EMPLOYEE FLOURISHING STRATEGIC FRAMEWORK

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ABSTRACT

This paper produces a preliminary version of a strategic framework for managing employee flourishing. ‘Flourishing’, a term from positive psychology, describes the experience of ‘the good life’. Providing this experience benefits employees. It also motivates them to sustain the enterprise that provides it. This positions employee flourishing as a strategy for long-term enterprise performance, a key concern of industrial engineering. The framework incorporates a systems approach and literature from a variety of bodies of knowledge, including organisational behaviour and human resource management. The framework includes a process, tools, and elements that assist enterprises to manage employee flourishing.

OPSOMMING

Hierdie artikel skep ’n voorlopige weergawe van ’n strategiese raamwerk vir die bestuur van werknemerflorering. Florering (Eng. ‘flourishing’), is ’n begrip uit die positiewe sielkunde wat ervaring van ‘die goeie lewe’ omskryf. Florering in die werksplek is tot voordeel van beide werknemers en werkgewers. Werknemers word gemotiveer om die onderneming te onderhou en uit te bou. Op hierdie manier is ‘warknemerflorering’ ’n strategie vir die onderneming se langtermyn prestasie, ’n sleutel aspek vir bedryfsgeneeskundige. Die raamwerk omvat ’n stelselbenadering en inkorporeer literatuur uit verskeie kennisgebiede, insluitende organisatoriese gedrag, en menslike hulpbronbestuur. ’n Proses word daar gestel wat ondernemings van die nodige toerusting en kennis vir die bestuur van werknemerflorering te voorsien..

1 INTRODUCTION

The guiding mandate of industrial engineering is to improve enterprise performance over time [1]. Enterprises are fundamentally built around people. Industrial engineering therefore requires a focus on people. This focus is also at the core of the field of positive psychology, a field that has inspired this study.

The contents of positive psychology are characterised by Csikszentmihalyi [2] as dealing with ‘a life worth living’, and by Seligman [3] as the formulation and building of ‘the good life’. Positive psychologists seek to understand and improve the human experience.

The motivation for this paper is essentially based on the following assertions:

1. People ultimately want to experience the good life
2. Employees are motivated to sustain an enterprise that provides this experience so that they can continue to receive it.

This paper therefore seeks to build the experience of the good life for enterprise employees. This is offered as a strategy to improve 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 Section 1.1. Section 1.2 clarifies the use of ‘happiness’ as a term that describes the experience of the good life. Section 1.3 offers further details of the relevance of this topic to the workplace, and thereby justifies its use in an industrial engineering context.

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. People have sought happiness throughout history.

In the 5th 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 two of the first to articulate the ‘pursuit of happiness’ when they respectively described eudaimonia as the end goal of human life and hedonic pleasure as the only intrinsic value [4]. The ancient Greeks position happiness as one’s moral obligation [5].

The theme of happiness-based morality was further developed by the utilitarian philosophy of Jeremy Bentham in the 18th century. Bentham holds that an action’s consequences should be judged according to the amount of pleasure and pain created for everyone who feels its effects [6]. Bentham’s utility, known as ‘the greatest happiness principle’, was shaped during the intellectual movement known as the Enlightenment. This was an age when reason was advocated as a way of establishing authoritative systems. The philosophies of the Enlightenment have 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 [7].

Bentham’s proposals did not gain momentum, as measuring an individual’s happiness was seen to be a difficult task. This led to the rise of ‘economic utility’ — a term referring to the total satisfaction received from consuming goods or services, with money as the primary measure. However, the utilitarians conceded that the marginal utility of wealth diminishes rapidly, meaning that it becomes more and more difficult to buy happiness [8].

The study of happiness seems to have become popular once again. Kahneman [9] and Layard [10] both state that developments in modern science now allow happiness levels to be measured, making the society envisioned by Bentham conceivable. Layard proposes that public policy should be specifically oriented towards maximising happiness.

The United Nations [11] reports how the small nation of Bhutan has pioneered a new metric: gross national happiness (GNH), 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. There seems to be a global movement towards happiness.

Despite this high regard for happiness, the term has not been accepted in the literature as representative of the experience of the good life. This is partly due to a lack of an objective understanding of what appears to be a vague concept. This requires further investigation.

1.2 An objective view of the good life

Happiness has been used thus far as a term that describes the experience of the good life. This term is mostly presented in the literature in the Benthamian sense: as the experience of pleasure and the absence of pain. Kahneman [9] cites two major objections to this concept: “There is more to life than good mood”, and it “fails to reflect the role of memory in the subjective reality of mental life”. Happiness may be an oversimplification.

