to a happy future life. When asked to look back at their lives, subjects report different values.

As more scientific studies of happiness produce more data, people will be in a better position to overcome the limitations of the frontal lobe when allocating effort to happiness pursuits.

## 14. APPENDIX B: ELEMENTS FOR DEFINING AND MEASURING THE GOOD LIFE

Scale and items	Loading
<i>Positive emotion</i>	$\alpha = .92$
How often have you felt cheerful?	.84
How often have you felt joyful?	.85
How often have you felt energetic?	.74
How often have you felt delighted?	.76
How often have you felt proud	.77
How often have you felt fearless?	.41
How often have you felt calm?	.52
How often have you felt happy?	.71
How often have you felt excited?	.64
How often have you felt active?	.68
How often have you felt daring?	.46
How often have you felt strong?	.60
How often have you felt lively?	.81
<i>Engagement</i>	$\alpha = .68$
When I am reading or learning something new, I often lose track of how much time passed	.59
I often get completely absorbed in what I am doing	.51
I get so involved in activities that I forget about everything else	.52
When I see beautiful scenery, I enjoy it so much that I lose track of time	.45
How often have you felt interested?	.62
How often have you felt alert?	.40
<i>Relationships</i>	$\alpha = .85$
My relationships are supportive and rewarding	.72
I actively contribute to the happiness and well-being of others	.60
I generally feel that what I do in my life is valuable and worthwhile	.68
When something good happens to me, I have people in my life that I like to share the good news with	.47
I have friends that I really care about	.58
There are people in my life who really care about me	.68
When I have a problem, I have someone who will be there for me	.66
I feel that I am loved	.65
I feel that my life has a purpose	.54
<i>Accomplishment</i>	$\alpha = .84$
I finish whatever I begin	.71
Once I make a plan to get something done, I stick to it	.73
I am a hard worker	.67
I keep at my schoolwork until I am done with it	.69
Most days I feel a sense of accomplishment from what I do	.68
During the past two weeks, I have been pleased about completing something that was hard to do	.65
<i>Depression</i>	$\alpha = .89$
How often have you felt miserable?	.80
How often have you felt sad?	.77
How often have you felt gloomy?	.77
How often have you felt lonely?	.76
How often have you felt upset?	.71
How often have you felt disgusted?	.52
How often have you felt blue?	.67
How often have you felt angry?	.67
<i>Anxiety</i>	$\alpha = .84$
How often have you felt nervous?	.47
How often have you felt scared?	.85
How often have you felt afraid?	.80
How often have you felt jittery?	.54
How often have you felt guilty?	.62
How often have you felt frightened?	.70
How often have you felt ashamed?	.60

Figure 14-1: Well-being factors and items with standardized latent factor loadings (Kern, Waters, Adler, & White, 2014)

Please think about what you have been doing and experiencing during the past four weeks. Then report how much you experienced each of the following feelings, using the scale below. For each item, select a number from 1 to 5, and indicate that number on your response sheet.

1. Very Rarely or Never
2. Rarely
3. Sometimes
4. Often
5. Very Often or Always

Positive  
Negative  
Good  
Bad  
Pleasant  
Unpleasant  
Happy  
Sad  
Afraid  
Joyful  
Angry  
Contented

**Scoring:**

The measure can be used to derive an overall affect balance score, but can also be divided into positive and negative feelings scales.

**Positive Feelings (SPANE-P):** Add the scores, varying from 1 to 5, for the six items: positive, good, pleasant, happy, joyful, and contented. The score can vary from 6 (lowest possible) to 30 (highest positive feelings score).

**Negative Feelings (SPANE-N):** Add the scores, varying from 1 to 5, for the six items: negative, bad, unpleasant, sad, afraid, and angry. The score can vary from 6 (lowest possible) to 30 (highest negative feelings score).

**Affect Balance (SPANE-B):** The negative feelings score is subtracted from the positive feelings score, and the resultant difference score can vary from -24 (unhappiest possible) to 24 (highest affect balance possible). A respondent with a very high score of 24 reports that she or he rarely or never experiences any of the negative feelings, and very often or always has all of the positive feelings.

**Figure 14-2: Scale of positive and negative experience (Diener, 2009)**



Below are five statements that you may agree or disagree with. Using the 1 - 7 scale below, indicate your agreement with each item by placing the appropriate number on the line preceding that item. Please be open and honest in your responding.

