It is not an exaggeration to say that employees are the most important resource for the organization, as organizations most often fulfill their goals through the work of employees. Thus, managers need to have highly efficient and productive employees. Although many factors contribute to productivity, organizational climate happens to be of utmost importance. No doubt it influences job performance of employees. The factors like ability, understanding of the task, environment, and motivation etc. directly exert differential effects on them (Mitchell, 1982). Accordingly, in order to perform well, employees need to have the knowledge of work and tools that are required for the job as well as the will to do what is asked from them. Therefore, motivation can be generally equated with action and the understanding of motivation makes the way easier for the managers. The level of motivation is influenced to a great extent by the working climate and the well-being is also determined by the organizational climate established by the managements.

This is of course the reason, why organizational climate has been subjected in numerous studies from different points of views. Besides other aspects of employee’s behavior, motivation among employees for the task assigned to them can not remain unaffected. Not only this, the well-being among the employees is also assumed to be associated with organizational climate.

High-performance companies clearly understand the health-and-work-behavior equation. This is why more than 75 percent of high-performing companies surveyed recently said they regularly measure well-being status as a component of their overall risk management strategy (Watson, 2010). Thus, there seems to be a linkage between organizational climate, employee motivation and subjective well-being among employees. It is because of this importance that these variables have been very charming for organizational scholars and also the practitioners. An
abundance of theories and approaches were developed in order to explain the nature of organizational climate, employee motivation and at present subjective well-being is also an area of profound interest for the scholars and manager engaged in dealing with employees (Chen, 2010).

According to Wright and Nishii (2010), top management is responsible for creating the HR strategy, while middle managers are responsible for implementing the HR practices. This gives them (especially top management) a principal impact on organizational climate. As a consequence of this, their climate perceptions will be more positive than non-management’s climate perception. Evidence for differences in climate perceptions among employee levels was found in the studies of Payne and Mansfield (1973) and Patterson et al. (2004). Payne and Mansfield (1973) studied the effect of hierarchical level on organizational climate perception and found that persons higher in the organization tend to have a more positive climate perception than lower hierarchical levels. So they can manage the climate more positively.

Therefore, it is of great importance to know what factors influence organizational climate and whether it too influences employees in different respects. The nature of organizational climate differs from one organization to the other. Organizational climate serves as a measure of individual perceptions or feelings about an organization. Organizational climate includes management or leadership styles, participation in decision making, provision of challenging jobs to employees, reduction of boredom and frustration, provision of benefits, personnel policies, provision of good working conditions and creation of suitable career ladder for academics (Nicholson and Miljus, 1992). These factors exert impact on employees no doubt.

The term motivation is defined as the set of psychological processes that cause the arousal, direction, and persistence of individual’s behavior
toward attaining a goal (Greenberg & Baron, 2003; Robbins & Judge, 2008). The verb to motivate is somewhat misleading and should be replaced by the phrase "to induce motivation." Motivation, then, is fundamentally an inside job (Bruce & Pepitone, 1998). It originates from within the individual and causes him/her to be internally stimulated. This type of motivation is called intrinsic motivation. Ryan and Deci (2000) consider intrinsic motivation to be the most important and pervasive motivation. Because it is through this kind of natural motivational tendency that humans develop cognitive, social, and physical abilities (Glission & James, 2006).

So, in order to perform well, employees need first to have the knowledge and skills that are required for the job. Then, they must understand what they are required to do and have the motivation to expand effort to do so. And last, employees need to work in an environment that allows them to carry out the task, e.g. by allocating sufficient resources (Mitchell, 1982). If motivation is equal to zero, even the most talented employee will not deliver. Similarly, an energized and highly motivated employee can reach good performance despite having some knowledge gaps (Landy & Conte, 2010). A good example for the latter situation is a new worker or trainee, who joins the organization fully motivated to work, yet lacks skills and experience. The motivation to learn and develop will quickly outweigh the weaknesses.

The effects of motivation are multi-dimensional. It is not limited to performance only. The studies have yielded that in the group of motivated employees there are fewer work accidents, fewer rates of ethical problems, less employee turnover and lower levels of absenteeism (Jurkiewicz, Massey & Brown, 1998). Motivated employees feel less stress, enjoy their work, and as a result have better physical and mental health. Furthermore, motivated employees are more committed to their organizations and show
Insubordination and grievance (Jurkiewicz et al., 1998). They are also more creative, innovative, and responsive to customers, thus indirectly contributing to the long-term success of the organization (MANforum, 2009). Briefly stated, motivated employees are the greatest asset of any organization. Organizations that have goals to achieve would require satisfied and happy staff in the workforce, (Oshagbemi, 2000).

The subjective well-being among employees is a newly proposed multi-dimensional construct that has a holistic perception over employees’ well-being assessment. It involves various constructs of positive psychology – psychological capital, emotional intelligence, flow, mindfulness, subjective well-being, self-determination theory (Broeck et. al. 2010), flourishing (Huppert, 2013), PERMA (Seligman, 2011) and work-related concepts - job satisfaction, work-engagement, work discipline, etc. PERMA is an acronym for a model of well-being put forth by a pioneer in the field of positive psychology, Martin Seligman. According to Seligman, PERMA makes up five important building blocks of well-being and happiness: Positive emotions – feeling good, Engagement – being completely absorbed in activities, relationships – being authentically connected to others, meaning – purposeful existence and Achievement – a sense of accomplishment and success. The perceived favorableness of the organizational climate determines to a great extent the subjective well-being among the employees.

Some studies have revealed that organizations that are able to create environments that employees perceive to be benign and in which they are able to achieve their full potential are regarded as a key source of competitive advantage (Harnois & Gabriel, 2000; McLeod & Clarke, 2014). Organizational climate can therefore be considered a key variable in successful organizations in determining the job satisfaction, commitment, well-being and so on (Meena & Agrawal, 2014).
As clarified and reviewed previously, organizational climate happens to be an important determinant of so many organizational and behavioral outcomes. Any management can not disregard its implications for the organization as whole or its any aspect (Wiener et.al. 1982). Given the above mentioned importance of organizational climate on different aspects of organizational life, especially employee motivation and employees subjective well-being, this research was conducted. So, its objective was to investigate the effects of organizational climate on employee motivation and psychological well-being among the teachers of higher education. The review of related studies makes it obvious that studies evaluating the effects of organizational climate on employee motivation, as covered in the present study, are only rarely available and on subjective well-being are very scarce especially in our context.

Conceptual clarification

It has already been mentioned that the present study was conducted to examine the effects of organizational climate on employee motivation and subjective well-being among them. In addition to these variables, some demographic variables were also tapped to see their effects, if any, on employee motivation and subjective well-being among the employees sampled in the present study. So, in this chapter the concepts or variables covered in the present study need to be explained.