Diener, Lucas and Oishi [12] 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. The process of evaluating one’s life has given rise to the term ‘subjective well-being’ (SWB). This term is often used interchangeably with happiness. However, because happiness is sometimes viewed merely as an emotion or mood, SWB seems to have gained greater academic credibility as a representative term for the experience of the good life. SWB is defined by the presence of high positive affect, low negative affect, and life
satisfaction. Despite its widespread use, SWB has proven to contain a number of complications that have influenced leading psychologists to question its validity.

In his TED talk, “The riddle of experience versus memory”, Kahneman [13] states that the majority of studies of SWB rely on measurements of life satisfaction, and that these can be confuting with measures of positive and negative affect. Another questioning psychologist is Seligman, widely regarded as the father of the growing field of positive psychology [14]. Seligman [15] 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 redefine the target of positive psychology as ‘flourishing’ rather than ‘life satisfaction’. Seligman [15] 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 that are valued for their own sake and 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 [15]. Seligman [15] is quoted directly to clarify these five terms.

“Positive emotion refers to what we feel: pleasure, rapture, ecstasy, warmth, comfort. Engagement is about flow: being one with the music, time stopping, and the loss of self-consciousness during an absorbing activity. Human beings, ineluctably, want meaning: belonging to and serving something that you believe is bigger than you are. 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. 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.”

PERMA can be seen to encompass other images of the good life, such as hedonia, pleasure, positive affect and lack of negative affect within positive emotion and eudaimonia, purpose or life satisfaction within meaning. Flourishing is proposed as a prevailing model for, and PERMA as the determinants of, the experience of the good life. It therefore lends its name to this paper, and is generally used to describe this experience. However, it is noted that this proposition is not generally accepted. This may be addressed as the field of positive psychology continues to gain traction. In the meantime, terms and measures such as ‘happiness’ and ‘SWB’ remain relevant. Despite the lack of academic consensus, the ‘why’ of the paper remains clear: building the experience of the good life in the workplace.

1.3 Problem context

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

1.3.1 The faltering development of flourishing

Despite the high regard for happiness described in Section 1.1, in the developed world it has not improved in proportion to material wealth. The faltering development of happiness, often referred to as the Easterlin paradox, is the subject of a number of studies [10]. Figure 1, for example, illustrates a comparison of the percentage of very happy Americans and average personal income between 1956 and 1998.

Further evidence shows that people are particularly unhappy at work, where they spend the majority of their time. Layard [10], for example, presents a study of 900 working women from Texas. They 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 spent the biggest proportion of time at work, and that this was the second-least happy of 19 episodes. The only unhappier episode was getting to work. Layard [10] references numerous other examples that point to the conclusion that many people are unhappy at work.
Keller and Price [17] of McKinsey & Company argue that only a third of excellent companies remain excellent over the long term. They argue for a shift in focus towards organisational 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. The forces of today’s global economy have weakened traditional sources of competitive advantage. Information is free and assets are readily copied to produce greater speed and efficiency. Enterprises are now looking to intangible assets, such as company culture and leadership effectiveness. Reports such as that of PwC [18] show that the new generation of workers are demanding more from the workplace. It is argued that they want to flourish at work and that, in an age of material abundance, employee flourishing will become the value proposition of excellent companies. It is also proposed that, if employees come to see that an enterprise enables their flourishing, they will drive the success of the enterprise. Based on this philosophical argument, managing employee flourishing is proposed as a strategy to increase enterprise health and thereby sustain long-term performance.

Cooper [19] 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 underlie that, such as reducing sickness absence, improving customer satisfaction scores, increasing productivity, and retaining talent. Pruyn [20] delivers a full business case for employee well-being. Cooper [19], in the quote below, highlights that there is also a moral aspect to improving employee well-being:

"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 makes the multifaceted business case for managing employee flourishing clear, justifying this study in the industrial engineering domain.

1.3.3 Managing employee flourishing

The literature provides a number of sources around the topic of managing employee flourishing — for example, Right Management [21] on Embedding employee wellness and engagement into corporations; Pruyn, Powell and Parsons [22] on Developing a strategy for employee well-being; Cooper [19] on Well-being strategies in the workplace; and SA Health [23] on the workplace benefits of mental health training.