- 7 - Strongly agree
- 6 - Agree
- 5 - Slightly agree
- 4 - Neither agree nor disagree
- 3 - Slightly disagree
- 2 - Disagree
- 1 - Strongly disagree

\_\_\_ In most ways my life is close to my ideal.

\_\_\_ The conditions of my life are excellent.

\_\_\_ I am satisfied with my life.

\_\_\_ So far I have gotten the important things I want in life.

\_\_\_ If I could live my life over, I would change almost nothing.

- 31 - 35 Extremely satisfied
- 26 - 30 Satisfied
- 21 - 25 Slightly satisfied
- 20 Neutral
- 15 - 19 Slightly dissatisfied
- 10 - 14 Dissatisfied
- 5 - 9 Extremely dissatisfied

**Figure 14-3: Satisfaction with life scale (Diener, 2009)**

## 15. APPENDIX C: EFSF VALIDATION INTRODUCTORY HAND-OUT

### 15.1 Introduction

*“Paul and I, we never thought that we would make much money out of the thing. We just loved writing software.” – Bill Gates*

Industrial Engineering is concerned with the improvement of integrated systems, of which people play an integral part (du Preez, Essman, Louw, Schutte, & Marais, 2013, p. 123). Its guiding mandate is to improve enterprise performance over time (Salvendy, 2001, p. 5).

People are also the core focus of Positive Psychology, a field that has inspired this study. The contents of Positive Psychology are characterised by Csikszentmihalyi (2006, p. 1) as dealing with “a life worth living” and by Seligman (1998, p. 1) as the formulation and building of “the good life”. Positive psychologists seek to understand and improve the human experience.

The motivation for this study in the Industrial Engineering domain is extended through the following assertions:

1. People ultimately want to experience the good life
2. Enterprises are fundamentally built by around people and for people
3. Enterprises should therefore build the experience of life being good
4. An employee that receives this experience from an enterprise is motivated to sustain that enterprise

This study therefore seeks to build the experience of the good life for enterprise employees. This is proposed as a policy that is mutually beneficial to the enterprise and its employees. It is thus a strategy for improving enterprise performance over time, in line with the guiding mandate of Industrial Engineering.

### 15.2 A movement towards flourishing

People typically regard the good life as one that is filled with happiness. This study uses this term as a starting point. Positive Psychology emerged in the late 20<sup>th</sup> century to complement traditional areas of psychology. Its practitioners hold that, as the science has become well equipped to deal with depression and other conditions of mental illness in the last 50 years, so too will a science of happiness unfold over the next 50. This has sparked a global movement towards improving the positive side of life.

The United Nations (2011) reports how the small nation Bhutan has pioneered a new metric: Gross National Happiness (GNH), which is described as a policy of “balancing sustainable growth against the often damaging results of rampant wealth”. The United Nations embodies this thinking in Resolution 65/309: “Happiness: towards a holistic approach to development”. Leaders and institutions are recognising the relevance of happiness in developing public policy. This is being extended to the business sector. Enterprises in Silicon Valley have started the trend of employing people in the role of Chief Happiness Officer (Gregory & Rutledge, 2016, p. 218). Enterprises are seeking to manage their employees’ experience of the good life.

This study develops the notion of happiness to arrive at a more critical construct of the experience of the good life. The term flourishing is adopted to describe this experience. Flourishing is labelled by Dr Martin Seligman, considered the founding father of Positive Psychology, as the target of Positive Psychology. It is promoted by Dodge, Daly, Huyton and Sanders (2012, pp. 222-235) as “a welcome departure from the now over-used term of happiness”, which is positioned as “an awkward construct that hides the true, complex nature of human flourishing”.

Disagreement on the terms used to define the experience of the good life shows that the field of Positive Psychology is still emerging. The evidence above shows a high demand for this to happen. This study is positioned as an early adopter of the contents of this trending field. Its research purpose is the development of a conceptual model to assist enterprises in managing employees’ experience of the good life, titled the “Employee Flourishing Strategic Framework” (EFSF).

### 15.3 The EFSF

The EFSF is produced through phases of design and optimisation as the author engages in its development. It includes a process and a set of tools and elements. The current iteration of the EFSF process is shown as Figure 15-1. Table 15-1 presents the tools and elements of a particular stage of the EFSF process.