Organizational Climate

Perhaps one of the most important and significant characteristics of a great workplace is its organizational climate. Organizational climate is defined differently by the researchers and scholars. Organizational climate, manifested in a variety of human resource practices, is an important predictor of organizational success. Numerous studies have found positive relationships between positive organizational climates and various
measures of organizational success, most notably for metrics such as sales, staff retention, productivity, customer satisfaction, and profitability.

Researchers in organizational behavior have long been interested in understanding employee’s perceptions of the work environment and how these perceptions influence individual’s work-related attitudes and behaviors. Early researchers suggested that the social climate or atmosphere created in a workplace had significant consequences—employees' perceptions of the work context purportedly influence the extent to which people were satisfied and perform up to their potential, which in turn, was predicted to influence organizational productivity (e.g. Katz & Kahn, 2004; Likert, 1997, McGregor, 2000). The construct of climate has been studied extensively and has proven useful in capturing perceptions of the work context (Denisson, 2006; Ostroff, Kinicki & Tamkins, 2007). Climate has been described as an experientially based description of the work environment and, more specifically, employee’s perceptions of the formal and informal policies, practices and procedures in their organization (Schneider, 2008).

An important distinction has been made between psychological and organizational climate (Hellriegel & Slocum, 1984; James & Jones, 1980). Individual’s own perceptions of the work environment constitute psychological climate at the individual level of analysis; whereas, organizational climate has been proposed as an organizational or unit-level construct. When employees within a unit or organization agree on their perceptions of the work context, unit-level or organizational climate is said to exist (Jones & James, 2004; Joyce & Slocum, 2004). A large number of studies have consistently demonstrated relationships between unit or organizational climate and individual outcomes such as performance, satisfaction, commitment, involvement and accidents (Ostroff et al, 2007). While past researches had greatly contributed to our understanding of
relationships between psychological climate and a diverse set of individual-level criteria, there are two key limitations inherent in such works.

First, studies have tended to focus on either psychological or organizational climate on individual outcomes. This is an important omission because employee attitudes may not only be influenced by one’s personal perceptions of the work environment but also by the shared perceptions of co-workers (Mathieu & Kohler, 2000). The study of emergent processes suggests that a work group’s shared perceptions might influence individual attitudes above individual perceptions of the work environment (Kozlowski & Klein, 2000).

Second, research has increasingly examined a global index representing a single strategically focused climate (e.g. a climate for service or a climate for safety) or has focused on a set of climate dimensions (Ostroff et al., 2007). Examining single dimensions or a set of independent dimensions of climate ignores the broader context in which they are operating. This is a limitation because it may be useful to examine multiple dimensions of climate together, as a system. Different organizational attributes are likely to mutually reinforce one another, making the total effect greater than the sum of individual dimensions (Bowen & Ostroff, 2004).

The first approach regards the concept of climate as an individual perception and cognitive representation of the work environment – meaning from this perspective, climate assessments should be conducted at an individual level.

The second approach emphasizes the importance of shared perceptions as underpinning the notion of climate (Whitley, 2002). Wolpin, Burke & Green (1999) define organizational climate as - the shared perception of the way things are around here.

Organizational climate comprises of cognate sets of attitudes, values
Introduction

and practices that characterize the members of a particular organization. Xaba (1996) defined organizational climate as consciously perceived environmental factors subject to organizational control. Low (1997) explained the term climate to describe the attitudes, feelings and social process of organizations. According to him, climate in this view falls into three major and well-known leadership styles: autocratic, democratic, and laissez-faire. According to Kaczka and Kirk (1978), organizational climate is a set of attributes, which can be perceived within a particular organization, department or unit. The behavioral science literature is replete with theories and empirical research focusing on employee behavior as a function of the simultaneous variation in both organizational dimensions and individual characteristics (Hellriegel et al, 1984). Apparently neither individual organization dimensions (climate) nor individual characteristics (job satisfaction, tension, role clarity), by themselves, explain a substantial amount of the observed variation in job satisfaction or organizational effectiveness criteria. The relationship of organizational climate to individual behavior often emphasizes the role of employee perceptions of these dimensions as intervening variables (Schneider, 1982).

Likert’s approach to the study of organizations illustrates the importance of employee perceptions, e.g. his interaction – influence mode or relates causal, intervening and end-result variables (Locke, 1976 & Likert, 1967). Causal variables like climate dimensions and leadership techniques interact with personality to produce perceptions, and it is through assessment of these perceptions that the relationship between causal and end-result variables may be analyzed. Several studies have focused on perceptually based measures of climate dimensions and job satisfaction, Friedlander and Margulies (1968), using perception data from an electronics firm, studied the multiple impacts of organizational climate
components and individual job values on workers satisfaction. They found that climate had the greatest impact on satisfaction with interpersonal relationships on a job, a moderate impact upon satisfaction with recognizable advancement in the organization, and relatively less impact upon self-realization from task involvement. Pritchard and Karasick (1993) studied 76 managers from two different industrial organizations. They found climate dimensions to be moderately strongly related to such job satisfaction facets as security working conditions and advancement opportunities. Schneider (1973) surveyed bank customers and learnt that their perception of the bank's climate was related to a form of bank switching (customer dissatisfaction). Customers who perceived their bank's climate negatively tended to switch banks more frequently than did those who perceived their banks as having a customer–employee centered atmosphere. Some behaviorists have proposed that organizational climate can be perceived by employees within an organization (Rizzo, et al 1990; Friedlander and Margulies, 1969; Litwin and Stringer, 1978; Lawler, et al, 1994; Payne, et al, 1986; Pritchard and Karasick, 1993 and Schneider, 1982). In forming climate perceptions, the individual acts as an information processor, using information from: (a) the events occurring around him and the characteristics of the organization, and (b) personal characteristics, e.g. needs.

Thus, it is that perceptions which emerge as a result of the activities, interactions and experiences of the individual (Pruden 1989; Schwab, et al 1990 and Litwin and Stringer, 1978).

Litwin and Stringer (1978) considered this definition deficient in terms of individual perceptions, noting that the climate of an organization is interpreted by its members in ways, which impact their attitude and motivation and thus proposed the following:

Organizational climate is a relatively enduring quality of the
internal environment of an organization that: (a) is experienced by its members, (b) influences their behavior and (c) can be described in terms of the values of a particular set of characteristics (of attributes) of the organization.

Churchill, Ford and Walker (1994) define organizational climate as a set of attributes specific to a particular organization that may be induced from the way that organization deals with its members and its environment. For the individual member within the organization, climate takes the form of a set of attributes and expectancies, which describe the organization in terms of both static characteristics (such as degree of autonomy) and behavior-outcome and outcome-outcome contingencies. However, these definitions have some common elements.