The first three sources embrace the business case outlined in Section 1.3.2, and provide practical guides for developing employee-flourishing strategies. This resonates with the intention of this research study. SA Health [23] does not offer a practical guide for enterprises as such, but educates the reader about mental health training and advises how the individual can build flourishing in the workplace. These sources offer a response to the problem context described in Sections 1.3.1 and 1.3.2. They include the following noteworthy points:
1. The sources are in agreement that a global perspective of flourishing must be adopted: enterprises should be concerned about the physical, mental, and social health of their employees.

2. Pruyne, Powell and Parsons [22] develop their strategy on the back of a companion document, Corporate investment in employee well-being: The emerging strategic imperative, provided by Pruyne [20]. It provides a comprehensive review of the literature on employee flourishing based on academic, government, and practitioner sources, and identifies factors and trends relevant to making informed decisions about corporate investment in the area of employee flourishing.

3. Pruyne, Powell and Parsons's [22] practical guide offers help to the user in 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 flourishing.

4. Cooper [19] includes an explanation of how flourishing strategies must be made for the right reasons. Cooper provides a white paper that describes how ‘six 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 [21] 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 to improve flourishing, and shows how they lead to business benefits.

6. Right Management’s Workwell Model is accompanied by a process model that provides steps for enterprises to adopt in order to maximise the long-term impact of their happiness strategies. It includes case studies of British enterprises that have achieved long-lasting impact.

It is proposed that, although these sources go some way to 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 an academic context. It is unclear whether they would stand the test of academic examination.

3. The models all offer varying interpretations of flourishing.

4. Although Pruyne, Powell and Parsons [22] 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 flourishing. We argue that driving flourishing through a performance lens is self-defeating: no employee will respond to a programme that is purely designed to make him or her more productive.

5. In the case of Cooper [19], the model of psychological well-being (sense of purpose and positive emotions) seems to require more depth and detail.

6. Right Management [21] 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, literature on this topic is innumerable due to the research’s broad nature: questions about flourishing at work are historical and wide-ranging. We believe that attempts to perform a comprehensive review are futile. While admitting that such a review is incomplete, it is clear that enterprises do not seem to have discovered a global solution for employee flourishing. Work remains to be done on this complex topic.

We propose 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. Flourishing is positioned as people’s ultimate concern, meaning that another study of the topic will always be welcome. We further propose 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 limited evidence of a focus on the specific concept of employee flourishing.
1.4 Problem statement and research purpose

The literature in Section 1.3 has shown that:
1. Despite the high regard with which it is viewed, the development of flourishing has faltered in society, especially in the workplace.
2. The business case for managing employee flourishing is well-recognised.
3. The current literature does not solve the problem of managing employee flourishing.

There is thus an opportunity to develop a new conceptual model to assist enterprises to manage employee happiness. This is the purpose of this research.

1.5 Research objectives and methodology

In order to accomplish the research purpose, a number of research objectives are defined, as listed in the first column of Table 1. A set of research methods, listed in the second column, is proposed in response to the research objectives, with the corresponding sections of the paper listed in the third column. Table 1 thus provides an outline of the structure and completion of this paper.

Table 1: Research objectives, methods, and corresponding sections in this paper

<table>
<thead>
<tr>
<th>Objective</th>
<th>Method</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. An understanding of the landscape of employee flourishing, the terms relevant to this notion, and its relevance to the industrial engineering domain</td>
<td>Literature review of the landscape of employee flourishing</td>
<td>1</td>
</tr>
<tr>
<td>2. The development of a suitable type of conceptual model to assist enterprises to manage employee flourishing, and characteristics of this model</td>
<td>Literature review of types of conceptual models</td>
<td>2</td>
</tr>
<tr>
<td>3. The definition of design requirements for the chosen type of conceptual model</td>
<td>Design requirements definition based on the review of the landscape of employee flourishing and characteristics of the chosen type of conceptual model</td>
<td>3</td>
</tr>
<tr>
<td>4. The development of a conceptual model to assist enterprises to manage employee flourishing</td>
<td>Conceptual model development methodology, design, and optimisation</td>
<td>4, 5, 6</td>
</tr>
</tbody>
</table>

2 A STRATEGIC FRAMEWORK AS THE OBJECTIVE

The concept of a framework, defined by Mirriam-Webster [24] as “a set of ideas or facts that provide support for something”, is a suitable starting point. This section investigates types of framework as possible conceptual models to assist enterprises to manage employee flourishing.

