Chapter-3

THEORETICAL BACKGROUND

The aim of this chapter is to cover the relevant literature for the present study. This has been organized under three sections with Section A presenting the significance and key perspectives for understanding psychological well-being. The framework for the measurement of psychological well-being has been discussed under section B. The theoretical background of the antecedents and consequences is presented in section C.

SECTION-A

Theoretical framework of psychological well-being

Introduction

Psychological well-being is generally defined in terms of the overall effectiveness of an individual's psychological functioning (Gechman & Weiner, 1975; Jamal & Mitchell, 1980). It refers to the feelings about oneself and one's interpersonal interactions with others in a global or a specific context.

A comprehensive model of psychological well-being of employees can be operationalized by drawing on the occupational health and well-being literature. The literature review on psychological well-being in the following section first discusses the significance of employee well-being. The key perspectives for the conceptualization of psychological well-being and its operationalization for this study are discussed thereafter.

Significance of employee well-being

The health and viability of an organization is critical for survival in this competitive global environment. For organizations to be able to remain sustainable, promoting the well-being of employees is a prerequisite. Instead of being viewed as "costs", occupational health and well-being measures are
increasingly being considered as sound "investments" in employees who yield direct economic benefits to the organization. Well-being in the workplace is thus steadily rising up the business agenda with a clear evidence of an increasing level of interest. For example, in the UK, the Chartered Institute of Personnel and Development (CIPD) reported a very large increase (from 26 to 42 percent), over a one-year period, in the number of employers with an employee well-being strategy (CIPD, 2007). In addition to indications of heightened interest within organizations, there is also significant interest at the levels of the national governments. For example, a number of UK government-sponsored working groups and reports have focused on well-being, including the Foresight Report on Mental Capital and Well-being, Dame Carol Black's report on Health, Work and Well-being and the related government response (Office of Public Sector Information, 2008).

Danna & Griffin (1999) have in their influential review have put forth the following reasons for employee well-being to occupy a prominent place in organizational research.

An individual spends anywhere from one-fourth to one-third of his lifetime at the workplace. Therefore the work environment plays a very significant role in his/her overall sense of well-being. In addition, these workplace experiences also "spill over" into non-work domains. The overlap between non-work and work has been a popular research area, with the recognition that a person's work and personal lives are not separate entities but, instead, interrelated and intertwined domains having reciprocal effects on each other. Experiences from one life domain therefore have corresponding influences on the experiences in other life domains (Judge, Parker, Colbert, Heller, & Ilies, 2001; Judge & Watanabe, 1994).

Well-being is also important because of its consequences which can potentially impact both employees and organizations in a significant manner. Organizational theorists have recognized the extensive costs, in both human and financial terms, attributable to dysfunctional psychological well-being of employees (Quick, Quick, Nelson & Hurrell, 1997). For instance, depression, loss of self-esteem, hypertension, alcoholism, and substance abuse have all been shown to be related to work-related dysfunctional psychological well-being.
(Ivancevich & Matteson, 1980). Extensive evidence indicates that poor well-being is related to costs associated with illness, health care, absenteeism (Danna & Griffin, 1999), diminished overall contribution to the organization (Price & Hooijberg, 1992), turnover and reduced discretionary effort (Spector, 1997). Other potential threats of poor well-being include increase in workplace aggression, workplace violence and various other forms of dysfunctional behavior.

From a positive perspective, studies have shown that well-being enhances employee productivity (Kopelman, Brief & Guzzo, 1990), organizational citizenship behaviors (Podsakoff, MacKenzie, Paine, & Bachrach, 2000), resiliency to cope with future setbacks (Fredrickson, Tugade, Waugh & Larkin, 2003), and may significantly boost employees' job performance (Judge, Thoresen, Bono & Patton, 2001; Wright & Cropanzano, 2004).

Donald, Taylor, Hohnson, Cooper, Cartwright & Robertson (2005) found that psychological well-being of employees was a significant predictor of self-reported productivity. Research has also shown a high level of correlation between self-reported productivity and objective productivity measures (Meerding, IJzelenberg, Koopmanschap, Severens & Burdorf, 2005).

Workplace well-being and performance are therefore not independent but complementary and dependant components of a financially and psychologically healthy workplace (Harter, Schmidt & Keyes, 2003). Evidence of the significance being accorded to employee well-being is provided by its inclusion in amongst others, the Malcolm Baldrige National Quality Award. Employee well-being and satisfaction is one of the criteria for evaluation for an organization's eligibility for this prestigious award.

**Occupational well-being research**

**“Disease” versus the “Health” model**

Health can be conceptualized according to several models and there is no universal agreement on how many models of health exist (Larson, 1999; Tetrick, 2002). The medical model defines health as the absence of illness or disease. This is probably the most predominant view of health and the one that Seligman &
Csikszentmihalyi (2000) criticized as unduly influencing psychology with its focus on ill-health rather than examining human strengths and optimal functioning.

The holistic model is a more comprehensive approach that focuses on the positive aspects of health defining it as physical, mental and social health. The holistic perspective of health has become almost synonymous with the definition of health given by the World Health Organization (WHO) in its constitution of 1947. It defined health as not only the absence of infirmity and disease but also as a state of complete physical, mental, and social well-being (WHO, 1948). This definition accentuates the positive elements of health and suggests that the absence of specific injuries or diagnosed physical or mental illness does not indicate that wellness is at an optimal level. However, in organizational research, the academic discipline of work and health psychology has traditionally focused on negative work experiences, such as burnout, strain, and stress.

This prevailing negative bias of psychology is illustrated by the fact that the publications on negative states outnumber that on positive states by a ratio of 14:1 (Myers, 2000). This negative-positive publication ratio grew multifold to approximately 375 to 1 as identified by Luthans (2002), in a computer search of contemporary literature in psychology, that revealed approximately 3,75,000 articles on 'negatives' (i.e., mental illness, depression, anxiety, fear and anger), but only about 1000 articles on various positive concepts and capabilities of people. As this search by Luthans (2002) confirmed, there clearly has been an over-emphasis on the negative aspects of human functioning in social science research.

This negative bias of organizational psychology is known as the “disease model” and is focused on fixing what is wrong, including employee ill health and dissatisfaction. The disease model is primarily concerned with minimizing the financial costs attributable to job burnout, psychological distress and other such manifestations of “un-well being”.

There has been a reaction to this preoccupation with the negative aspects of human functioning resulting in an upsurge of interest in “positive psychology” with several researchers suggesting that the focus on optimal functioning, positive
well-being and human strengths should be enhanced (Seligman, 1999; Seligman & Pawelski, 2003). The purpose of positive psychology is to catalyze a change in the focus of psychology from a predisposition with repairing the worst things in life to building positive qualities (Seligman & Csikszentmihalyi, 2000). Drawing on this impetus of the "positive psychology" movement, a number of organizational researchers have noted a need for a more positive based, proactive approach to organizational research (Quick & Quick, 2004; Roberts, 2006).

The shift in emphasis is thus from preventing and resolving the negative at work to promoting the positive, and this has important implications in the workplace. Research into predictors of well-being could encourage the development of new practice strategies that are designed not to correct a deficit, but rather to build an individual’s capacity to optimize his/her own functioning. This perspective has formed the basis for the present research.

**Conceptualizing well-being**

**As an absence of negative states:**

The extensive research on stress and other negative work related states have influenced researchers to argue that the absence of these negative states indicated a positive sense of well-being. Most studies of well-being focus on disorders and ill-health and frame well-being as the absence of the negative (Seligman & Csikszentmihalyi, 2000). As such well-being has been operationalized as less depression, lower burnout and fewer somatic complaints. Amongst others, Danna & Griffin (1999) support this point of view. They point out that some factors like stress have a negative influence on employee well-being and suggest that the absence of these states may positively affect health and well-being. In other words, reducing the amount of stress experienced by employees would positively influence the overall sense of psychological well-being at work. This perspective is reflected in a number of studies which operationalized well-being based on this approach.