**Table 15-1: Snapshot of EFSF tools and elements**

Process stage	Tools	Elements
Needs stage 1: Obstacles to flourishing (Systems Approach quadrant 2)	Measures: SWLS and SPANE: (Diener, 2009); EEG technology; (Kern, Waters, Adler, & White, 2014) questionnaire	Obstacle: An objective view of the good life
		Presence of PERMA and control of Depression and Anxiety as the determinants of the good life
	Figure 7-1: The three chronic components of Subjective Well-Being	Obstacle: Hedonic adaptation
		Obstacle: The downside to economic utility
Maslow (1943): Hierarchy of needs		Gallup-Healthways Well-Being Index (Robison, 2011): An annual income of \$75 000

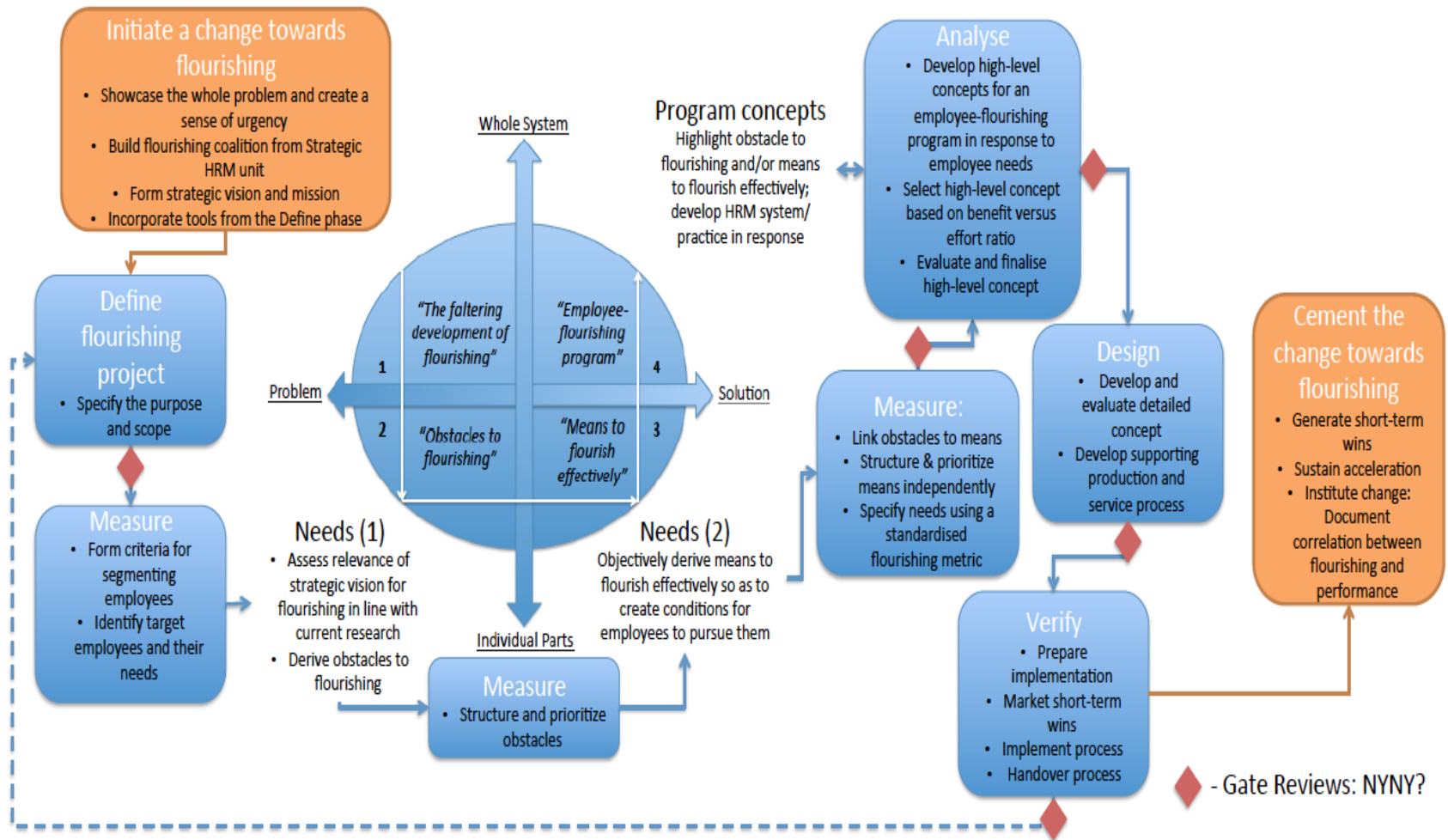


Figure 15-1: EFSF process (iteration 3) - detailed

## 15.4 Conclusion

This hand-out acts as an introduction to the EFSF research study. The author is currently engaging in the validation chapter of this study. You have been identified as an expert in one or more of the bodies of knowledge linked to the study and are therefore invited to play a further role in the validation process. This primarily involves helping the author to answer the following research questions:

1. Does this study address a recognised business need?
2. Does the EFSF assist in addressing this need?

The remainder of the process is as follows:

1. Optional reading of a second hand-out that further details the study
2. Audiencing a presentation by the author
3. Completing a questionnaire to score the study's validity and providing insights to help refine its output

Should you be interested in playing a further role in helping enterprises to manage employee happiness, please communicate your interest to the contact below.

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## 16. APPENDIX D: EXTERNAL VALIDATION PARTICIPANT INSIGHTS

Insights to the EFSF were documented formally using the external validation questionnaire. The questions are presented below, followed by the participants' insights. The participants are quoted directly. In most cases, the interviews became less formal and insights were exchanged verbally. Some of these insights are also listed.

### 16.1 Question 1 insights

"To what extent do you agree that there is a need to assist enterprises in managing employee flourishing?"

- Cor Schutte: "I believe this is a relatively new concept and from personal experience most definitely something organisations of all sizes need help with."
- Donovan Muller: "In my 28 years' experience at Accenture, we focused on the 5 key components that are directly responsible for enterprise growth and profitability. These components were: Enterprise Vision and Strategy, Organisation Structure and Design, Business Processes, Technology and Infrastructure, and Enterprise Performance Management. Employee Flourishing was a key element in the Organisation Structure and Design component. This is based on the fact that happy employees are generally committed, passionate and dedicated to their work, resulting in enhanced productivity and improved business results."
- Diane Ritson: "With the current drive for productivity, the ever-leaner organisation and global competition, employees are under huge strain to perform. Stressed employees do not deliver on innovation like flourishing employees do. Unfortunately most companies are only driving productivity with very little in place to stimulate innovation and employee care."
- Iain Bryant: "I think there is a need and I think that some companies are aware of the need. However, some aren't. It's the same as asking, "Is there a need for innovation?" Of course. But do all businesses realise it? No. Corporates have lost the long-term vision. It's all about money in the short-term. I don't know one business that has a 30-year vision. A strategy for employee happiness requires someone with a long-term vision. Furthermore, businesses do not understand the millennials and tend to manage according to more traditional schools of thought. I'm not sure if the big corporates will get this."
- Kim Kay: "There has been a shift in recent years for companies to reassess how they keep top talent. This goes above and beyond salaries. There is a constant battle for top talent and, once a company finds and hires great employees, the company has to be able to retain them, keep them happy/engaged and motivated. If employees are unhappy, you will spend a lot of money and time continuously replacing top talent. Also, happy/flourishing employees are more productive."
- Ernie Messer: "This remains as one component in the overall mix of employee motivation. It must be balanced in the context of Adair (team, individual and task) and not just motivators but de-motivators. It should not be the dominant concept."

- Brian Isaacson: “All high performance sustainable organizations would consider investing in this are for their staff.”
- Daniel Weaver: “The corporate workforce is undergoing a monumental shift, the likes of which has not been seen since the industrial revolution. Many organisations are battling to understand the role of technology (mobility, liquid workforce) and often overstate its advantages while ignoring the effect it has on the human aspect of business.  
E.F is an important concept one can use to bring the human element back into the business. The PERMA framework holistically captures elements of ‘Employee happiness.’”
- Sharon Spangenberg: “Although I am very sure that there is a need for enterprises to manage employee flourishing I think that given the operational demands and other organisational issues that probably exist it might be very challenging. My opinion is that the other organisation elements e.g. technology, processes and other people issues need to be sorted in order to sensibly manage employee flourishing.”
- Cate Band: “Flourishing employees will display higher discretionary effort, deliver higher performance and be less inclined to leave.”
- Llewellyn de Jager: “Many enterprises do not know if their employees are flourishing and in fact don’t now how to determine if they are (or the extent to which they are). Offering a process that helps them understand this and which aspects they need to focus on to improve employee flourishing will be very helpful.”
- Mr A: “I think enterprises should create the environment where employees can flourish but ultimately it’s up to the individual to identify the area in business where they can truly add value and then hopefully flourish.  
A contract of employment is ultimately a contract between two parties and as such both parties to the contract has an obligation to identify the reciprocal benefit. If people on the recruitment side and also the prospective employee spend time really engaging at the outset, the relationship should be mutually beneficial with the enterprise benefiting through the value added by the employee and the employee benefiting by being in a place where they feel fulfilment.”
- Adriaan Vorster: “To manage such a project would be a non-core in terms of an average enterprise’s business focus and it usually makes sense to outsource non-core business activities.”
- Jannie Lamprecht: “Happy employees = Happy profit”
- Tamryn Coats: “Many corporate companies, especially in certain industries have little training in managing emotional intelligence or emotional states in their employees. This has historically been seen as the ‘soft’ stuff, or ‘private affairs’. However in the changing world of work and the integration of work and private lives, these issues become of pivotal importance as they have a direct influence on employee productivity.”
- Cindy Rautenbach: “Research confirms the positive outcomes of flourishing on individual and organisational level. These outcomes will ensure sustainable