UN Women [25] describes three of the most common frameworks for monitoring and evaluating activity: conceptual, strategic, and logical. The organisation states that a conceptual framework consists of diagrams that identify and illustrate relationships among the relevant factors that may influence a programme and the successful achievement of goals. Jabareen [26] 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 are linked to multiple bodies of knowledge that belong to different disciplines. UN Women [25] goes on to note that conceptual frameworks help to explain programme results, but do not form the basis for the activities of implementation and of monitoring and evaluation. 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. Then a logical framework 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.

A conceptual framework is relevant as, first, it responds to the issue that employee flourishing is readily seen to be a complex phenomenon. Second, the topic is proposed to be linked to a number of bodies of knowledge, such as organisational psychology and human resource management, all of which are themselves broad and complex. However, a conceptual framework does not provide a basis for the activities of implementation and of monitoring and evaluation, and is therefore deemed
to be insufficiently practical. A strategic framework seems to meet this need better. Furthermore, this study assumes an objective perspective. A strategic framework is, therefore, proposed as an appropriate conceptual model for achieving the research purpose. The strategic framework could be adapted as logical frameworks within specific enterprise contexts in future studies. Although a strategic framework is adopted as the objective of this study, certain aspects of the conceptual framework remain relevant, such as linking multiple bodies of knowledge. These aspects are therefore incorporated into the development of the strategic framework.

The research purpose of this paper has thus evolved into “The creation of the employee flourishing strategic framework (EFSF) — a way to assist enterprises to manage employee flourishing”.

3 EFSF DESIGN REQUIREMENTS

The EFSF design requirements are derived in response to the problem described in Sections 1.3 and 1.4. The EFSF specifically aims to build on the strengths and alleviate the weaknesses of a number of previous sources, as summarised in Section 1.3.3. A further requirement is to incorporate the characteristics of the adopted type of framework, as described in Section 2. The final formulated EFSF requirements are:

1. Package the bodies of knowledge about the management of employee flourishing.
2. Prescribe a process for managing employee flourishing.
3. Prescribe tools for managing employee flourishing.
4. Produce contextual elements from an objective scientific standpoint, such as an interpretation of the good life, that illustrate process usability and may be of practical use to the enterprise.
5. Develop from the standpoint of pursuing flourishing for the sake of flourishing, and view performance as a result of flourishing.
6. Form the basis for the activities of implementation and of monitoring and evaluation.

The EFSF design requirements accompany a requirement of this research to showcase the development of the EFSF. An advantage of doing this is that enterprises may better understand the logic of this research’s methodology in order to tailor it to their own circumstances.

4 EFSF DEVELOPMENT METHODOLOGY

Ungerer [27] states that the purpose of scientific inquiry is the discovery of truth, but that every researcher has a prior commitment to a certain philosophical perspective — that is, specific assumptions about the nature of reality and the way it can be investigated. This perspective influences what is considered to be true, and the approaches that are suitable for obtaining that truth. The EFSF is developed from a constructivist philosophical perspective. As stated by Ungerer [27], “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 [28], 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 startup methodology prevents enterprises from over-investing in an idea without gaining a sense of its validity.

The EFSF is ‘constructed leanly’ as the researcher engages in its development. The EFSF development methodology is portrayed in Figure 2. This methodology is newly-created for the purposes of this paper. It allows the EFSF to be produced while the process of its development is documented. An initial ‘EFSF process’ is developed as a high-level design concept that is a product of inductive research: it is a process derived from an observation [29]. The mode of inductive research is portrayed in the upper plane of Figure 2. The concept is then tested by performing a run-through of the prescribed process. This is portrayed in the lower plane of Figure 2. 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 [29].
Three things are produced during the run-through: ‘EFSF tools’, ‘EFSF elements’, and lessons about the EFSF process. EFSF tools are developed to facilitate the EFSF process. EFSF elements, such as an objective view of the good life, are the product of contextual literature reviews. They are examples of what the EFSF produces, and are offered to enterprises for practical use. 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 [29]. The framework is iterated in this manner. The framework is therefore in a constant state of optimisation, as portrayed by the dashed arrows in Figure 2. For the scope of this paper, a single run-through and iteration of the initial high-level design concept produces a sufficiently detailed design. Lessons about the EFSF process and the resulting iterations, EFSF tools, and EFSF elements are tabulated at relevant sections of the run-through to showcase the lean construction of the EFSF.