Tetrick & LaRocco (1987) used measures of anxiety and depression to assess well-being in their study and operationalized well-being as the absence of
these negative states. Fritz & Sonnentag (2006) conducted a study to examine the effects of workload and vacation experiences on individuals' well-being. Using the GHQ12 and the Oldenburg Burnout Inventory (OLBI), they concluded that those respondents who did not experience health complaints and burnout were experiencing well-being.

Galais & Moser (2009) operationalized mental and physical well-being through the absence of psychosomatic complaints. For their meta-analysis on the antecedents and outcomes of organizational climate, Parker et al., (2003) also defined psychological well-being as the absence of burnout, anxiety, and stress.

**As the presence of wellness and not just the absence of distress:**

An early challenge to the uni-dimensional view was offered by Jahoda (1958), who pointed out that the absence of disease may constitute a necessary but not sufficient, criterion for mental health. The traditional approach to well-being was thus considered narrow and limited. For instance, using depression as a measure of well-being provided information about the magnitude of depressive symptoms, but did not necessarily provide an indication of the level of positive well-being.

Supporting this viewpoint, Ryff (1995) pointed out that an individual is viewed as mentally sound if he or she does not suffer from anxiety, depression, or other forms of psychological symptomatology. She stated that this approach did not get to the heart of wellness and that well-being must be defined as the presence of the positive and, by implication not simply in terms of the absence of sickness and disease. To be considered truly healthy, individuals should not only lack disease, but have optimal physical and mental functioning. Diener (1984), Waterman (1993), Ryff & Keyes (1995), Ryff & Singer (1998), Seligman & Csikszentmihalyi (2000), Spreitze, Sutcliffe, Dutton, Sonenshein & Grant (2005) and Quick & Quick (2004) were among the researchers who supported this approach and proposed that well-being should be defined as the presence of the positive or wellness rather than just the absence of the negative.
It has also been suggested that attention should turn to what is good and positive - the finest of individual experiences, intentions and outcomes (Luthans, 2003; Wright, 2003).

**The Contemporary View:**

Research evidence has supported the perspective that positive and negative health are distinct processes and not just the opposite ends of a continuum. The contemporary view states that both well-being and un-well-being should be included in the framework attempting to explain well-being because these two states are not antipodes but rather complement each other (O’Driscoll & Brough, 2003; Schaufeli & Bakker, 2004; Watson & Clark, 1992; Watson, Clark & Telegen, 1988). Increasingly well-being is viewed not only as the absence of negative states, but also by the presence of positive psychological resources and optimal functioning (Tetrick, 2002). This perspective has been reflected in researchers using measures of both negative and positive states for assessing well-being. Amongst others Macky & Boxall (2008) adopted this perspective and measured employee well-being by assessing job satisfaction, fatigue, job induced stress and work life imbalance. This view has been adopted for the present research.

**Two key perspectives of well-being**

The current research on well-being has been derived from perspectives and paradigms for empirical enquiry that revolve around two distinct philosophies. The first is the hedonic approach (Kahneman, Diener & Schwarz, 1999) which defines well-being in terms of subjective happiness and avoidance of pain. The second view is the eudaimonic approach (Waterman, 1993) which defines well-being as the actualization of human potential and focuses on meaning and self-realization. These two broad traditions of research which have given rise to different research foci and a body of knowledge are discussed below.

I. **Hedonic Well-Being:**

As per the hedonic approach, well-being consists of the experience of happiness, positive emotions and the absence of pain. Although there are many
ways to evaluate the pleasure / pain continuum in human experience, most research within the hedonic psychology has used subjective well-being for its assessment (Diener & Lucas, 1999). Thus the predominant concept that has stemmed from the hedonic approach is that of subjective well-being.

Subjective well-being (commonly abbreviated as SWB) refers to people's perceptions of their existence or their subjective view of their life experience and is also referred to as context-free well-being as it is a global concept which is not tied to any particular situation (Wright & Bonnet, 1997). While people live in objectively defined environments, it is their subjectively defined worlds that they respond to, thus giving prominence to subjective well-being as a relevant index of people's life quality and well-being (Andrews & Withey, 1976; Campbell, Converse & Rodgers, 1976).

Pioneering work by Diener (1984) located subjective well-being as central to a person's experience containing measurable positive aspects and involving global or overall assessment of that person's life. Subjective well-being consists of both the cognitive and affective (emotional) evaluations of one's life and represents an ongoing state of psychological wellness (Diener, 1984; Diener, Lucas, & Oishi, 2002). It discloses how well life measures up to one's aspirations and goals (Kahnemann & Krueger, 2006) and involves a multi-dimensional evaluation of life (McGillivray & Clarke, 2006). Life satisfaction, the presence of positive affect and the absence of negative affect have been described as the primary components of subjective well-being.

Subjective well-being has three defining characteristics. First, well-being is a phenomenological event (Diener, 1994; Parducci, 1995). In other words, people are happy when they subjectively believe themselves to be so. Second, it includes both the relative presence of positive emotions and the relative absence of negative emotions (Argyle, 1987; Diener & Larson, 1993). Bradburn's (1969) classic work in the well-being literature distinguished between positive and negative affect for the first time and revealed that an individual's answers to questions regarding positive functioning didn't predict their answers to questions about negative functioning. This meant that people who reported high positive affect were neither more nor less likely than others to report high negative affect.
Till such time, it had been assumed that experiencing one type of affect (either positive or negative) would act against experiencing the other. Strong empirical support has been found for this notion that a person’s emotional experience can be explained by the two conceptually independent dimensions of positive and negative affect (Agho, Price & Mueller, 1992; Diener & Emmons, 1985; Headey & Wearing, 1992; Keyes, 2000; Watson & Tellegen, 1985). Positive affect is a pleasurable emotional state characterized by terms such as enthusiasm, energy and mental alertness, whereas negative affect refers to the subjective experience of distress and includes emotional states such as anger, fear and nervousness (Watson, 1988). Psychologically healthy people are more likely to experience positive emotions and are less prone to experience negative emotions.

A final hallmark of subjective well-being (SWB) is that it focuses on long-term states. It refers to one’s life as whole, not just momentary moods (Diener, Suh & Oishi, 1997). Although a person's moods are likely to fluctuate with each new event, the subjective well-being (SWB) researcher is most interested in the person's moods over time. Often, what leads to happiness at the moment may not be the same as what produces long-term subjective well-being (SWB). Thus, researchers are interested in relatively enduring feelings of well-being, not just fleeting emotions (Diener, Sandvik, Seidlitz, & Diener, 1993).

Subjective well-being places the onus of well-being on the individual and it is the individual alone who determines the standards and criteria by which to evaluate his life. This approach is both democratic and egalitarian as it minimizes the role of an expert for judging the well-being of an individual. Sociologists, who favour a subjective assessment of well-being, believe that objective conditions are of interest only because they influence satisfaction. In other words, objective conditions are "intermediate" social indicators, while subjective measures register the "final output".

Although each of the components of subjective well-being reflects evaluations of what is happening in one’s lives, the facets of subjective well-being such as positive affect, lack of negative affect, and life satisfaction show some degree of independence (Andrews & Withey, 1976; Lucas, Diener & Suh, 1996) and therefore need to be measured and studied individually. Lucas, Diener & Suh
(1996) provided support for the discriminant validity of Life Satisfaction, Positive Affect, and Negative Affect based on the analysis of a multi-trait, multi-method matrix. The independence of positive and negative affect has received extensive scrutiny. Although certain measurement artifacts affect the correlation between the two affects (Green, Goldman & Salovey, 1993; Russell & Carroll, 1999), substantial evidence confirms the functional separation of positive and negative affect within subjective well-being as well as in the configuration of emotions at large (Cacioppo, Gardner, & Berntson, 1999; Diener, Smith, & Fujita, 1995; Keyes, 2000).