success on both levels. All organisations and individuals strive to be successful and knowing more about flourishing will help them achieve this on an on-going basis.”

## 16.2 Question 2 insights

“To what extent do you agree with the process used to complete the study?”

- Donovan Muller: “The research process is very valuable, because it focuses on two key components around employee wellbeing, namely a structured approach and clear outcomes. EFSF provides a definitive framework for validating what many enterprises may have tried to implement with varying degrees of success. Using a structured approach as proposed in EFSF, provides an employer with a structure and road map to carefully assess the level of Employee Flourishing within their organisation (i.e. the level of employee happiness, satisfaction and engagement), while offering ways to help organisations define interventions that will positively contribute to the overall condition of employees across the enterprise.”
- Diane Ritson: “Utilizing the five different bodies of knowledge for the intervention design ensures that the approach is holistic and based on different thought processes. This enables the outcome to be integrated and academically sound.”
- Nico McLachlan: “The research methodology outlined during the presentation is sound and the process used to complete the study is thorough and well designed.”
- Brian Isaacson: “The research appears to presuppose an outcome/application e.g. a program? Why?”
- Sharon Spangenberg: “The process that was followed appears to make a lot of sense. There is a perception that the research is well grounded and that the works/authors that are being referred to are experts in their fields.”
- Cate Band: “For research purposes, it is a thorough and comprehensive process.”
- Llewellyn de Jager: “I enjoyed the integration of the various aspects used in the model that has been developed.”
- Mr A: “The concept being studied can be seen as very abstract and as such defining a specific framework with specific parameters and methodology is essential to ensure firstly a defined process and then also a basis of measurement of success post implementation/adoption of the framework.
- Adriaan Vorster: “It seems thorough and that there was a well-balanced set of outside resources utilised.”
- Tamryn Coats: “I think it would have been helpful to include a small pilot within an organization to see more detail of the process rather than the meta-frame work in isolation.”
- Cindy Rautenbach: “A lot of the study involves the theoretical concept of flourishing. This is a very niche and specialised area. It is recommended that an expert on flourishing is more involved in the study.”



### 16.3 Question 3 insights

“To what extent do you agree with the use of the various bodies of knowledge and their contents?”

- Cor Schutte: “I believe Industrial Engineering has a tremendous amount it could add (and even benefit) from the topic. A well thought through, scientific and systematic approach might be the only way to approach a highly complex challenge as this, and who better than a passionate Industrial Engineer to deliver it.

Innovation in the people space is something that is often overlooked in organisation’s Innovation Portfolios. I believe the Innovation Management BOK is not only appropriate but is actually ideal for a relatively new concept as this. I also believe this is so complex as there are so many diverse factors that influence it. It’s people after all. A structured Innovation Management approach will provide the agility but also the certainty that organisations would expect from an initiative of this nature.”

- Donovan Muller: “The bodies of knowledge were selected from a comprehensive list of relevant sources. It was very insightful and informative to see how these sources have been used to provide an integrated view of Employee Flourishing. The key observation was how these sources, each a proven business discipline in its own right, were used to provide unique aspects of employee-related happiness in an integrated model, providing a totally comprehensive approach to Employee Flourishing.

Using this approach ensures that the organisation places the employee at the centre of its strategy, and treats the employee as the single most important asset in the organisation.

Recognising that significant research and effort has gone into developing the EFSF, it will be important to distil the salient features of the model in order to be more readily implementable in organisations. We are in an era of instant gratification in business, and tailoring the model to ensure quick-wins will be critical to the overall success of the EFSF.”