5 DESIGN CONCEPT

A high-level design concept of the framework process is developed from an observation according to inductive research theory. This observation is that the faltering development of flourishing, described in Section 1.3.1, must be the product of a number of constituent problems (obstacles to flourishing). This is the logic of the systems approach. Flood [30] 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. The discipline of enterprise engineering is described by Dietz, Hoogervorst and Albani [31] as the discipline of designing and redesigning enterprises in relation to both their business and their 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 a scientific foundation. The enterprise engineering perspective is thus facilitated by the systems approach. This approach is used in the first iteration of the EFSF process, presented as Figure 3.

At this stage, the framework prescribes a basic process to manage employee flourishing. It requires further optimisation to meet the requirements of Section 3 better.
6 INITIAL DESIGN OPTIMISATION

The focus now moves to the lower plane of Figure 2: a run-through of the current framework process is performed. A number of tools and elements are derived and lessons captured. Capturing the lessons allows for iteration of the framework process (moving back into the upper plane of Figure 2). This methodology is performed for each quadrant of the current iteration of the EFSF to produce a second iteration, presented at the end of this paper as Figure 7.

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

Describing the whole problem establishes the need for an ‘employee-flourishing programme’. 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 1.3.1 and 1.3.2, and is summarised in the first quadrant of Figure 3. These sections can be documented as elements of the EFSF.

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 will redesign the enterprise to be fundamentally centred on flourishing. This is likely to result in change. The framework should incorporate a change management programme to address this. The number one tip given by Prosci, Inc. [32] to succeed in change management is to start early. Change management is therefore most effective when it begins at the initiation of a project.

6.1.1 Quadrant 1 run-through updates

Table 2 presents the updates resulting from the run-through of the first quadrant.

<table>
<thead>
<tr>
<th>Lessons</th>
<th>Tools</th>
<th>Elements</th>
<th>Process iterations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centring the enterprise on employee flourishing will require change management that should be initiated at the beginning of the project</td>
<td>Memo outlining the need for an employee-flourishing programme</td>
<td>Sections 1.3.1 and 1.3.2, for example</td>
<td>Centre enterprise on flourishing. Begin with change management. Showcase the need for an employee-flourishing programme (the faltering development of flourishing as the whole problem).</td>
</tr>
</tbody>
</table>

6.2 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 of them. 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 paper, a purely objective perspective is taken that fits the space available to this paper. The obstacles investigated are: defining and measuring the experience of the good life, hedonic adaptation, and the downside to economic utility.
6.2.1 Defining and measuring the experience of the good life

The first and seemingly largest obstacle was introduced in Section 1.2: that there is no conclusive definition or measurement of the experience of the good life. There is, however, a rapidly-increasing amount of research into the topic.

Kahneman [13], 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’ [33]. 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 [34] make a similar but not necessarily aligned attempt for the UK’s Office for National Statistics. Kern, Waters, Adler and White [35] showcase evidence of a recent attempt to operationalise flourishing in the context of Australian adolescent students. The results of the study show that well-being can be managed effectively as a multi-dimensional construct, and the study produces tools to do so. Layard [10] offers a neuroscience-based method for measuring momentary affect. 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 procedure. This might grow to complement or replace the qualitative measures mentioned above.

There is evidently increasing effort to form a clearer construct and to provide useful measurement for the experience of the good life. Enterprises should monitor this effort. The motivation underlying the definition and measurement of the experience of the good life is actively to improve this experience. The next section, however, offers some evidence that this might not be achievable.

6.2.2 Hedonic adaptation

A number of phenomena lend credence to the claim that ‘flourishing’ cannot be actively developed. The hedonic treadmill model, for example, states that happiness is temporarily affected by good and bad events, but soon reverts to a set point [36]. 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 some time after their victories or accidents [37]. The hedonic treadmill phenomenon presents flourishing as a zero-sum game.

The work of Lyubomirsky, Sheldon and Schkade [38], Pursuing happiness: The architecture of sustainable change, maintains an optimistic outlook. The study proposes that SWB can be effectively pursued to some extent. Figure 4 shows the approximate percentage contributions of three factors of chronic SWB: 50 per cent of SWB is determined by a genetic set point, 40 per cent is the result of intentional activity, and 10 per cent is a result of the circumstances in which individuals find themselves. Intentional activity is a promising opportunity to improve SWB. Lyubomirsky et al. [38] 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 increased SWB? This is the topic of the third quadrant of Figure 4, investigated in Section 6.3. Notably, Lyubomirsky et al. [38] propose that changing one’s life circumstances, such as relationship status, health, and specifically income, has a relatively small effect on one’s experience of the good life.