Consistent with these findings, Diener and colleagues have reiterated that researchers should assess all three components of subjective well-being separately (Diener, 1984, 1994; Lucas, Diener & Suh, 1996; Diener and Lucas, 1999; Diener, Oishi & Lucas, 2003).

ii. Eudaimonic Well-Being:

The second perspective of well-being is built on the premise that well-being consists of fulfilling or realizing one’s true nature (Waterman, 1993) and the actualization of human potential (Ryan & Deci, 2001). This approach has been called eudaimonism and views well-being as distinct from happiness per se. While hedonic well-being highlights positive affect as a defining feature of well-being, eudaimonic well-being emphasizes that purpose, growth and mastery may or may not be accompanied by happiness. This approach to well-being recognizes that attaining a state of well-being may involve challenge and effort on the part of the individual. It suggests that a “good” life involves doing what is right and virtuous, growing, pursuing important self-concordant goals and using and developing one’s skills and talents, irrespective of how one may actually feel at any point in time (Seligman, 2002; Sheldon & Eliot, 1999; Warr, 2007). Although this process may not necessarily make people happier (Lent, 2004), they are likely to demonstrate higher levels of personal functioning because they have realized their potential.

Erikson’s (1959) psychosocial stages, Buhler’s (1935) basic life tendencies, and Neugarten’s (1973) personality changes articulate wellness as trajectories of
continued growth across the individual’s life cycle. Clinical psychologists offer further descriptions of well-being through Jung’s (1935) account of individuation, Allport’s (1961) formulation of maturity, Rogers’ (1961) depiction of the fully functioning person, and Maslow’s (1968) conception of self-actualization. The convergence of these multiple frameworks of positive functioning served as the theoretical foundation for Ryff to develop a multidimensional model of well-being (Ryff, 1989) which was referred to as psychological well-being.

The six dimensions of the model developed by Ryff are:

1. **Self-acceptance**: A positive evaluation of oneself and one’s past life;

2. **Environmental Mastery**: The capacity to effectively manage one’s life and the surrounding world;

3. **Autonomy**: A sense of self-determination and the ability to resist social pressures to think and act in certain ways;

4. **Positive relations with others**: Develop and maintain warm ties with others;

5. **Personal Growth**: The sense of continued growth and development as a person as well as openness to new experiences; and

6. **Purpose in life**: The belief that one’s life is purposeful and meaningful and that one has something to live for.

Ryff proposed that psychological well-being (PWB) was not directly related to happiness but was the byproduct of a life that was well-lived. Each dimension of psychological well-being (PWB) articulated different challenges that individuals encountered as they strived to function positively (Ryff, 1989; Ryff & Keyes, 1995).

Ryff and other researchers developed multiple versions of the psychological well-being scale, which differed in terms of the number of items. The original instrument included 120 items (20 items per dimension) but shorter versions comprising 84 items (14 items per dimension), 54 items (9 items per dimension), 42 items (7 items per dimension) and 18 items (3 items per dimension) were subsequently developed and used.
The original scales were the longest, making it impractical for collecting data for research studies. In addition to their length, the scales for measuring psychological well-being have evoked criticism from several researchers (Hillson, 1997; Springer & Hauser, 2006) who have found conflicting results and questioned the psychometric properties of the scale. Researchers have pointed out that while the longer versions of the subscales exhibited higher estimates of internal consistency, they failed to produce the six factor structure suggested by Ryff (Cheng & Chan, 2005). On the other hand, while the shorter version of the subscales had a clear six factor structure they were not internally sound. In a study by Kafka and Kozma (2002) which attempted to measure the construct validity of Ryff’s scales of psychological well-being, the initial solution produced fifteen, instead of the expected six factors. When the factor solution was restricted to six factors, items failed to load according to the structure proposed by Ryff. Further as pointed out by Robbins & Kliewer (2000), another problem with Ryff’s approach, is that her psychological well-being (PWB) variables are sometimes discussed as predictors, and at other times as the criteria of well-being.

Amongst others, Springer & Hauser (2006) found high factor correlations between the dimensions of well-being, especially personal growth, purpose in life, self-acceptance, and environmental mastery. This has raised the potential problem of the criteria not being empirically distinct from one another. Based on their study, Springer, Hauser & Freese (2006) pointed out that the six-factor model made theoretical claims that did not yield large or consistent empirical distinctions when standard measures and instrumentation were used.

These findings made the researchers conclude that the structure of Ryff’s perspective of psychological well-being was limited to face validity. The literature review thus suggests that more extensive work needs to be undertaken to arrive at a sounder, more replicable, structure for the psychological well-being construct as proposed by Ryff (Kafka & Kozma, 2002). Although other eudaimonically oriented theories (Ryan & Deci, 2000) and measures (e.g., meaning, vitality and self-actualization) also exist, at present there appears to be relatively less consensus regarding how eudaimonic well-being should be assessed than is the case with subjective well-being.
Ryff’s perspective has also come for criticism from Diener et al., (1998) who argued that Ryff and Singer’s eudaimonic criteria allows experts to define well-being, whereas subjective well-being research allows people to tell researchers what makes their life good.

Conventional wisdom suggests that hedonic well-being is unsustainable over the long run in the absence of eudaimonic well-being. Lent (2004) proposed a unifying theoretical perspective on hedonic and eudaimonic well-being, stating that eudaimonic processes serve as key routes by which people achieve and sustain hedonic well-being. When hedonic and eudaimonic aspects of well-being have both been measured, they were found to be reasonably strongly correlated (Fisher, 2009).

In view of the above discussion, the workplace context of the present study and the absence of a consensus on the scales for the assessment of eudaimonic well-being, the “hedonic” approach was considered appropriate for operationalizing employee well-being.

SECTION-B

Framework for understanding and measuring the psychological well-being of employees

Introduction:

Psychological well-being has been defined in diverse ways by researchers with different theoretical backgrounds. A few researchers have assessed psychological well-being using a single measure of the number and severity of psychiatric symptoms (e.g. Calnan, Wainwright, Forsythe, Wall & Almond, 2001). As against this others have advocated for a multi-dimensional approach that includes context-free (e.g. psychological distress, life satisfaction) and job related (e.g. job satisfaction) components (e.g. Schleicher, Watt & Greguras, 2004; Warr, 1990, 1994, 1999, 2002). This accounts for several definitions of psychological well-being, in addition to the numerous measurement strategies that have been used in the studies of this construct. Consequently, a multitude of
subjective and objective measurements have been used in well-being research, each of which is accompanied by its own implicit definition or operationalization of the concept(s) being studied.

Amongst others, Danna and Griffin (1999) emphasized the need to develop, refine, and define the core constructs of health and well-being in the workplace for providing researchers with well-articulated constructs for research. They pointed out that this would provide a common taxonomy for research on employee well-being. Keyes and Lopoz (2002) also reiterated the necessity of creating reliable and valid instruments for assessing the core concepts of occupational health.

A multi-dimensional approach to well-being

Warr has defined well-being as the feelings about one self and one's interpersonal interaction with others in a global or specific context and has viewed well-being as a broader and encompassing concept that takes into consideration the "whole person". His theory of psychological well-being is a widely used taxonomy in which he has posited that a better understanding of well-being allows practitioners to develop and implement a range of solutions to improve well-being (Warr, 1994). As per his perspective, well-being encompasses both affective states and cognitive judgments of situations as more or less satisfying.

Likewise Diener (1984) views subjective well-being as a broad category of phenomena that include people's emotional responses, domain satisfactions and global judgments of life satisfaction.