Booyens (1998) defines organizational climate as the employee’s subjective impressions of the organization in which they work. Moorhead and Griffin (1998) admitted that management can manipulate the climate but it will affect the behavior of employees in turn. If there are no good linkages between workgroups, the climate will be full of conflict, poor communication and lack of commitment and understanding among groups.

Culture also influences employees. Are the organizational climate and the culture the same? Organizational culture is the customary way of thinking and behaving that is shared by all members of the organization and must be learned and adopted by newcomers before they can be accepted in the organization. This implies that culture can be learned, shared and transmitted. It is also a combination of assumptions, values, symbols, language and behavior that manifest the organization’s norms and values. Managers transmit organizational culture to all members of the organization so that they are sure that all employees have the same
understanding of their culture; thereby they are expected to internalize the organizational culture so that they all function at the same level.

Bunker and Wijnberg (1985), view organizational climate differently from the other authors. They see it as a generalized perception of the organization that the person forms as a result of numerous experiences in the workplace. Keuter, Byrne, Voell and Larson (2000) support Bunker and Wijnberg (1985) in that they see organizational climate as a set of measurable properties of the work environment perceived directly or indirectly by the people who worked in the environment and assumed to influence their motivation and behavior. They see organizational climate as influential to the behavior of employees in an organization (Peterson, 1995).

**Configural Approach to Unit-Level or Organizational Climate** - A great deal of attention has been devoted to distinguishing between the objective versus perceptual nature of climate and between psychological and organizational climate (Jones & James, 2004) as well as to methodological issues pertaining to the aggregation of individual climate perceptions to represent organizational climate (Chen, 2010; Klein, et al., 2000). The controversies surrounding these issues have largely been resolved (Schneider, 2008). However, little attention has been directed at how best to capture climate as a system-wide variable in an organization. The notion that multiple climates exist within an organization has been widely accepted (Schneider, 2008). Yet, empirical research has tended to examine a single climate dimension or examine the relative importance of several dimensions of climate in a single study.

Ostroff and her colleagues (Bowen & Ostroff, 2004; Ostroff et al., 2007) have suggested that a configural approach might be fruitful in this context. Configurations can broadly be defined as conceptually distinct characteristics that commonly occur together. They allow for examining
multiple characteristics simultaneously while accounting for the interrelationships and interactions among them. Applied to the study of organizational climate, organizations or work units would be characterized by several distinct profiles across multiple climates. In this case, the focus of measurement shifts from examining independent climate dimensions to patterns or systems of interrelated climate dimensions.

Configural approaches have proven useful in other areas of organizational research, particularly in human resource management (HRM). Individual HRM practices have been combined to form unique patterns of practices that depict different configurations, and these different configurations have been related to effectiveness outcomes, (e.g. Delery & Doty, 2006; Doty et al., 2003; Ichniowski, Shaw & Prennushi, 2007). According to Ichniowski et al. (2007), individual practices are believed to have limited ability to impact a particular outcome. Rather, in combination, the system of practices enables organizations to achieve higher performance (Becker & Gerhart, 1996). Further, it is also assumed that some patterns or configurations can be equally effective or equifinal (Delery Doty, 2006; Meyer et al., 2003). Moving from HRM configurations to unit or organizational climate configurations is reasonable because climates are largely based on the perceptions of HR practices, policies and procedures (Kopelman, Brief, & Guzzo, 1990; Ostroff & Bowen, 2004). Configurations may provide a more integrative view of the overall climate in a particular unit or organization than focusing on single climates, or the independent or relative impact of several climate dimensions. Coherent patterns of multiple climates correspond to Lewin, Lippit and White’s, (1939) notion of climate as a Gestalt of the social environment.

It is also reasonable to assume that different climate dimensions interact and are interrelated in non-linear ways, which can be captured by a configural approach. Alternatively, all possible interactions among
climates considered increases, the number of interaction terms increases exponentially, which may not only requires very large sample sizes, but also makes the interpretation cumbersome.

Since organizational climate clearly influences the success of an organization, management should struggle to cultivate the climate they need to succeed and retain their most highly effective employees. Hellriegel and Slocum (2006) explain that organizations can take steps to build a more positive and employee centered climate through the following:

**Communication** – how often and the types of means by which information is communicated in the organization

**Values** – the guiding principles of the organization and whether or not they are modeled by all employees, including leaders

**Expectations** – types of expectations regarding how managers behave and make decisions

**Norms** – the normal, routine ways of behaving and treating one another in the organization

**Policies and rules** - these convey the degree of flexibility and restriction in the organization

**Programs** – programming and formal initiatives help support and emphasize a workplace climate

**Leadership** – leaders that consistently support the climate desired.

It is remarkable that making a climate change in organization is one of the core fundamental steps to beginning to create a great place to work.

**Strategies to Improve Organizational Climate**

1. **Motivation** – It begins with Decluttering the Workspace-The first suggestion to improve organizational climate begins with removing
unnecessary clutter. Clutter steals workers' motivation because they expend all their energy just trying to find what they need to begin a task.

2. **Rewards Equity** - Eliminating the appearance of favoritism and recognizing achievements that are not necessarily "high profile" will go a long way to boosting the morale of workers.

3. **Fostering Innovation** - Creating an innovative entrepreneurial spirit begins with transforming workers into the economic engines of the company. One way to facilitate entrepreneurship is to set up each department or team as a profit center and allow them to keep any profits generated through savings or increased sales.

4. **Embrace Changes** - Resistance to change manifests itself into many symptoms that can create an organizational climate that is full of stale air. The management should try to prepare the employees to accept changes for excellence.

5. **Creating a Sense of Purpose** - Organizational climate is enhanced when coworkers feel a connection or bond with their colleagues. Even if each employee has a different job within the organization, there needs to be a unifying, core purpose in what they do that is tied back to the organization as a whole.

6. **Effective Collaboration** - In an ideal setting, team members would be sitting around in chairs facing each other in a room without distractions and interruptions. Collaborate without adequate tools to effectively communicate and share information in real time can not be realized.

7. **Empowering Employees** - Empowerment leads to better execution because employees who are closest to the work product are able to address problems faster and have more ideas on how to improve efficiency. Empowerment generally creates positive perceptions of the employer/employee relationship within the organization.
8. **Periodic Downtime** - Employees should not suffer from burnout either mentally or physically. So they should be provided pauses for recovery, if required.

9. **Building Trust** - Organizations communicate should clearly and often to the employees about the true state of affairs, including the mission, goals, financial position, achievements and missteps of the organization.

10. **Promoting Ethical Behavior** - The ethical practices should be made a part of organizational functioning for the positive feelings among the employees.

   It is now obvious that a number of definitions of organizational climate have been given in the various studies on the concept, and although a precise and unitary definition of organizational climate does not exist, researchers agree that certain characteristics describe the construct and differentiate it from other concepts on the basis of the following points (Gerber, 2003).