- Diane Ritson: “The biggest possible hurdle for this process is the current mind-set within organisation that employees are one of the “P’s” in the productivity process.

A very strong business case will have to be developed to showcase the bodies of research that has already been done in this regard and the business impact they showcase. Most of this research is international but Gallup has done an engagement study on the South African population, which is very powerful.

This will be an imperative, as an intervention of this nature will need to be supported from the top to have the necessary impact.”

- Iain Bryant: “Having done a bit of research into happiness myself, I think your PERMA model is spot on. I would also pay attention to stress alongside Depression and Anxiety. The rest of the process is extremely detailed. If you’re trying to sell the research process, simplify it as much as possible in order to keep your audience engaged.

In terms of innovation management, I don't know if the management of happiness is an innovation management project. In saying that, managing happiness most definitely needs a rigorous process in order to keep stakeholders accountable. The problem with innovation management is that it is typically complex and designed for areas such as software development. I think happiness needs a lighter approach so that users can comprehend the material immediately and completely. It may well be innovation management, but it needs to be adapted from its current form.

- Nico McLachlan: "I have been a change management and organization development practitioner in private practice for more than 25 years and I am of the view that the study expertly draws upon the axiomatic bodies of work from the afore-mentioned disciplines and creates a well integrated framework for analysis and prediction."
- Ernie Messer: "I can readily accept and agree on the content for 3 vantage points."
- Daniel Weaver: "SHRM is an important concept when dealing with employee happiness, however the role it plays has shifted from upfront development with implementation oversight of a would be flourishing program to a more pivotal role as illustrated below (refer to figure).
  - Understands the business strategy
  - Translates business strategy into short, medium and long term priorities
  - Understands the needs of employees
  - Matches the needs of the business to the needs of employees
  - Infuses concepts such as Change management and innovation management
  - Co-creates a holistic flourishing program linked to the business strategy and best practice"



**Figure 16-1: Daniel Weaver's portrayal of Strategic HRM**

- Llewellyn de Jager: "The rationale and way in which the information has been put together makes a lot of sense to me. I think it will be helpful. Also great if it can be kept to 1 page! I like the fact that a known methodology was used. It should

make engineers more comfortable when they consider the results and the implications.”

- Adriaan Vorster: “The elements of industrial Engineering go further than simply arranging production flows for increased productivity. The people factor required to achieve those results is often overlooked.

A systematic approach would be highly desirable for such an initiative

Creating positive psychology makes sense in a working environment.

It is critical to maintain focus on strategic objectives of the organisation, in particular HR Management before a point of departure is fixed.”

- Tamryn Coats: “It would need to be piloted both in the short term and long term to ensure more validating comments on the process.”

#### 16.4 Question 4 insights

“To what extent do you agree that the EFSF satisfies the need to assist enterprises in managing employee flourishing”/“To what extent do you agree that there is an opportunity to apply the EFSF to your enterprise/client?”

- Cor Schutte: I believe it’s a well-researched and thought through approach. While still in its early stages, I believe it has a lot of potential and most definitely something I would like to stay close to as it develops.
- Donovan Muller: “It is clear to me that EFSF has a very significant role to play in an organisation. Having already understood the importance of employee happiness in the overall success of the organisation, the EFSF provides a more structured and scientific approach to manage employee happiness. In order to make the ESFS more applicable in business, it would need the model to be simplified so that it is easily implementable. It is also important to be able to show how a strong EFSF program can prove to be a key competitive differentiator, especially when it comes to attracting the best talent to the organisation.”
- Diane Ritson: “The integration of industrial engineering with the other bodies of knowledge is refreshing and should have huge traction in business. The PERMA model is fast becoming mainstream within the management of human resources worldwide. Therefore the development of the model in the way it has been done should yield great outcomes.”
- Iain Bryant: “I don’t know if you have completely achieved the research purpose. I know that you’ve come a long way and that this stage of your journey is completely necessary in reaching the final product. However, you may look back on it in a year’s time and marvel at how far you’ve come.”
- Kim Kay: “Regarding 4.2, I would need to see more before assessing whether the EFSF would fit into GetSmarter.”
- Ernie Messer: “Positioning within my enterprise and client group would be interesting. I frequently work on social and health issues which are difficult, underfunded, misunderstood and challenging. To land EFSF in this context would require some very heavy lifting.”
- Daniel Weaver: “The framework as a concept is sound, however it would need to be adapted and refined as per the clients/business needs. Often resources are

not directed towards employee experience as there are other initiatives. In fact, during ZBB and other cost cutting measures these initiatives are the first to go. There needs to be greater awareness around the subject and the important role it plays in actually achieving the business strategy and not relegated to a “nice to have”

If this framework is to be properly applied, EXCO would want to see KPI’s and metrics applied to the program that would adequately show a return on investment.”