In view of the workplace context of the study, the conceptualizations by Warr and Diener have been adopted for this research. Accordingly well-being has been operationalized as comprising of both job-related well-being and context-free well-being. Each one of these components is briefly discussed herein below.

1. Context -Free Well-being:

The context free well-being is considered as a global construct which is not tied to any particular situation.
In line with the framework developed by Diener, Suh, Lucas & Smith (1999), this has been viewed as comprising of the following three components:

i. A cognitive component measured by life satisfaction

ii. High levels of Positive Affect

iii. Low levels of Negative Affect

These components are elucidated below.

i. **Cognitive component described as Life Satisfaction:**

Life satisfaction implies contentment with or acceptance of one’s life circumstances, or the fulfillment of one’s wants and needs for one’s life as a whole. In essence, life satisfaction is a subjective assessment of the quality of one’s life and constitutes an overarching, multi-faceted and multi-domain encompassing concept.

Diener (1984) clarified that the essence of this orientation had been captured when it was described as a global assessment of a person’s quality of life based on his own chosen criteria. Veenhoven (1996) suggested that life satisfaction was derived from social comparison. It was an appraisal of how life is, against social expectations of how it should be, relative to how it is for others. According to this theory, a positive perceived discrepancy between social expectations and the reality of current circumstance should result in higher levels of life satisfaction.

ii. **High Levels of Positive Affect and Low Levels of Negative Affect:**

The concept of psychological well-being was initially proposed by Bradburn and Caplovitz (1965), who put forward the view that psychological well-being, represents happiness for a human being. Bradburn's (1969) seminal work distinguished between positive and negative affect and defined psychological well-being as the surplus of positive affect over negative affect.
These two affective states were focused on in the present study to be in line with the findings of research demonstrating that positive and negative affect are highly relevant for behaviours at work (Dalal, 2005; Ilies, Scott & Judge, 2006). The emotional or affective states captured for the purpose of this study were based on the generic range of emotions summarized by Warr (1999). These are discussed herein below.

**Three principal axes of affective well-being (Peter B. Warr)**

Warr identifies three axes for measuring well-being, a diagrammatic representation of which is shown in figure 3.1.

![Figure 3.1: Three principal axes of affective well-being (Peter B. Warr)](image)

The generic range of emotions can be summarized by descriptions of their location along two orthogonal dimensions. The horizontal axis covers the degree of pleasure or displeasure, while the vertical dimension represents high or low levels of mental arousal.

Based on this framework, the first axis represents the displeasure-pleasure dimensions of emotions. The second axis runs from anxiety to comfort. Feelings of anxiety combine low pleasure with high mental arousal while comfort is associated with higher levels of pleasure and low arousal. The third axis ranges from depression to enthusiasm.
It is useful to distinguish amongst the various dimensions of psychological well-being. Depression involves feelings of low pleasure and low mental arousal while enthusiasm entails feelings of high pleasure combined with high mental arousal. The anxious person has high levels of arousal and the depressed person has low levels of the same. Consequently, depression and anxiety might predict different behaviours. For example absence may be associated with depression and not anxiety, as the lack of energy and arousal that characterizes depression often leads to a reduction in activities, which may include work attendance (Hardy, Wood & Wall, 2003). In contrast, anxiety at work or low-contentment in a job may lead people to seek alternative employment.

2. Job Related Well-Being:

Work is central to individual identity and a significant life domain of a majority of individuals involves their experiences in their working life.

Jahoda’s seminal work (1982) offered a conceptual framework about the role of paid work in modern, advanced industrial societies, where it needs to be understood not merely as a fundamental economic activity, but also as a central social institution. This institution serves important psychological functions in the contemporary society which were provided outside the domain of paid work in preindustrial societies. For a vast majority of people, the workplace is now the sole institution capable of satisfying the psychological needs that are deemed essential to individual well-being. Jahoda (1982) identified two major functions of paid employment: “manifest” and “latent”. The manifest function is related to the financial rewards of paid work; the significance of this function being reflected in the impact that financial deprivation would have on the psychological well-being of the family and other key aspects of an individual’s daily life. The latent function is associated with paid work as an institution. Here, as summarized by Feather (1989), the focus is on the time structure that work provides; the extension of social activities into areas that are less emotionally charged than family life; the sense of participation in a collective purpose; the assignment of status and identity by virtue of employment, and finally, the contribution to psychological well-being by being a required, regular activity. Paid work thus fulfills many psychological needs in the modern industrialized world.
Job related psychological well-being refers to the appraisal of one’s experiences attributed to the job. The assertion that context-specific measures of well-being are required to capture the subtleties, complexities and variation of employees’ cognitive and affective experiences at work has been made by several authors (e.g., Daniels, 2000; Warr, 1990) and aligns with the Abstract-Specific Hypothesis which claims that what respondents attend to when questioned about the quality of their lives is dependent on how abstract or specific the mode of measurement is (Cummins, Gullone & Lau, 2002; Davern, Cummins & Stokes, 2007). People do not thoroughly evaluate all aspects of their life while answering global or abstract questions such as ‘How satisfied are you with your life as a whole?’ Instead, they make relatively fast decisions via cognitive short cuts called heuristics. For example, Schwarz and Strack (1991) found that people tend to rely on their current mood when responding to well-being assessments. As the level of question specificity increases, individuals may attend more specifically to the domain in question, like that of work, and rely less on heuristic judgments. As such, utilizing both work-related and general well-being measures is likely to result in more comprehensive and accurate assessments than when using context-free measures alone.

Job related well-being can be assessed by measuring job satisfaction and work engagement. Each of these is discussed below:

i. **Job Satisfaction:**

In his classic definition, job satisfaction was described by Locke (1976) as a pleasurable or positive emotional state that results from an appraisal of one’s job and job experiences. Among others Van Horn, Taris, Schaufeli, and Scheurs (2004) used job satisfaction as a measure of affective well-being.

However job satisfaction is an attitude and therefore should contain both cognitive and affective components (Eagly & Chaiken, 1993). It thus needs to be based partially on what one feels and partially on what one thinks. However, there has been a mismatch between the definition of this construct and its measurement.

Commonly used instruments such as Minnesota Satisfaction Questionnaire (Weiss et al., 1967), the Job Descriptive Index (Smith et al., 1969) and the Job in
General Scale (Ironson et al., 1989) ask for descriptions and evaluations of job features rather than feelings about the job or emotional experiences while working. It has been demonstrated that these commonly used measures do not capture affect or emotions very well and have been criticized as being an inadequate operationalization of well-being at work (e.g. Wright & Cropanzano, 1997, 2004; Warr, 1987, 1990; Daniels, 2000). Several researchers have pointed out that the most frequently used measures of job satisfaction ignore affect and have a predominant focus on the cognitive component (Brief, 1998; Brief & Weiss, 2002; Organ & Near, 1985; Weiss, 2002).

In view of the above discussion and with the aim of capturing a total picture of workplace well-being, apart from job satisfaction, the construct of work engagement has been included in the present study.

ii. Work Engagement:

There are two different but related streams of research that provide models of employee engagement.

In his seminal work on the subject, Kahn (1990) defined engagement as the harnessing of organization members’ selves to their work roles and noted that in engagement, people employed and expressed themselves physically, cognitively and emotionally during role performances. According to Kahn (1990), there are three psychological conditions associated with engagement at work: meaningfulness, safety and availability.

The second model of engagement emerged from the burnout literature which described it as the positive antithesis of burnout (Maslach & Leiter, 1997). Maslach, Schaufeli & Leiter (2001) suggested that burnout and work engagement are distinct, yet negatively correlated concepts. More specifically, burnout is characterized by a combination of low energy (exhaustion) and low identification (cynicism), whereas work engagement is characterized by the opposite: a combination of high energy (vigour) and high identification (dedication).
Taking a different perspective from the idea that engagement is merely the opposite of burnout, Schaufeli et al. (2002), defined engagement as a positive affective-motivational work-related state of mind characterized by vigour, dedication, and absorption. After an exhaustive review, Macey & Schneider (2008) described person level engagement as positive affect associated with the job and the work setting which implies or explicitly indicates feelings of persistence, vigour, energy, dedication, absorption, enthusiasm and pride.