   - Climate is generally considered a molar construct that can change over time.
   - It is perceived by and shared among organizational members, which can result in consensus among individuals.
   - It consists of global impressions of the organization that members form through interacting with each other and organizational policies, structures and processes.
   - Climate perceptions are descriptions of environmental events and conditions rather than evaluations of them.
   - The climate construct is multidimensional.
   - It refers to the ‘feeling of an organization.
   - Climate can potentially influence an individual’s behavior (Castro & Martins, 2010).
It has been suggested by some researchers that following aspects must be taken into consideration for an employee friendly climate (Meyer, & Parton, 2011).

- Engaging employees.
- Embracing meaningful use of health benchmarks and metrics.
- Creating senior management visibility for innovative policies.
- Supporting individuals’ financial security aspirations.
- Aligning meaningful incentives.
- Helping people get the best out of life.

It has become the need of the hour because of the so many reasons (Huang, et al. (2011). A very distinct feature of the present day workforce is that women’s share in workforce is rapidly increasing. Similarly, there are some other changes also in the workforce. Human resource professionals must understand this changing composition of the workforce. Five of the most dramatic changes to work site demographics over the past decade are listed here.

1. The aging of the workforce.
2. The high percentage of workers with multiple risk factors and/or chronic conditions.
3. Higher numbers of women.
4. The rising proportion of different ethnic groups
5. The growing number of people who have to work two jobs to make a living. Nearly 45 percent of workers surveyed say they are willing to take any additional work shifts because of financial motivations.

These facts and figures clearly suggest that today's workforce is more complicated than the workforce of some past decades. So the
organizational climate should be shaped in such a way which is comfortable for the employees and also for the productivity, the twin objectives of the organizations

Motivation

The term motivation has been derived from the word ‘movere. It may be defined as an inner state of our mind that activates and directs our behavior. It makes us move to act. It is always internal to us and is externalized via our behavior. Motivation is one’s willingness to exert efforts towards the accomplishment of his/her goal.

Fred Luthans defines motivation as a process that starts with a physiological or psychological deficiency or need that activates behavior or a drive that is aimed at a goal or incentive.

According to Robbins et.al. (2008), motivation is the willingness to exert high levels of efforts toward organizational goals, conditioned by the effort ability to satisfy some individual need.

Features of Motivation:
1. Motivation is a personal and internal feeling: Motivation is a psychological phenomenon which generates within an individual.
2. It is need based: If there are no needs of an individual, the process of motivation fails. It is a behavioral concept that directs human behavior towards certain goals.
3. It is a continuous process: Because human wants are unlimited, therefore motivation is an ongoing process.
4. It may be positive or negative: A positive motivation promotes incentives to people while a negative motivation threatens the enforcement of disincentives.
5. It is a planned process: People differ in their approach, to respond to the process of motivation; as no two individuals could be motivated in an exactly similar manner. Accordingly, motivation is a psychological concept and a complex process.

6. It is different from job satisfaction: The two terms are different. Motivation is responsible for a particular behavior and satisfaction is an internal feeling about something.

**Motivation Cycle or Process:**

The motivation is a process or cycle aimed at accomplishing some goals. The basic elements included in the process are motives, goals and behavior. A brief mention of these is as under-

**Motives:** Almost all human behavior is motivated. Motives prompt people to action. Motives provide an activating thrust towards reaching a goal. The examples of the needs for food and water are translated into the hunger and thrust drives or motives. Similarly, the need for friends becomes a motive for affiliation.

**Goals:** Motives are generally directed towards goals. Motives generally create a state of physiological or psychological imbalance. Attaining goals restores balance.

**Behavior:** Behavior is a series of activities to be undertaken. Behavior is directed to achieve a goal.

![Fig. 1.1: The process of motivated behavior](image)
The motives are the internal and external factors that stimulate desire and energy in people to be continually interested and committed to a job, role or subject, or to make an effort to attain a goal. Motivation results from the interaction of both conscious and unconscious factors such as –

(1) Intensity of desire or need,
(2) Incentive or reward value of the goal, and
(3) Expectations of the individual and of his or her peers.

These factors are the reasons one has for behaving a certain way. An example is an employee that spends extra time working for more earnings because he or she wants a better life to enjoy.

**Functions of Motivation:**

The need for and importance of motivation can be imbued with multiplicity of justifications as follows:

1. Organizations are run by people. Hence, managers cannot afford to avoid a concern with human behavior at work. This is because the motivated employees are more productive and quality-conscious than apathetic ones.
2. Motivation as a pervasive concept affects and is also affected by a host of factors in the organizational milieu. It enables managers to understand why people behave as they behave.
3. Organizational effectiveness becomes, to some extent, the question of management’s ability to motivate its employees. Hence, an appreciation of motivation helps the managers how to motivate their employees.
4. Machines become necessary in case of complex technology. However, these remain inefficient vehicles of effective and efficient operations without man to operate them.

5. Under the needs of the employees facilitates the managers to draw upon them as and when organizations grow and develop.

Significance of Motivation:

Motivation is an integral part of the process of direction.

1. **High Efficiency**: A good motivational system releases the immense untapped reservoirs of physical and mental capabilities. A number of studies have shown that motivation plays a crucial role in determining the level of performance.

2. **Better Image**: A firm that provides opportunities for financial and personal advancement has a better image in the employment market. People prefer to work for an enterprise because of opportunity for development, and sympathetic outlook. This helps in attracting qualified personnel and simplifies the staffing function.

3. **Facilitates Change**: Effective motivation helps to overcome resistance to change and negative attitude on the part of employees like restriction of output. Satisfied workers take interest in new organizational goals and are more receptive to changes that management wants to introduce in order to improve efficiency of operations.

4. **Human Relations**: Effective motivation creates job satisfaction which results in cordial relations between employer and employees. Industrial disputes, labor absenteeism and turnover are reduced with consequent benefits.

The success of any organization depends upon the optimum utilization of resources. The utilization of physical resources depends upon
the ability to work and the willingness to work of the employees. In practice, ability is not the problem but necessary will to work is lacking. Motivation is the main tool for building such a will. It is for this reason that Rensis Likert said, "Motivation is the core of management." It is the key to management in action.

**Classifications of Motives** - Motives are classified in many ways.

**Extrinsic motivation** - If a person is motivated to perform a behavior or engage in an activity to earn a reward or avoid punishment, it is called extrinsic motivation. For example:

- Performing high for more earnings
- Studying because the students want to get a good grade
- Cleaning room to avoid being reprimanded by parents
- Participating in a sport to win awards
- Competing in a contest to win a scholarship

In each of the above examples, the behavior is motivated by a desire to gain a reward or avoid an adverse outcome.