The next section positions the faltering development of flourishing as the result of a world that overemphasises economic utility.
6.2.3 The downside to economic utility

The introduction in Section 1.1 describes the rise of economic utility rather than happiness as a way to measure the satisfaction of human needs as a result of consuming goods or services. Classical economic theory suggests that all consumers want to get the highest possible level of utility for the money they spend [39]. This seems to have shaped the materialistic world of today. This is a world where people typically measure success by production and income. On a national level, these measures take the form of gross domestic product (GDP) and gross domestic income (GDI). Together they form the national income and product accounts (NIPAs), which 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 — a time of suffering, when people’s most basic needs were unmet. NIPAs proved to be an effective tool to address this. They guided policymakers in making overall sense of economic data and then taking action to progress towards economic objectives. The NIPAs have therefore been lauded as one of the great inventions of the 20th century [40]. While a large part of the world is still in need of economic reform, many nations have developed beyond their most basic needs. Maslow [41] provides a model of a hierarchy of human needs based on observing human behaviour. A developed version of the model is shown in Figure 5. Maslow proposes that people seek to climb up the hierarchy of needs while satisfying the levels below.

Crevits [42] describes how economic theory emphasises monetary growth, and that this is in 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 that people are better able to meet lower-order needs through the use of new technologies and systems. This should allow people to rise quickly through the hierarchy of needs and achieve greater happiness. However, Crevits [42] shows that a focus on money leads to a 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 [43] reveals this number to be an annual income of $75,000.

![Figure 5: Maslow's hierarchy of human needs (adapted from Clark [44])]()

It is often said in business that what you measure is what you get. 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.

6.2.4 Quadrant 2 run-through updates

Table 3 captures the updates resulting from the run-through of quadrant 2.
### Table 3: Quadrant 2 run-through updates

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>Lessons</th>
<th>Tools</th>
<th>Elements</th>
<th>Process iterations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>One should be mindful of the perspective from which obstacles are derived</td>
<td>Kern et al. [35] questionnaire</td>
<td>Obstacle: An objective view of the good life</td>
<td>Adopt research perspective, identify obstacles to flourishing</td>
</tr>
<tr>
<td>An objective view of the good life</td>
<td>A more conclusive understanding of defining and measuring the experience of the good life seems to be on the academic horizon</td>
<td>Kern et al. [35] questionnaire</td>
<td>Presence of PERMA as the determinants of the good life</td>
<td>Pay specific attention to a current and valid definition and measurement for the experience of the good life</td>
</tr>
<tr>
<td>Hedonic adaptation</td>
<td>Some evidence shows that the pursuit of happiness is a myth. However, Lyubomirsky et al. [38] maintain otherwise.</td>
<td>Figure 4: The three chronic components of SWB</td>
<td>Obstacle: Hedonic adaptation</td>
<td></td>
</tr>
<tr>
<td>The downside to economic utility</td>
<td>As the world becomes more developed, economic utility detracts from the pursuit of higher order needs. Enterprises should monitor the relevance of money in developing flourishing.</td>
<td>Maslow [41]: Hierarchy of needs</td>
<td>Obstacle: The downside to economic utility</td>
<td></td>
</tr>
</tbody>
</table>

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

This section investigates a number of means to flourish effectively. Rather than tackling the obstacles to flourishing at this stage, 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 [45], are statistically independent. Means to flourish effectively are not necessarily contingent on obstacles to flourishing. We propose that investigating these two notions independently better informs the whole solution.

The factors of chronic SWB postulated by Lyubomirsky, Sheldon and Schkade [38] and presented in Section 6.2.2 are a genetic component, intentional activity, and life circumstances. Lyubomirsky et al. [38] base this model on a platform of research, and maintain that their findings have also proven its validity. The 50 per cent genetic component, for example, illustrates how many people seem predisposed to a certain set point of happiness. Layous and Lyubomirsky [46] show that intentional activity has a greater effect on happiness than life circumstances. Lyubomirsky et al. [38] make a critical distinction between the two: circumstances happen to people, and activities are ways in which people act on their circumstances. Intentional activity is positioned as the most promising source of effectively pursuing flourishing. The next section builds on this logic.

#### 6.3.1 Intentional activity towards flourishing

Intentional activity is defined as how people deliberately choose to think and behave [46]. Lyubomirsky et al. [38] distinguish between cognitive, volitional, and behavioural activity. 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. [38] 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 programme, for example, boosts people’s moods and can maintain the boosts for up to six months.