Recent research suggests that vigour and dedication constitute the core of engagement, whereas absorption seems to be related to the concept of flow (Csikszentmihalyi, 1990) and plays a different role compared to these two core engagement dimensions (Salanova, Llorens, Cifre, Martínez, & Schaufeli, 2003). Thus most scholars have come to a consensus that engagement includes an energy dimension and an identification dimension.

As work engagement measures the affective component capturing the feelings of employees about their job, it was included in the present study in order to comprehensively capture job related psychological well-being.

**Relationship between job and life satisfaction**

Loscocco & Roschelle, (1991) have proposed three theoretical models to explain the linkage between job and life satisfaction. These include:

1) **Segmentation:** Where job and life experiences have little to do with one another, suggesting that these two variables are essentially uncorrelated.

2) **Compensation:** Where an individual seeks to compensate for a dissatisfying job by pursuing fulfillment and happiness in his or her non-work life, and vice versa, suggesting a negative correlation between the two variables.

3) **Spillover:** Where job experiences spill over onto other spheres of life, and vice versa, suggesting that a positive relationship exists between the two variables. Tait, Padgett, & Baldwin (1989) in a meta-analysis of 34 studies observed the average corrected correlation between job and life satisfaction to be 0.44.
On the basis of a national stratified random sample of workers, Judge and Watanabe (1994) found that 68 per cent of employees could be classified as belonging to the spillover group; 20 per cent individuals into the segmentation group, and 12 per cent into the compensation group. Thus, the spillover model appears to characterize most individuals.

Within the spillover model, the direction of the relationship between life and job satisfaction can be viewed from the following two perspectives:

The first perspective, referred to as the ‘bottom-up’ perspective, proposes that job satisfaction has a casual influence on life satisfaction because it is a part of life satisfaction (Andrews & Withey, 1976; Brief et al., 1993; Campbell et al., 1976; Diener, 1984; Rice et al., 1985).

The second perspective argues that the causal relationship between the two variables is ‘top-down’, or that life satisfaction influences job satisfaction (Judge & Watanabe, 1993; Schmitt & Bedeian, 1982). Probably the strongest empirical support for the top-down perspective comes from Judge and Watanabe (1993) who found that life satisfaction had a stronger impact on job satisfaction over a 5 year period than job satisfaction had on life satisfaction over the same period.

For the purpose of this research, the “top-down” perspective was adopted and accordingly it was assumed that the positive and negative affect measured for assessing the context-free well-being of employees influenced their job related well-being. In view of this, positive and negative affect were captured with reference to the respondents’ life “outside their job”.

Based on the above literature review and discussions, a comprehensive model for measuring the psychological well-being of employees is proposed which comprises of:

1. Work and context free well-being
2. Cognitive and affective components
3. Positive and negative components
The proposed framework of employee well-being is depicted in Figure 3.2.

Figure 3.2: Framework for measuring Psychological Well-being of employees

Approaches to measuring subjective well-being

The two broad approaches to measuring subjective well-being are discussed herein below.

1. Subjective Well-Being (SWB) as a Composite Score:

This approach assumes that an equal measure of life satisfaction, positive affect and negative affect produces an "overall" measure of subjective well-being. A composite index of subjective well-being can be calculated by averaging the scores of these components (with negative affect score reversed). Some of the
researchers who have combined these three components into a composite score are Bettencourt & Sheldon, 2001; Bostic & Ptacek, 2001; Elliot & Sheldon, 1997; Keyes, Shmotkin & Ryff, 2002; Roysamb, Harris, Magnus, Vitterso & Tambs, 2002; Seidlitz, Wyer & Diener, 1997.

When variances are assessed based on the composite score, it is not possible to differentiate the impact of the common variances shared among components versus the unique variances due to life satisfaction, positive and negative affect.

2. Subjective Well-Being (SWB) with each of its components as separate construct:

Diener, Suh, Lucas & Smith (1999) have pointed out that many researchers have treated subjective well-being as a monolithic entity and have reiterated that it had separable components that exhibited unique patterns of relations with different variables. In their definitive review on subjective well-being, they have recommended that major components of subjective well-being be assessed separately for pursuing research in the field.

This suggestion put forth by Diener et al. (1999), was adopted for the present study and the three components of subjective well-being were measured separately.

The scales used for measuring well-being have been detailed in chapter 2.

SECTION -C

Theoretical background of the antecedents and consequences

In this final part of the third chapter, a brief theoretical background of the antecedent and consequence variables that have been included for this study have been discussed.
Studies on the Antecedents of Employee Well-Being

Researchers have identified various antecedents of psychological well-being including stress, physical health, work environment, work and career paths. However, there is no established framework for examining the antecedents of psychological well-being.

Danna & Griffin (1999) in their widely cited paper have suggested three general sets of antecedent factors. These factors were taken as a reference for identifying the antecedents for the study and are discussed herein below:

1. The first set of factors relate to the work setting itself. Health hazards, safety hazards, and other hazards and perils could create dangerous work settings, which, in turn negatively impact health and well-being of employees. Danna & Griffin have argued that by direct implication, the absence of these various hazards may positively affect health and well-being.

2. The second set of factors considered by them are personality traits, particularly Type A behavioural tendencies and locus of control, which play a role in determining the extent to which any given individual would display indicators of high or low-levels of well-being in a given organizational setting.

3. Danna & Griffin posited that in a related but subtly distinct way, occupational stress would also have a direct negative impact on health and well-being. They further state that the absence of the various factors causing stress may positively affect health and well-being. This forms the third set of antecedent factors for employee well-being.

For the purpose of this research, each of these broad categories of antecedents was considered along with due reference to the relevant literature.

Work in the industrialized and post-industrialized societies is physically less strenuous and dangerous than before. However, other less tangible factors, largely concerning the design, management and organization of work now
represent the most common threats to employees’ health (Griffiths, 1999). This is especially applicable to the business process outsourcing industry, where the work comprises that of a knowledge worker and is physically less hazardous. Hence the first set of factors suggested by Danna & Griffin did not provide any antecedent variables for the present study.

As per their framework the second set of factors are personality traits. Personality traits are notoriously difficult to modify (McCrae & Costa, 1994) and behaviour genetics findings have often been quoted as evidence that trying to be happier is as futile as trying to be taller (Lykken & Tellegen, 1996). Organizations can therefore do little to influence stable personality traits.

While understanding individual level variables is important, it is still essential to understand contextual factors for studying employee well-being, as individual behaviour in organizations is a function of complex interactions between characteristics of the environment and characteristics of the individual. Implementing interventions based on individual-level factors involves either the selection of employees with desirable characteristics or teaching new skills to employees. In many cases, however, it may not be feasible to implement individual-based interventions. The business process outsourcing organizations generally have recruitment goals of hiring a large number of applicants in which the focus has been on finding persons with the basic skills in the domain areas. Most organizations largely follow the traditional job centered or operational skills based recruitment. While organizations can include psychometric tests for known traits like locus of control, extraversion or Type “A”, the large numbers recruited would make it unviable to use the licensed versions of these personality tests. Thus the second set of factors proposed by Danna & Griffin too did not yield any antecedent variables for this study.

The third set of antecedents as per the framework proposed by Danna & Griffin are the factors that result in occupational stress. Stress is perhaps the most frequently used theoretical framework for understanding individual employee’s health and well-being as a function of their interactions with their work environments (Spector & Goh, 2001). The job stress literature therefore provides a
rich underlying perspective for developing a model of employee well-being (e.g. Cox, 1988; Cooper & Cartwright, 1999; Lindstrom, 1994). For the purpose of this study, potential antecedents of employee well-being were identified from this set.