**Intrinsic motivation** - This involves engaging in behavior because it is personally rewarding; essentially, performing an activity for its own sake rather than the desire for some external reward. Examples of actions that are the result of intrinsic motivation include:

- Participating in a sport because one finds the activity enjoyable
- Solving a word puzzle because one finds the challenge fun and exciting
- Playing a game because people find it exciting

In each of these instances, the person’s behavior is motivated by an internal desire to participate in an activity for its own sake.
Comparison of Extrinsic and Intrinsic Motivation

- The primary difference between the two types of motivation is that extrinsic motivation arises from outside of the individual while intrinsic motivation arises from within. Researchers have also found that the two type of motivation can differ in how effective they are at driving behavior.

- External rewards can induce interest and participation in something in which the individual had no initial interest.

- Extrinsic rewards can be used to motivate people to acquire new skills or knowledge. Once these early skills have been learned, people may then become more intrinsically motivated to pursue the activity.

- External rewards can also be a source of feedback, allowing people to know when their performance has achieved a standard deserving of reinforcement.

- Extrinsic motivators should be avoided in situations where:
  - The individual already finds the activity intrinsically rewarding
  - Offering a reward might make a "play" activity seem more like "work". While most people would suggest that intrinsic motivation is best, it is not always possible in each and every situation.

Researchers have arrived at three primary conclusions with regards to extrinsic rewards and their influence on intrinsic motivation:

i. Unexpected external rewards typically do not decrease intrinsic motivation.

ii. Praise can help increase internal motivation.

iii. Intrinsic motivation will decrease, however, when external rewards are given for completing a particular task or only doing minimal work.
The extrinsic motivation and intrinsic motivation are both important ways of driving behavior. To comprehend how these can be best utilized, it is important to understand some of the key differences between the two types of motivation including the overall impact that each can have on behavior. There are some drawbacks with Extrinsic Motivation:

1. Its not sustainable - As soon as one withdraws the punishment or reward, the motivation disappears.
2. One gets diminishing returns - If the punishment or rewards stay at the same levels, motivation slowly drops off.
3. It hurts intrinsic motivation - Punishing or rewarding people for doing something removes their own innate desire to do it on their own. From now on you must punish/reward every time to get them to do it.

**Determinants of Intrinsic Motivation** - the following factors are relatively more important.

- Challenge - Being able to challenge you and accomplish new tasks.
- Control - Having choice over what one does.
- Cooperation - Being able to work with and help others.
- Recognition - Getting meaningful, positive recognition for the work.
- Happiness at work - People who like their job and their workplace are much more likely to find intrinsic motivation.
- Trust - When one trusts the people one works with, intrinsic motivation is much easier.

**Push and Pull Approach**

Push motivations are those where people push themselves towards their goals or to achieve something, such as the desire for escape, rest and relaxation, prestige, health and fitness, adventure, and social interaction. However, with push motivation it’s also easy to get discouraged
when there are obstacles present in the path of achievement. Push motivation acts as a willpower and people's willpower is only as strong as the desire behind the will power.

Pull motivation is the opposite of push. It is a type of motivation that is much stronger. "Some of the factors are those that emerge as a result of the attractiveness of a destination as it is perceived by those with the propensity to travel. They include both tangible resources, such as beaches, recreation facilities, and cultural attractions, and traveler's perceptions and expectation, such as novelty, benefit expectation, and marketing image.

Theories of Motivation

There have been proposed many theories to explain motivated behavior. (Pritchard & Ashwood 2008).

Maslow's Hierarchy of Needs

The American motivation psychologist Abraham H. Maslow (1943) developed the hierarchy of needs consisting of five hierarchic classes. According to Maslow, people are motivated by unsatisfied needs. The needs, listed from basic (lowest-earliest) to most complexes (highest-latest) are as follows:

![Fig.1.2- Maslow's Model of Hierarchy of needs](image-url)
• Physiological need
• Safety needs
• Social/Love/Friendship
• Self-esteem/Recognition/Achievement
• Self actualization/achievement of full potential can never be fully accomplished. The basic requirements build upon the first step in the pyramid: physiology. If there are deficits on this level, all behavior will be oriented to satisfy this deficit.

Marlowe’s hierarchy of needs theory can be summarized as follows:

• Human beings have wants and desires which influence their behavior. Only unsatisfied needs influence behavior, satisfied needs do not.
• Needs are arranged in order of importance to human life, from the basic to the complex.
• The person advances to the next level of needs only after the lower level need is at least minimally satisfied.
• The further the progress up the hierarchy, the more individuality, humanness and psychological health a person will show.

Herzberg’s two-factor theory

The two-factor theory concludes that certain factors in the workplace result in job satisfaction, but if absent, they don’t lead to dissatisfaction but no satisfaction. The factors that motivate people can change over their lifetime. He classified the factors in two groups. Motivators (e.g. challenging work, recognition, responsibility) give positive satisfaction, and Hygiene factors (e.g. status, job security, salary and fringe benefits) that do not motivate if present, but, if absent, result in demotivation.
**Fig.1.3- Herzberg’s two factor theory of Motivation**

According to Herzberg, job satisfaction and dissatisfaction are the products of two separate factors: motivating factors (satisfiers) and hygiene factors (dissatisfies). Some motivating factors (satisfiers) were: Achievement, recognition, works itself, responsibility, advancement, and growth. Some hygiene factors (dissatisfies) were: company policy, supervision, working conditions, interpersonal relations, salary, status, job security, and personal life. The name hygiene factors are used because, like hygiene, the presence will not improve health, but absence can cause health deterioration.

**Alderfer’s ERG theory**

Alderfer, expanding on Maslow’s hierarchy of needs, created the *ERG theory*. This theory posits that there are three groups of core need — existence, relatedness, and growth, hence the label: ERG theory.

The existence group is concerned with providing our basic material existence requirements. They include the items that Maslow considered to be physiological and safety needs.
The second group of needs is those of relatedness - the desire we have for maintaining important personal relationships. These social and status desires require interaction with others if they are to be satisfied, and they align with Maslow’s social need and the external component of Maslow’s esteem classification.

Alderfer isolates growth needs as an intrinsic desire for personal development. Maslow's categories are broken down into many different parts and there are a lot of needs. The ERG categories are broader and cover more than just certain areas. As a person grows, the existence, relatedness, and growth for all desires continue to grow. All these needs should be fulfilled to greater wholeness as a human being. (Schneider & Alderfer, 1973)

**Achievement motivation** - Achievement motivation is an integrative perspective based on the premise that performance motivation results from the way broad components of personality are directed towards performance. Achievement motivation was studied intensively by McClelland, et. al. since the early 1950s (McClelland, 1953). This type of motivation is a drive that is developed from an emotional state. One may feel the drive to achieve by get striving for success and avoiding failure. In achievement motivation, one would hope that they excel in what they do and not think much about the failures or the negatives (Covington, 2000).