- Sharon Spangenberg: “My organisation currently experiences many other organisational dilemmas which would need to be sorted to sensibly apply the EFSF.”
- Llewellyn de Jager: “Our firm is a bit small for this kind of work, and we consult to others in a similar space around culture and values.”
- Mr A: “Application of the framework should be seen as implementation of a strategic initiative in the business and should therefore be driven from a central HR perspective.”
- Adriaan Vorster: “The model seems logical in its construction and will probably serve as a useful guide to move such a process of change to a beneficial conclusion.

We have coincidentally just commenced with a process of determining the degree of satisfaction/happiness amongst our employees. We should be in a better position to decide if we need this type of initiative upon conclusion of the start-up survey.”

- Jannie Lamprecht: “The EFSF is well established.”
- Tamryn Coats: “Agree that it should be given an opportunity to assess its validity but cannot comment on the satisfaction performance without any trial/ pilot studies.”
- Cindy Rautenbach: “I like the concept but it still needs to dig deeper and be more structured upon validated measurements and models of flourishing relevant to the workplace and not just flourishing in general.”

## 16.5 Question 5 insights

The final section of the questionnaire asked participants to comment on their overall impression of the EFSF and whether they would advise any specific changes or improvements:

- Cor Schutte: “Overall thought provoking and innovative in the Industrial Engineering space. Not only because as Engineers we don’t often talk about soft things like “flourishing”, but also because in our mission to make organisations more effective and efficient the people are always at the core. I hope elements of this would become part of the standard curriculum in the future and that it would be the first study of many around this very important and relevant topic.”

The informal section of the interview produced the following insights:

- The flourishing coalition should not be comprised of members strictly from the HRM department, but should rather be cross-functional. It may be led by an HR executive but should include support nodes from different units. One of way of identifying suitable members is via the enterprise's email server. Employees with the busiest email accounts are theorised to be key role players within departments. They should be included in the coalition as they are in a good position to effect change. A method like this ensures coalitions are inclusive and not purely based on hierarchy.
  - Employees can be segmented for flourishing management according to their levels of engagement. Employees are typically highly engaged, moderately engaged, passive or actively disengaged. Management should seek to create actively engaged employees. It should begin managing the actively disengaged as they pose an immediate threat and then move on to passive and moderately engaged employees.
  - Finally, Cor offered some warnings about the use of colour in the EFSF. Red, for example, provokes harsh emotion and should only be used intentionally.
- Donovan Muller: "As I worked through the content of the research, I felt challenged to question the process and approach that we have used extensively over the years. In our experience, we saw the key components to business success being Organisational Strategy, People, Process and Technology. We simplistically see each component as equally important and critical to the overall organisational success.

However, by carefully considering the research done with regard to Employee Flourishing, it became clear that a different, more innovative and fresh approach was being proposed as an alternative to achieving overall organisational success. For example, treating People in an organisation as one of the critical components of business success, rather than make People the single most important component in the organisation, and therefore driving business success from an employee-centric perspective.

It is certainly true from my experience that organisations that have a compelling Employee Value Proposition (EVP) attract the best talent and have the most satisfied and engaged employees. And, they are probably also amongst the most success organisations. It is also clear that innovation plays a major role in employee happiness, and organisations that are innovation-led generally attract the best talent.

Bringing these thoughts into the Employee Flourishing Strategic Framework (EFSF) makes the EFSF an imperative for success in modern, leading organisations. A key curiosity for me is the direct correlation between enterprise business success and Employee Flourishing – i.e. making a strong business case for Employee Flourishing. How do you link Employee Flouring to the bottom line of organisations? What impact can Employee Flourishing have on the bottom line of the organisation? Recognising that EFSF was being considered in the context of existing enterprises rather than start-ups, it would be very interesting to

determine the impact of applying the EFSF to Chop-Chop, and observing the impact on aspects such as customer service, product development and quality, sales, profitability and overall business results, even if is on a relatively small scale.”