Activity is integral to the field of motivation — defined as the reason or reasons one has for acting or behaving in a particular way [47] — and, by extension, to the field of organisational behaviour. A comprehensive investigation into motivation theories is beyond the scope of this paper. The literature notes, however, that this field overlaps a study into the notion of employee flourishing. This is shown by Fisher [48], for example, who states that a number of constructs in organisational behaviour appear to have some overlap with the broad concept of happiness in the workplace.

A brief investigation of activity within the context of motivation theories follows.

6.3.2 Needs-based activity

The three types of intentional activity are oriented towards the goal of increased well-being. Deci and Ryan [49] state that initiating and persisting at behaviour based on the belief in achieving goals is consistent with most contemporary theories of motivation. They add that more recent research suggests that different types of goals have different behavioural and affective consequences.

Deci and Ryan [49] 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. This mirrors the work of early motivational theorists such as Maslow [41]. Deci and Ryan [49] 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”. It seems that a full understanding of well-being must address the underlying needs that direct people’s behaviour towards goals. Activity is therefore positioned as a process of meeting needs.

Deci and Ryan’s [49] SDT regards three psychological needs as essential for understanding human behaviour: competence, autonomy, and relatedness. Competence and autonomy are the basis for intrinsically-motivated activity: that which 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 ignores their attempts to interact.

From the standpoint of SDT, flourishing — positioned by positive psychology as people’s ultimate goal — must be the expression of meeting innate psychological needs. This gives credence to Seligman’s [15] point that flourishing rests on a set of pillars. The factors of PERMA can be seen as the pillars or needs that humans seek to build or fulfil in order to flourish.

It stands to reason that an enterprise cannot directly address employees’ innate psychological needs. This remains the responsibility of the individual. However, we propose that an enterprise can help to create conditions that allow employees to flourish through pursuing intentional activity and meeting innate psychological needs.

6.3.3 Quadrant 3 run-through updates

Table 4 captures the updates resulting from the run-through of quadrant 3.

<table>
<thead>
<tr>
<th>Lessons</th>
<th>Tools</th>
<th>Elements</th>
<th>Process iterations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flourishing is most effectively pursued through intentional activity.</td>
<td>Motivational theory</td>
<td>Intentional activity: Cognitive, volitional, and behavioural</td>
<td>Investigate means to flourish effectively in order to create conditions for employees to pursue them</td>
</tr>
<tr>
<td>Activity can be seen to stem from innate psychological needs; the components of PERMA can be seen as innate psychological needs</td>
<td>Innate psychological needs: competence, autonomy, relatedness, and PERMA</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
6.4 Quadrant 4: Employee-flourishing programme (the whole solution)

The whole solution is an employee-flourishing programme that is designed to overcome the identified obstacles to flourishing, and to package the way to flourish effectively. We propose the field of human resource management (HRM) as relevant to the development of such a programme. The next section begins, therefore, with a literature review of HRM in the context of employee flourishing.

6.4.1 HRM: Literature review

Figure 6 maps a structure of HRM. The HRM policy, in the context of this paper, focuses on employee flourishing. Vanderstraeten [50] 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 typically comprises planning, coaching, evaluation, and rewarding practices. The objective of an employee flourishing programme should be to develop a set of HRM systems and practices geared towards improving employee flourishing.

Mayhew [51] identifies six main functions of the HR department: recruitment, health and safety, employee relations, compensation and benefits, compliance and training, and development. This list is extended by Patidar [52] to include recruitment and selection, job analysis and design, performance appraisal, training and development, wage and salary administration (compensation and benefits), employee welfare (health and safety), maintenance (of employee relations), labour relations, personnel research, and personnel records. We assume that any set of practices can be appropriately bundled within the list proposed by Patidar.

Tiwari and Saxena [53] comprehensively review HRM practices with reference to corporate performance. Several attempts describe a set of ‘best practices’. For example, the work of Pfeffer [54] produces a set that includes employment security and sharing of information. However, the literature notes that the question of whether there is a universal set of best practices lingers on. This is due to the effect of external and internal factors, such as area-specific changes in legislation and enterprise size. Tiwari and Saxena’s [53] review also links HRM practices with a number of variables such as competitive advantage and trust. Specific HRM practices are more conducive to some variables than to others. The strategic focus of the enterprise therefore affects the choice of HRM practices. Tiwari and Saxena [53] do not directly address HRM practices that link to employee flourishing; but they do address job satisfaction. Petrescu and Simmons [55] find a number of HRM practices to have a statistically-significant effect on job satisfaction. On-going learning, employee involvement, and job autonomy, for example, have a strong positive effect.