1. They would prefer a work environment in which they are able to assume responsibility for solving problems.
2. They would take calculated risk and establish moderate, attainable goals.
3. They want to hear continuous recognition, as well as feedback, in order for them to know how well they are doing.

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*Schneider & Alderfer, 1973*

*McClelland, 1953*

*Covington, 2000*
Cognitive theories - The cognitive theory of motivation is derived from two basic theories which are the Goal-Setting Theory and the Expectancy Theory.

Goal-setting theory - Goal-setting theory is based on the notion that individuals sometimes have a drive to reach a clearly defined end state. Often, this end state is a reward in itself. A goal's efficiency is affected by three features: proximity, difficulty and specificity. Good goal setting incorporates the SMART criteria, in which goals are: specific, measurable, accurate, realistic, and timely.

- An ideal goal should present a situation where the time between the initiation of behavior and the end state is close.
- A goal should be moderate, not too hard or too easy to complete. In both cases, most people are not optimally motivated, as many want a challenge (which assumes some kind of insecurity of success).
- At the same time people want to feel that there is a substantial probability that they will succeed.

Expectancy theory - Expectancy theory was proposed by Victor H. Vroom in 1964, the Expectancy Theory explains the behavior process in which an individual selects a behavior option over another, and why/how this decision is made in relation to their goal.

There's also an equation for this theory which goes as follows:

\[ M = E \times I \times V \]

Where,

M (Motivation) is the amount an individual will be motivated by the condition or environment they placed themselves in which is based on the following hence the equation.
Introduction

E (Expectancy) is the person's perception that effort will result in performance. In other words, it's the person assessment of how well and what kind of effort will relate in better performance.

I (Instrumentality) is the person’s perception that performance will be rewarded or punished.

V (Valence) is the perceived amount of the reward or punishment that will result from the performance.

Implications for Managers

Motivation has several implications for managers. It needs to be noted that not every employee is motivated in the same way. People may not necessarily be motivated by one particular factor, but it could be a combination of things that really want them to work. The following recommendations could have extreme lasting effects on the organizations and the employees working for them.

1. A manager should be a leader. This will give the employees something to look up to. It will also encourage the employees to perform on the same level as the manager.

2. The manager should also display the actions that he/she wants from their employees. Managers should create an environment where their employees feel that they are able to perform up to their potential (Ramlall, 2004). John Baldoni, the author of Great Motivation Secrets of Great Leaders says that, “leaders need followers to follow them; organizations need leaders to lead them” (Baldoni, 2012).

3. Managers should motivate employees to work toward helping the organization achieve its goals and also achieving their own personal goals. A manager should make sure that they are meeting these two goals for their employees (Doyle, 2004) going instead of dreading. Managers should focus on their employees and their needs.
Subjective Well-being (SWB)

Subjective well-being (SWB) is a dynamic concept that includes subjective, social, and psychological dimensions as well as health-related behaviors. It is not useful for employees or individual only but also very useful for the organizations as the better subjective well being among employees will give rise to better performance and organizational effectiveness as well. In general, people’s own views about their lives, and the quality of their day-to-day experiences, can play an important part in building up a picture of the well-being of people. The concept of SWB can be tried to be described in following terms

(i) SWB as the people’s feelings about life, and their emotional states, can be seen as intrinsically important for their quality of life (Dolan & Metcalfe, 2011; ONS UK, 2011).

(ii) Subjective well-being measures seem to be able capture aspects of life that other more conventional economic indicators can fail to highlight (Clifton, J. and L. Morales, 2011). Life satisfaction has also been shown to help to explain the choices people make about moving between countries, over and above the economic factors that drive migration—(Clifton, & Morales, 2011).

(iii) There is evidence to suggest that low SWB can be a precursor to other issues and problems in people’s lives, while high levels of subjective well-being have been associated with a range of positive life outcomes (De Neve, Diener, Tay and Xuereb, 2013; Diener and Chan, 2011; Lyubomirsky, King and Diener, 2005; and Pressman and Cohen (2005).
**Defining Subjective Well-being**

SWB encompasses emotional functioning and comprises what one needs to be psychologically well in an individual's subjective evaluation of his or her life. (Vleioras, & Bosma, 2005)

McGillivray and Clarke (2006) state that subjective wellbeing involves a multi-dimensional evaluation of life, including cognitive judgments of life satisfaction and affective evaluations of emotions and moods.

Bruni and Porta (2007) provide some clarification on the differences between happiness and SWB. They point out the following points - 
(i). Life satisfaction is a cognitive element  
(ii). Affection, the affective element and  
(iii). Subjective wellbeing (SWB), as a state of wellbeing, synthetic of long duration which includes both the affective and cognitive component

Happiness on the other hand, is a narrower concept than SWB and different from life satisfaction: although both happiness and life satisfaction are components of SWB, life satisfaction reflects individuals’ perceived distance from their aspirations while happiness results from a balance between positive and negative affect. In this approach, SWB is a synonym of “being happy” (Easterlin 2004). There is no clear consensus on what “happiness” means. Therefore, instead of trying to define happiness from an outside perspective, economists try to capture it through other means.

According to Frey and Stutzer (2002), there are two extreme concepts of happiness (subjective and objective happiness) and ways to capture them and one in the middle—experience sampling measures.

**Components of SWB**

Diener (1984) proposed that SWB has three distinct components: life satisfaction (LS), positive affect (PA), and negative affect (NA). More
recently, Diener, Suh, Lucas, and Smith (1999) also included satisfaction in specific life domains (henceforth domain satisfaction [DS], e.g., satisfaction with health) in the definition of SWB. SWB researchers often distinguish cognitive and affective components of SWB (Diener, 1984; Diener et al., 1999). Life satisfaction and domain satisfaction are considered cognitive components because they are based on evaluative beliefs (attitudes) about one’s life. In contrast, positive affect and negative affect assess the affective component of SWB. PA and NA reflect the amount of pleasant and unpleasant feelings that people experience in their lives.

According to another approach, there are two components of SWB. Affect Balance and the other is Life Satisfaction. An individual’s scores on the 2 measures are summed to produce a total SWB score. In some cases, these scores are kept separate. [Diener, 2008]

**Affect balance**—Affect balance refers to the emotions, moods, and feelings a person has. These can be all positive, all negative, or a combination of both positive and negative. Some researches show that feelings of reward are separate from positive and negative affect. [White & Dolan, 2009]

**Life satisfaction**—Life satisfaction is global judgments of one’s life and satisfaction with specific life domains (e.g. work satisfaction) is considered cognitive components of SWB. (Diener, 2000). The term "happiness" is also commonly used in regards to SWB and has been defined variously as "satisfaction of desires and goals" (therefore related to life satisfaction), as a "preponderance of positive over negative affect" (therefore related to emotional components of SWB), (Diener, 1984) as "contentment" (Graham, 2014) and as a "consistent, optimistic mood state" (Steel et al., 2008) and may imply an affective evaluation of one’s life as a whole.