Maslach, Schaufeli & Leiter (2001) who have been amongst the key contributors to the research in the field of stress have reiterated that situational and organizational factors played a bigger role in burnout than individual ones. They have posited that individual strategies for tackling burnout were relatively ineffective in the workplace where a person had much less control over stressors than in other domains of his/ her life. An organization focused perspective was therefore needed for understanding the relationship of key factors that enhanced employee well-being and this viewpoint was adopted for the present research.

As per Maslach and colleagues (2001) the situational factors that are the prime correlates of the burnout phenomenon could be classified into three broad categories:

i. Job quality or characteristics,
ii. Occupational characteristics and
iii. Organizational characteristics.

Each of the above three broad categories were considered for taking a comprehensive view and for identifying potential antecedents of employee well-being. The following selection criteria were applied, giving priority to the variables that:

a) Most frequently appeared in the employee accounts while discussing the work environment at business process outsourcing organizations.
b) Were cited and assigned significance in the wider literature as determinants or moderators of employee attitudes, satisfaction, strain or performance.

Based on the above criteria, five antecedents were selected.

A brief theoretical background of each of these is discussed herein below.
1. Job Quality reflected by Core Job Characteristics

Scholarly interest in the design of work has a long and rich history. Adam Smith advocated making work simple in order to achieve productivity gains, and his call for a division of labour led to the standardization, specialization and simplification of work. His contributions and those of his followers (e.g., Taylor, 1911) virtually ignored the psychology of work, both in their rationale and their mechanistic approach to the structuring of people's jobs. This increasingly resulted in work that became devoid of meaning, as depicted so remarkably by Charlie Chaplin in Modern Times.

Herzberg and his colleagues (1959) played an instrumental role in encouraging scholars to think about making work interesting. This, along with the scholarship of others (e.g., Hackman & Lawler, 1971; Hulin & Blood, 1968; Turner & Lawrence, 1965) was instrumental in reversing the standardization, specialization and simplification of jobs.

Noteworthy in this effort has been Hackman and Oldham's (1975) motivational approach to job design, as reflected in their Job Characteristics Model (JCM) which posits that jobs containing intrinsically motivating characteristics will lead to higher levels of work related well-being.

According to the Job Characteristic Model, the presence of five core job characteristics determines the motivating potential of a job through the creation of three psychological states. These five characteristics include:

i) **Skill Variety**: The degree to which a job requires the job holder to carry out a variety of activities and necessitates the use of a number of different skills and talents.

ii) **Task Identity**: The degree to which the job requires the completion of a whole and identifiable piece of work, or doing a task from beginning to end with a visible outcome.
iii) **Task Significance**: The degree to which the job has a substantial impact on the well-being of other people whether in the immediate organization or in the external environment.

iv) **Autonomy**: The degree to which the job provides substantial freedom, independence and discretion, both in scheduling the work and determining the procedures used to complete it.

v) **Feedback**: The degree to which carrying out the work activities provides the individual with direct and clear information about the effectiveness of his/her performance.

Skill variety, task significance, and task identity enable employees to experience their work as more meaningful; autonomy leads employees to feel personally responsible for their work; and feedback provides employees with clear knowledge of the results of their work (Hackman & Oldham, 1980). Hackman and Oldham theorized that jobs with high levels of core job characteristics will have a strong motivating potential.

There is both indirect and direct support for the job characteristics model’s basic proposition that core job characteristics lead to more satisfying work. In terms of indirect evidence, research studies across several organizations and types of jobs show that when employees are asked to evaluate different aspects of their job, such as supervision, pay, promotion opportunities, co-workers and so forth, the nature of the work itself generally comes out as the most important job facet (Judge & Church, 2000). In addition, from amongst the major job satisfaction facets i.e. pay, promotion opportunities, co-workers, supervision, and the work itself, satisfaction with the work itself is almost always the aspect most strongly correlated with overall job satisfaction, as well as with important outcomes such as employee retention (e.g., Frye, 1996; Weiner, 2000). Amongst others, a longitudinal study of Dutch bank employees and vocational school teachers revealed that intrinsic job characteristics negatively correlated with emotional exhaustion as well as with unmet career expectations, both measured one year later (Houkes, Janssen, de Jonge & Bakker, 2003).
Since its inception, the Job Characteristics’ Model has generated an impressive body of research on work design. The reliability and rationale of this model have been extensively tested with positive consequences in a variety of settings, for example in music schools (Lawrence, 2004), for occupations in the wider educational sector (Van Dick, Schnitger, Schwartzmann-Buchelt & Wagner, 2001), in penal facilities (McDowall-Chittenden, 2002) and in the hospitality industry (Lee-Ross, 2002).

A meta-analysis by Fried and Ferris (1987) summarizing nearly 200 studies reported corrected correlations for the objective characteristics of the job with job satisfaction to be 0.45 (skill variety), 0.35 (task significance), 0.25 (task identity), 0.48 (autonomy) and 0.43 (feedback). Loher, Noe, Moeller & Fitzgerald (1985) reported correlations ranging from 0.32 to 0.46 between job characteristics and job satisfaction. Of particular importance to the current study was Loher et al.’s (1985) finding that no single job characteristic had a stronger relationship to job satisfaction than any other. Reiterating this aspect, Oldham (1996) has suggested that the individual job characteristics do not independently create these psychological states, but that all five characteristics form a complex interaction and together they effect these psychological states. Fried and Ferris (1987) further noted that an additive index is a better predictor of work outcomes than the multiplicative score. Thus the earlier practice of calculating the motivating potential score using a multiplicative relationship between core characteristics does not appear to be optimal (Hinton & Biderman, 1995).

Accordingly for this study, the five job characteristics (namely, autonomy, task identity, task significance, skill variety and feedback) were combined into a single index to reflect the motivating potential of the job and it was hypothesized as follows:

**H1:** The perception of core job characteristics of skill variety, task identity, task significance, autonomy and feedback will be:

(a) positively related to job satisfaction

(b) positively related to work engagement
(c) positively related to life satisfaction
(d) positively related to positive affect
(e) negatively related to negative affect

2. Job Demands

There is clear empirical evidence that work can have both benefits as well as costs. Being employed in well-designed jobs with manageable workloads can provide amongst other outcomes financial security, opportunities for physical and mental activities and self-validation. In contrast, poorly designed work with excessively high or low workload can have potential “well-being costs” ranging from fatigue, stress and lower levels of job satisfaction.

Job demands are the physical, psychological, social or organizational aspects of a job that require sustained physical and / or psychological employee effort, and are consequently related to physiological and / or psychological costs (Schaufeli & Bakker, 2004). Based on the literature review and the job demands that frequently appeared in the employees’ accounts of their jobs during the preliminary discussions, the following two demands were included in the study for investigating their ability to predict the psychological well-being of employees:

i. Quantitative Workload

ii. Responsibility

i. Quantitative Work Load

Work overload is defined as a stressor when the employee feels that he / she has too many responsibilities or tasks to be completed in a defined period (Cardenas, Major & Bernas, 2004). Overload results from an interaction between the employee and his/her environment. One employee may feel that the workload is reasonable where another may perceive it as over burdening. Work overload is therefore very subjective in nature.
French and his colleagues, among others, have made a further distinction between quantitative and qualitative workload (French & Caplan, 1970; French et al., 1974). Both have been associated with the experience of stress (Cox, Griffiths & Rial-González, 2000). Quantitative workload refers to the amount of work to be done while qualitative workload refers to the difficulty of that work. Maslach and her colleagues (2001) have identified work overload as a quantitative job demand. When employees perceive that they have too much work to do, too many different things to do, or insufficient time to complete the assigned work, a condition of quantitative overload exists. High workloads can decrease well-being through negative affective reactions (Ilies, Schwind, Wagner, Johnson, DeRue & Ilgen, 2007; Zohar, Tzischinski & Epstein, 2003) and physiological reactions (Kamarck, Schwartz, Shiffman, Muldoon, Sutton-Tyrrell & Janicki, 2005).