- Margie Sutherland: “A very thorough well thought through study based soundly on an excellent range of academic pillars – the outcome could be of use to a range of organisations – it would need to be clearly differentiated for the body of knowledge on employee engagement – its antecedents and consequences. It’s unusual to see this rigor at the outset of Masters level research”
- Diane Ritson: “We have to understand the different generational models when approaching either the research of the interventions as each model seem to be learning in a different way. This should make your interventions more effective and impactful.”

The informal section of the interview produced the following insights:

- Diane added to the discussion on segmenting employees for flourishing management with the concept of traffic light signals. Actively engaged employees are green and may be left alone. Moderately engaged and passive employees are amber and require some management or “coaching”, to use her terminology. Actively disengaged employees are red and critically require coaching.
- Diane emphasized the necessity of gate reviews. Managing employee flourishing is a complex undertaking. Every piece of the puzzle must be in place in order for it to be effective. She recommended that the concept of gate reviews be extended from the Innovation Management process throughout the EFSF.
- Based on her community work experience, Diane posed the question, “Why is it that African communities with limited wealth seem to experience abundant happiness?” She mentioned that the problem of unhappiness in the workplace is mostly a modern, Western issue and that lessons could be gauged from local communities.
- Diane suggested proving the concept by testing the EFSF on smaller players in industry. This will enable the ultimate goal, which is to implement the EFSF in big corporates where the experience of flourishing is often hard to come by.
- Iain Bryant: “It’s a stunning piece of work!”
- Nico McLachlan: “A well structured study, reflecting inductive (practice to theory) thinking. A fine attempt at drawing on the main bodies of work from a range of related disciplines and creating an integrated framework for analysis. A student that shows great insight into his chosen field of study and a real feeling for the area of work.”
- Kim Kay: “Very impressive and very necessary. Perhaps more examples of companies who are doing very well in this regard (other than Zappos and Google). Have a look at Netflix’s Culture Deck. Try to look at South African companies as examples.”

- Ernie Messer: “Fresh and interesting. Needs to be constantly referenced back to reality and value adding outcomes.”
- Brian Isaacson: “The model is worth exploring there may be value in debating its robustness. Why Strategic HRM coalition platform? Explore dilemmas associated with Maslow? Maybe Herzberg.”
- Daniel Weaver: “In-depth and well researched. Possibly shift focus from start up to corporate (understanding the constraints and politics) Development of KPI’s and success metrics”
- Sharon Spangenberg: “Well grounded, logical, well presented by a very knowledgeable person, creating positive energy and stimulating important thinking.”
- Cate Band: “Good understanding that “happiness at work” is never an accident but rather the result of deliberate efforts. Helping to identify a process that can be applied across different organisational contexts to drive “flourishing” will no doubt be valuable. Ultimately I believe you will want to create a simpler, more streamlined (also flexible) model, but the bones are good and you will learn as start to apply the model in different contexts.”

The informal section of the interview produced the following insights:

- The EFSF seems to be aimed at established corporates. I think there may be more demand from maturing SMEs. Specifically, enterprises that have achieved initial success and have grown big very quickly. These are the enterprises that will face challenges with managing the employee experience and developing a positive culture as they battle to keep up with their growth.
- Llewellyn de Jager: “Looks really interesting. I would like to see the final outcome – we may be able to use some of this with our clients.”
- Mr A: “Refreshing approach to make a concept that is seemingly intangible a very realistic and tangible goal.”
- Adriaan Vorster: “It holds potential to be very useful in Industry, once an enterprise management is persuaded that they need to delve deeper to have a meaningful understanding of their employees’ psychological make-up in order to manage them towards an outcome that makes for a happier workforce, in turn leading indirectly to improved bottom line benefits.”
- Jannie Lamprecht: “Well structured and well presented. In my personal opinion, the following factors are important for establishing flourishing: discipline, employee participation and mutual respect.”
- Tamryn Coats: “This looks very interesting and promising, I look forward to seeing how it performs practically and how the detail of obtaining ‘flourishing’ is achieved through each company/ industry. As a process, it’s a great model for organizations to start thinking systematically about how to better improve the happiness of their employees. The model itself is presented in a manner that is familiar in style and rhetoric to organizational culture, which I think will be well received and holds great potential.

The study should include an objective critique of positive psychology as an empirically validated modality, but I assume this is carried out in the literature review.”

- Cindy Rautenbach: “Good concept of bringing the people/human element into the field of engineering.  
Involve an SME in the field of flourishing. Use validated and reliable models of flourishing that are more relevant and aligned to the workplace rather than in general.”