Structural theories of SWB assume that PA and NA are independent. Empirical research is broadly consistent with this assumption. Although PA
and NA are sometimes not strictly independent or orthogonal ($r = .00$), negative correlations are often weak to moderate.

There have been done some studies which have used factor analysis method to identify the components of subjective well-being. For example, Thakur and Singh (2009) have developed a scale to measure SWB. It provides scores for five dimensions of SWB namely happiness, coping, optimism, physical health and social satisfaction, in addition to global score. This scale has 40 items with three alternative responses.

One scale of SWB by Ryff (1989; Ryff & keyes 1995) is very popular in this field. It has 54 items with 6 responses. The Ryff Scales of Psychological Well-Being is a theoretically grounded instrument that specifically focuses on measuring multiple facets of psychological well-being.

- Autonomy
- Environmental Mastery
- Personal Growth
- Positive Relations with Others
- Purpose in Life
- Self-Acceptance

**Ryff (2014) has analyzed following factors as the components of SWB.**

1. The extent to which respondents felt their lives had meaning, purpose and direction (purpose in life);
2. Whether they viewed themselves to be living in accord with their own personal convictions (autonomy);
3. The extent to which they were making use of their personal talents and potential (personal growth);
4. How well they were managing their life situations (environmental mastery);
6. The depth of connection they had in ties with significant others (positive relationships), and

7. The knowledge and acceptance they had of themselves, including awareness of personal limitations (self-acceptance).

Reconciling these various definitions, the 2013 OECD Guidelines on Measuring Subjective Well-Being takes an inclusive approach, where subjective well-being is understood as: “Good mental states, including all of the various evaluations, positive and negative, that people make of their lives, and the affective reactions of people to their experiences”. In practice, the measurement framework proposed by the OECD distinguishes between three components of subjective well-being, each of which need to be measured separately. The figure 1.4 depicts the areas of SWB

- **Life evaluation** – It refers to reflective assessments of a person’s life as a whole, or some specific aspect of life. For example, satisfaction with life as a whole, or satisfaction with specific domains of life (such as health or income).

- **Affect** – It refers to both positive and negative feelings and emotions, such as happiness, contentment, worry, sadness, depression, anger, fear, etc

- **Eudaimonia** – Eudaimonia is a diverse and (as yet) less well-defined construct, often used to refer to feelings of meaning and purpose in life (capturing the idea of a life “lived well”), but which can also be used in the context of good psychological functioning or “flourishing” (including feelings of autonomy, competence, social engagement, caring, and interest in learning/personal growth).
Theories of SWB

There have been proposed some theories to explain the meaning and the aspects of subjective well-being.

1. **Liking, Wanting, Needing** – This model divides the theories of happiness into three categories, the Liking, the needing, and the wanting theory. Liking represents a hedonic focus. The Liking or Hedonic Happiness theory focuses on maximizing pleasure and minimizing pain (Peterson et al. 2005), which was purported by Aristippus who recommended immediate gratification as the path to a meaningful life (Watson 1895). Hedonic Happiness is the study of what makes events and life pleasant or unpleasant, interesting or boring, joyous or sorrowful (Kahneman 1999).

   The needing classification of SWB purports that a set of elements that every human needs, regardless of his/her values, is essential to attaining subjective well-being. Maslow (1943) suggested that a hierarchy existed of five levels of basic needs—starting from physiological needs, safety, love/affection, self-esteem, to self-actualization—that must be satisfied in order, one after another. Wilson (1967) suggested basic universal needs exist; the prompt fulfillment of those needs causes happiness while the needs that are left unfulfilled result in unhappiness.

   The third classification is the Wanting, which suggests that subjective wellbeing is determined by the pursuit of desires or goals. This raises the
question: Is subjective well-being derived from the journey or the destination? The wanting illustrates that the journey (wanting) is more important than the destination (pleasure from fulfillment of the goal). Davidson (1994) distinguished affect gained from pre-goal attainment from that received through post-goal attainment. The prior concerns the pleasure gained when working towards the goal while the latter typifies pleasure from achieving the goal. Davidson presented that the most pleasure comes from the progress towards a goal rather than the fleeting feeling of contentment when the prefrontal cortex reduces its activity during the accomplishment of a goal.

Multiply Discrepancy Theory - A second model of subjective well-being suggests that we compare experiences or emotions to some standard. Wilson (1967) discussed that satisfaction from the fulfillment of needs depends on the degree of expectation and adaptation. Michalos (1985) explained in his multiple discrepancy theory of satisfaction that individuals compare themselves to many standards such as other people, past conditions, ideal levels of satisfaction, and needs or goals. A discrepancy due to an upward comparison (my expectation was better than the actual vacation) results in decreased satisfaction whereas a downward comparison (my expectation was worse than the actual vacation) will result in an increase in satisfaction.

Top-down perspective - In the top-down view, global features of personality influence the way a person perceives events. Individuals may therefore have a global tendency to perceive life in a consistently positive or negative manner, depending on their stable personality traits Top-down theories of SWB suggest that people have a genetic predisposition to be happy or unhappy and this predisposition determines their SWB "setpoint". Set Point theory implies that a person’s baseline or equilibrium level of
SWB is a consequence of hereditary characteristics and therefore, almost entirely predetermined at birth (Diener, 1999; Lykken & Tellegen, 1996).

**Bottom-up perspective** - From a bottom-up perspective, happiness represents an accumulation of happy experiences. Bottom-up influences include external events, and broad situational and demographic factors, including health and marital status. Bottom-up approaches are based on the idea that there are universal basic human needs and that happiness results from their fulfilment. In support of this view, there is evidence that daily pleasurable events are associated with increased positive affect, and daily unpleasant events or hassles are associated with increased negative affect.

**Orientations to Happiness Model** - This theory presumes different ways to be happy (Guignon 1999; Peterson 2006; Russell 1930; Seligman 2006; Peterson et al. 2005). Seligman (2006) defined three roads to happiness, which included positive emotions and pleasure (the pleasant life), engagement (the engaged life), and meaning (the meaningful life). Peterson et al. (2005) discovered that people choose different paths and that the most satisfied individuals are the ones who choose all three with an emphasis on engagement and meaning.

**Mental Health Continuum** - Finally the last model discussed is the 'Mental Health Continuum: From Languishing to Flourishing' (Keyes 2002), which proposed a gradient from ill-being to well-being. Keyes described individuals with complete mental health as 'flourishing' in life with high levels of SWB whereas individuals with incomplete mental health are 'languishing' in life with low levels of SWB.