Research has demonstrated that high workloads lead to negative outcomes like low job satisfaction, absenteeism, decreased organizational commitment and increased employee turnover (Fox, Dwyer & Ganster, 1993). According to Spector and Jex (1998), a high workload may result in feelings of anxiety and frustration. The justification for this proposition is that perceptions of a high workload by the employee are likely to result in some form of uncertainty about the completion of work tasks, resulting in low job satisfaction and anxiety.

Sonnentag & Frese, (2003) pointed out that if the speed and intensity of work required for achieving job-related goals exceed and overtax an employees’ capacity, feelings of exhaustion will be experienced with corresponding consequences for their psychological well-being.

**ii. Responsibility**

The construct of responsibility represents the extent to which the individual could make errors resulting in a financial loss to the firm. This aspect of job demands was considered relevant to the employees of the business process outsourcing sector as they are guided by stringent service level agreements and are liable for the cost of errors and non-compliance to these agreements.
Perceived responsibility was based on the construct of production responsibility operationalized by Jackson, Wall, Martin and Davids (1993) which in their study of advanced manufacturing technologies covered the cost of errors in terms of lost output and damage to expensive equipment. Jackson et al. suggested that only standardized measures would allow the accumulation of comparative and normative data that was necessary to make more systematic judgments about whether job demands were at critical levels.

The current study focused on job holders’ perspectives of their job demands in view of the fact that psychological effects would be expected to depend on people being conscious of them. Responsibility for example is manifestly high if a job holder can make an expensive mistake, but is unlikely to be a matter of personal concern unless the employee is aware of the fact (Jackson et al., 1993).

A composite score of “job demands” was calculated based on the average of these two variables, namely quantitative work load and responsibility and it was hypothesized that:

**H2:** The perception of job demands will be:

(a) Negatively related to job satisfaction

(b) Negatively related to work engagement

(c) Negatively related to life satisfaction

(d) Negatively related to positive affect

(e) Positively related to negative affect

3. Support at Work

Job resources refer to the physical, psychological, social or organizational features of the job that are functional in achieving work goals, reducing job demands and the physical and /or psychological costs associated with them, and stimulating personal growth and well-being (e.g. Bakker, Demerouti & Euwema 2005; Demerouti, Bakker, Nachreiner & Schaufeli, 2001; Hobfoll & Shirom, 2001).
Support at work is one of the job resources that have been examined as an antecedent to the psychological well-being of employees. Social support refers to being cared for and valued as a person, and having a sense of belongingness (House, 1981). Social support at work has been defined by Karasek & Theorell (1990) as the overall levels of helpful social interaction available on the job from co-workers and supervisors. Workplace social support has also been defined as the actions of others that are either helpful or intended to be helpful (Deelstra et al., 2003). These actions involve emotional concern, respect, affirmation, and tangible aids. Support is typically measured by the receiver’s perceptions of such actions of others.

If employees believe that they are supported by their colleagues, team leader and by the larger organization that employs them, it is likely that this would have a positive influence on their well-being. On the contrary, a lack of social support has consistently been found to be related to burnout (Maslach, Schaufeli & Leiter, 2001).

**Support at Work and Well-being:**

The associations between social support and physical health were first noted in the mid 1970s by Cassell (1976) and Cobb (1976), who proposed that social support played a pivotal role in an individual’s health and well-being by “buffering” the effects of stress. Reviewing studies of social support in the workplace, House (1981) found that social support decreased stress and other related health problems and improved the well-being of employees.

Social support resources are theorized to aid in stress alleviation via two key mechanisms. Drawing on the Lazarus and Folkman’s (1984) psychosocial model of stress, researchers have argued that support resources can intervene in the stress and coping process during both primary appraisal and secondary appraisal (e.g. Cohen & Willis, 1985; Gore, 1985). During primary appraisal, social support resources are used to help determine whether a situation is stressful (Lazarus & Folkman, 1984). An individual who believes that he/she can rely on others for support may redefine the perceived harm or threat of a situation, thereby preventing the situation from being appraised as stressful (Cohen, Gottlieb &
If a situation is appraised as stressful, then secondary appraisal occurs in which a coping response is identified to alleviate the effects of stress (Lazarus & Folkman, 1984). This coping response is formed in the context of available support resources.

Research has demonstrated that higher levels of social support from supervisors and co-workers are linked to fewer burnout experiences (Burke, Greenglass & Schwarzer, 1996; Pascual, Perez-Jover, Mirambell, Ivanez, & Terol, 2003; Schaufeli & Buunk, 2003; Zellars & Perrewe', 2001).

The role of support can also be viewed from the perspective of Conservation of Resources Theory (Hobfoll, 1989) which suggests that individuals have, as a primary goal to preserve and protect those resources that they value. This resource conservation is made possible, in turn, by possessing a strong resource pool such that resource strength preserves further resource development and resource security.

Several researchers have examined the role of social support in promoting the psychological well-being of employees (e.g. Beehr, Farmer & Glazer, 2003; De Jonge, Dormann, Janssen, Dollard, Landeweerd & Nijhuis, 2001; Lu, 1999; Mendelson, Catano & Kelloway, 2000; Morgeson & Humphery, 2006). These studies have found evidence of social support fostering subjective well-being and effectively mitigating against various stressors and strains.

Research has demonstrated that perceived organizational support relates positively to various facets of well-being. For instance, Perceived Organizational Support (POS) has been linked to positive job-related affect and job involvement (Eisenberger, Fasolo & Davis-LaMastro, 1990).

A number of studies have also reported a positive association between supervisor or coworker support and satisfaction with work (Cummins, 1989; Ganster, Fusilier & Mayes, 1986; Griffin, Patterson & West, 2001). As job satisfaction is one of the manifestations of psychological well-being; support at work was hypothesized as one of its antecedents.
Sources of Support at Work:

For the present study, the role of the following three sources of support at work was studied:

i. Support from the organization conceptualized as perceived organizational support (POS)

ii. Support from the supervisor or team leader and

iii. Support from team members or co-workers

These capture the essence of support at work.

Work-related stress is most effectively dealt with by the work-related sources of support since the treatment of stress typically occurs in the context of the stressful situation (Beehr, 1985). While the employee's spouse, friends and family members may be sympathetic to demands at work and would be extending emotional support, they may be unable to provide any tangible aid that would assist in resolving those demands. Further organizations would not be in a position to design interventions for enhancing this source of support. Accordingly for the purpose of this study, the support received from family and friends was not included.

Each of the sources of support at work is discussed herein below.

i. Perceived Organizational Support:

Research related to concepts of social exchange and the norm of reciprocity has suggested that employees' attitudes towards the organization can be affected by their global beliefs concerning the extent to which the organization values their contributions and cares about their well-being. Eisenberger, Huntington, Hutchison and Sowa (1986) labelled this global belief as perceived organizational support (POS) and suggested that the development of perceived organizational support is encouraged by employees' predisposition to assign the humanlike characteristics to their employing organization. For an employee to develop a belief of support from the organization, the employee must believe that
these rewards are discretionary and represent the positive evaluation of the employee by the organization (Eisenberger, Cummings, Armeli & Lynch, 1997).

ii. Supervisor Support

Supervisor and co-worker support are two types of support in the workplace that are most frequently proposed by stress researchers as potentially helpful in alleviating the negative influences of occupational stress (Beehr, 1985).