Studies such as that of Petrescu and Simmons [55] may inform the EFSF. However, it is not clear whether there is a set of HRM best practices for employee flourishing. The practices of the EFSF toolset 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 toolset. This is demonstrated in the next section.
6.4.2 A practical example of an element of an employee-flourishing programme

A simple way to develop an element of an employee-flourishing programme is to highlight an obstacle to flourishing or a way to flourish effectively, and to develop an HRM system or practice in response. A practical example is outlined in Table 5.

Table 5: Example of an employee-flourishing programme

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>Means to flourish effectively</th>
<th>System/practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>The downside to economic utility</td>
<td>Relationship</td>
<td>Compensation and benefits/‘open equity’ model</td>
</tr>
</tbody>
</table>

The setting for this example is a business owner who aims to transcend economic utility and realises the importance of relationship in achieving flourishing. The business owner therefore decides to develop a transparent equity and salary model to showcase fair rewarding of employee input. Woon-Kwong [56] 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 [57] is used as a point of reference. A core value of Buffer, a social media management enterprise, is to default to transparency. The enterprise therefore gives its employees and the public full access to its equity structure and individual earnings breakdown. Buffer uses the equity formula shown below, and displays sections of the resulting individual earnings on their website.

\[
\text{Open equity formula} = \text{Role} \times \frac{\text{Choice}}{\text{Risk layer}} + \text{Seniority}
\]

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 serves as a practical example of an element of an employee flourishing programme.

6.4.3 Quadrant 4 run-through updates

Table 6 captures the updates resulting from the run-through of quadrant 4.

Table 6: Quadrant 4 run-through updates

<table>
<thead>
<tr>
<th>Lessons</th>
<th>Tools</th>
<th>Elements</th>
<th>Process iterations</th>
</tr>
</thead>
<tbody>
<tr>
<td>An employee flourishing programme, rooted in the HRM domain, consists of policy, systems, and practices.</td>
<td>HRM</td>
<td>List of HRM systems [52]</td>
<td>Highlight obstacles to flourishing or means to flourish effectively; develop high level HRM system/practice in response</td>
</tr>
<tr>
<td></td>
<td></td>
<td>HRM practices correlating with job satisfaction [55]</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Buffer’s ‘open equity’ model [57]</td>
<td></td>
</tr>
</tbody>
</table>

This completes the run-through of the high-level design concept of the framework.

7 CONCLUSION AND RECOMMENDATIONS

The EFSF design requirements presented in Section 3 have been considered and, as a result, the EFSF packages a number of bodies of knowledge, such as enterprise engineering, organisational behaviour, and HRM. It prescribes a more thorough process and a number of tools to manage employee flourishing, and its usability is demonstrated by a number of elements that have been produced from an objective perspective.

We recognise that the EFSF requires additional research. It does not proceed beyond the provisional design of an employee flourishing programme, and its process does not include the activities of implementation and of monitoring and evaluation that are necessary for a strategic framework. There is also a noticeable lack of EFSF tools. As it stands, it represents a theoretical life cycle: it constitutes a series of sequential steps that occur relative to time throughout the life of an enterprise [58]. An actual life cycle represents a more realistic model. It allows different phases of the design process to be revisited as required by newly-gained insights, experimentation, prototyping, and changes to the environment [58]. The second iteration of the EFSF process, shown in Figure 7, incorporates these notes and the process iteration notes captured during the run-through. The dashed line shows that an enterprise may revisit previous stages of the framework and 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 implementation and monitoring and evaluation stages completes the cycle, and fulfils the strategic framework design requirement.
Figure 7 represents an updated EFSF process to manage employee flourishing. It should be used in tandem with the EFSF tools and elements developed during the run-through. A second run-through (of Figure 7) is recommended to optimise the EFSF further. This should include detailing the change management, implementation, and monitoring and evaluation stages. A focus should be placed on developing EFSF tools. An objective perspective should be maintained. There is further scope to develop a logical framework that fits the context of a specific enterprise using the methodology of this paper. While the need for further research is clear, this paper serves as a starting point for the use of the EFSF to design successful enterprises on the basis of employee happiness.

REFERENCES