**PERMA Model of SW** - PERMA is an acronym for a model of well-being put forth by a pioneer in the field of positive psychology, Martin Seligman. According to Seligman (2010), PERMA makes up five important building blocks of well-being and happiness (fig. 1.5).
• Positive emotions – feeling good
• Engagement – being completely absorbed in activities
• Relationships – being authentically connected to others
• Meaning – purposeful existence
• Achievement – a sense of accomplishment and success

![PERMA Model of SWB (Seligman, 2010)](image)

**Fig. 1.5 - The PERMA Model of SWB (Seligman, 2010)**

The PERMA model of subjective well-being explains that it is the states of feeling good completely absorbed in activities, being authentically connected to others, purposeful existence and a sense of accomplishment and success.

**3P Model of SWB:**

**Thoughts in Present, Past, Prospects**

It is a temporal model. According to this model there are three components of SWB which can be used to measure the SWB. The model indicates how each state is important to a global evaluation of subjective well-being and how each state is distinct yet connected to the other states (Durayappah, 2010).

**Present** - We live in the present, we know that the present is ephemeral. With very few exceptions, the moments in the present simply disappear.
(Kahneman and Riis 2005). Moods and emotions represent affect, which characterizes people's on-line (in the moment) evaluations of events (Diener et al. 1999; Davidson, 1994). Present affect can be positive or negative and researchers should measure these two independent factors separately (Bradburn and Caplovitz 1965). Stallings et al. (1997) supplied that the experience of daily pleasurable events related to pleasant affect and the experience of daily undesirable events related to unpleasant affect. One form of happiness in the present leads to a greater satisfaction with life over pleasure in the present: engagement (Peterson et al. 2005), also known as flow (Csikszentmihalyi 1990)

Fig. 1.6. The 3P Model of the components of subjective wellbeing

**Past** - Kahneman and Riis (2005) called it a basic tenant that we only keep the memories of our experience; thus we view our lives from the perspective of our remembering self. Happiness from the past temporal state refers to happiness obtained from thoughts of and feelings about our past. Components of subjective well-being in the past run the range of temporary feelings of pleasure to more meaningful forms of happiness. A rather short-term form of happiness that can develop into significant happiness with habituation is savoring the past, known as reminiscing.
Bryant (2003) studied how pleasure in the present can be generated, intensified, and prolonged through reminiscing about past positive events after the event transpires, and additionally how reminiscing aids in developing the self-concept. Research by Moran et al. (2009) yielded that having a sense of meaning in one’s life correlated with life satisfaction.

**Future** - A future temporal focus is important to SWB (Pavot et al. 1998). The future component of subjective well-being contains forms of SWB ranging from anticipation, to goals, to purpose. First, Bryant (2003) showed how people could generate and amplify pleasure before an upcoming event through anticipation. Austin and Vancouver (1996) showed that individual behavior is best understood by looking into people’s typical aspirations. Looking towards the future and moving towards one’s aspirations can be more important than the actual end-state of goal attainment (Carver et al. 1996; Csikszentmihalyi 1990). Found that having goals, making progress towards the goal, and a lack of conflict among the goals predicted SWB.

Finally, having a purpose represents one important component in the future state. Moran et al. (2009) found that having a purpose in one’s life correlated with life satisfaction by .46. Boyle et al. (2009) noted that a greater purpose in life is associated with a reduced risk of all-cause mortality among community dwelling older persons.

**Importance of the Past, Present and Future can be assessed in the following way:**

**Experience** - This category of measurement appraises moment-to-moment happiness. Kahneman (2000) referred to an assessment of experience as the sign and intensity of affective/hedonic experience at a given moment in time, which is known as momentary utility. (Kahneman and Riis 2005).

**Evaluation** - In evaluation, the individual is measuring an event or sequence of experiences based on reflection. Kahneman (2000) included
two types of utility that fall into evaluation: evaluation of a utility profile and remembered utility. Kahneman stated that

![3E Model of the measurements of subjective wellbeing](image)

**Fig. 1.7: The 3E Model of the measurements of subjective wellbeing**

evaluation of a utility profile is an observer’s judgment about the overall utility of an experience, whereas, remembered utility is a subject’s own global evaluation of a past experience. The Satisfaction with Life Scale, SWLS, measures global evaluation of the past (Diener et al. 1985). Notably, just as components of temporal states can include proximal versus distal components, likewise measurements of SWB can reflect short and long-term influences in different degrees (Kozma et al. 2000)

**Expectation**—It refers to utility gained from thinking about future events. As is the case with the other temporal states, these measurements can be short-term or long-term components of subjective well-being. Bryant (2003) refers to one short-term component as anticipation—looking forward to a good event. Other measures can assess an individual’s positive outlook on the future, such as optimism (Seligman 2006). Other assessments focus on long-term components of subjective well-being within the prospect stage. These can include components such as one’s sense of purpose in life (Ryff 1989) and life goals (Roberts and Robins 2000).
How to Improve Subjective well-being

A high SWB will contribute immensely to our state of mental and physical health, our ability to cope with change and crisis, and our enjoyment of life in general. There are some ways which can boost one’s personal happiness, and improve his or her chances of enjoying a long, happy life.

1. **Not worrying about money.** One thing studies tell us for sure is that beyond the level required to meet basic needs, making more money won’t make one happier. In fact, people with extremely high incomes consistently rate themselves as only marginally happier than those with median incomes.

2. **Connectivity.** One of the strongest predictors of happiness is having a network of supportive family ties. People who are surrounded by loving family members, and who feel they can call on their family for help and support, rate themselves as substantially happier.

3. **Friendship network.** Another predictor of happiness is the number and depth of friendships that a person has. Similar to family ties, having strong friendships contributes significantly to a person’s subjective well-being, and thus to their overall quality of life. It has been established in many studies.

4. **Shut off the television.** Continued exposure to television is directly correlated with unhappiness. One possible reason is those commercials, and the exaggeratedly wealthy and exciting lifestyles of television characters, work together to make us feel bad about our own normal lives and possessions.

5- **Spirituality** – Some researchers have reported that people who report feeling very happy or satisfied with their lives consistently report having a strong religious faith or spiritual belief system in their lives.
A project sponsored by UNESCO has recommended following suggestions for the enhancement of employee well-being and mental health (Harnois & Gabriel, 2000)

- Altering the pace of work;
- Lowering the noise level of work;
- Providing water, tea or soda and crushed ice to combat a dry mouth caused by some medications;
- Extra encouragement and praise of job performance, but only if warranted and not obviously excessive;
- While taking steps to reduce stress, avoidance of over-protection of the employee;
- Making sure the employee is treated as a member of the team and not excluded from social events, business meetings or other activities relevant to the job.