Perceived supervisor support has been defined as the extent to which supervisors provide encouragement and support to employees within their workgroups (Griffin, Patterson & West, 2001). Just as employees form global perceptions with reference to their organization, they develop general views about the degree to which team leaders and managers value their contributions and care about their well-being (Kottke & Sharafinski, 1988). Treatment offered by supervisors and leaders is especially significant as they are regarded as a physical manifestation of the organization by employees (Eisenberger, Stinglehaumber, Vandenberghe, Sucharski & Rhoades, 2002; Levinson, 1965; Rhoades, Eisenberger & Armeli, 2001; Wayne, Shore & Liden, 1997). Team leaders and managers represent the face of the management and employees tend to generalize their experience with them to the organization as a whole.

Supervisors are a particularly valuable source of support since they often have the authority and the knowledge to address the specific work-related needs of employees (Beehr, King & King, 1990). They play a key role in communicating organizational goals and in facilitating employee health and well-being. In addition first line supervisors are believed to be especially important for building engagement and to be the root of disengagement (Bates, 2004; Frank, Finnegan & Taylor, 2004). Thus the role of supervision goes beyond controlling and directing employees to include such supportive behaviours as mentoring and sharing genuine concern for subordinates’ well-being.
iii. Co-worker Support

Co-worker support is another key source of support that has a significant impact on well-being given that co-workers constitute one of the most salient aspects of employees' social environment at work (Dutton & Ragins, 2007). In an age of flattened hierarchies and networked organizations, lateral processes in organizations take on added significance. Co-worker support refers to a key aspect of such lateral relations which represents helping behaviour in relation to immediate colleagues.

As per Larkin and Larkin (1996), co-worker support is likely to have the strongest impact on employee well-being considering that employees identify more closely with proximal relationships than distal relationships.

Dimensions of support at work

Various researchers have defined the concept and the dimensions of social support and consequently many operationalizations for social support have been used in the literature, differing in their objectives, dimensionability and meaning (Ganster, Fusilier & Mayes, 1986).

The most common dichotomy of types of social support in the workplace that can be functional to the support recipient is emotional support and instrumental support (e.g. Beehr, 1985; Blau, 1981; Caplan, Cobb, French, Harrison & Pinneau, 1980; Ganster, Fusilier & Mayes, 1986; Kaufmann & Beehr, 1986).

Emotional Support is characterized by the actions of caring, listening, communicating sympathy or giving reassurances to another person. It conveys acceptance and concern.

Instrumental Support is characterized by rendering tangible assistance, such as physical assistance or help in the form of advice or knowledge needed to complete a task. Just knowing that people will help if needed does not reduce actual job demands, but is likely to reduce the perceived probability of failure to cope.
This dichotomy was the basis for the conceptualization of social support in the present study. Further, a composite score of “support at work” was calculated based on the three perspectives of support that is perceived organizational support, instrumental support and emotional support and it was hypothesized that:

**H3:** The perception of support at work will be:

(a) positively related to job satisfaction
(b) positively related to work engagement
(c) positively related to life satisfaction
(d) positively related to positive affect
(e) negatively related to negative affect

4. Job Security:

One of the implications of the current rapidly and constantly changing working life is perceived job insecurity which has been shown to have detrimental effects on employee attitudes. It has also been shown to be related to psychological well-being of employees and their health (e.g. deWitte, 1999; Sverke, Hellgren & Naswall, 2002). Though offshoring has resulted in opportunities for employment in developing nations like India, the individual job holders feel less secure. This is due to the perception by employees that the client organization may switch location at any time as relative costs shift making employees more vulnerable to job loss. While job insecurity emerges as a result of destabilized employment arrangements most often through downsizing, it also results from alterations to existing individual employment conditions in organizations undergoing structural and strategic changes (Ashford, Lee & Bobko, 1989). These phenomena are widespread in the business process outsourcing sector.

Amongst several such examples, when AOL was taken over by Aegis of the Essar group, some of the processes were shifted to Philippines, resulting in job losses for many. The Chief Executive Officer of Bangalore operations maintained
that there would be no downsizing even if any process was shifted, but could not ensure the same. This led to a lot of uncertainty and insecurity amongst the employees. Likewise in a recent takeover of Convergys HR Management Division by Northgate Arinso, two hundred employees working at the Bangalore office of Convergys were asked to either relocate to Hyderabad or Kochi or to resign by the end of February, 2011 (Bangalore Mirror, 20\textsuperscript{th} January, 2011). About 10\% of the employees who were the ones most affected were married couples working in the same company. Instances such as these heighten the feeling of insecurity among the employees of this sector.

**Job Security Defined:**

Greenhalgh and Rosenblatt (1984) were among the first researchers to provide a rigorous definition of the “Job Insecurity” concept and elaborated on its potential causes, effects and organizational consequences. They defined job insecurity as a “perceived powerlessness to maintain desired continuity in a threatened job situation” (1984, p. 438). They further maintained that job insecurity was based on the individual’s perceptions and interpretations of the immediate work environment. With this conception of job insecurity as a theoretical starting point, a number of somewhat similar definitions have been presented in the literature. Job insecurity has been described as an employee’s perception of a potential threat to continuity in his or her current job (Heaney, Israel & House, 1994) and an overall concern about the future existence of the job (Rosenblatt & Ruvio, 1996).

One of the most fundamental features of job insecurity is the aspect of uncertainty and ambiguity. According to stress theories, not knowing how to counteract a threat to something valued will lead to stress experiences. The experience of uncertainty with regard to the future of employment limits the capacity of an individual to cope adequately with the threat, thereby diminishing the opportunities for reducing the level of stress. This is consistent with the central proposition of stress research, that the anticipation of a stressful event represents an equally important, or perhaps even greater, source of anxiety than the actual event (Lazarus & Folkman, 1984).
Conceptual Issues:

A number of conceptual clarifications have been made over the years with regard to the job insecurity construct. These are discussed herein below:

1. Job insecurity is a subjective phenomenon based on the individual's appraisal of uncertainties in the immediate work environment. Consequently, even in organizations where there is nil or a modest objective insecurity, some employees may experience insecurity. The feeling of job insecurity may thus differ between individuals—even when they are exposed to the same objective situation (Greenhalgh & Rosenblatt, 1984; Hartley Jacobson, Klandermans & van Vuuren, 1991).

2. Early research often conceptualized the job insecurity construct as a unidimensional phenomenon. As per this view, job insecurity was regarded as an overall concern about the continued existence of the job in the future (Caplan, Cobb, French, Van Harrison & Pinneau, 1975; De Witte, 1999; Heaney, Israel & House, 1994; Sverke, Hellgren & Na"ßwall, 2002).

3. Greenhalgh & Rosenblatt (1984) were the first to introduce the distinction between what is denoted as quantitative and qualitative job insecurity. As noted by Greenhalgh & Rosenblatt (1984, p.441): “loss of valued job features is an important but often overlooked aspect of job insecurity.” They argued that the aspect reflecting concerns about continued employment might be the most important while the threat of loss of valued job features was less severe.

Accordingly quantitative job insecurity was defined as the concerns about the future existence of the present job while qualitative job insecurity pertained to perceived threats of impaired quality in the employment relationship. Qualitative job insecurity includes concern over loss of desirable job features such as deterioration of the current working conditions, lack of promotion opportunities and long-term career opportunities.
Several researchers have supported the view put forth by Greenhalgh & Rosenblatt and viewed job insecurity as a multidimensional construct composed of threats to the continuity of the job and of threats to valued job features (e.g. Ashford, Lee & Bobko, 1989; Lee, Bobko, & Chen, 2006; Roskies & Louis-Guerin, 1990; Sverke, Hellgren & Näsvall, 2006). They argued that the unidimensional definition was too narrow in that it failed to encompass concerns about deteriorated employment conditions and career opportunities.

For the purpose of this research both qualitative and quantitative aspects of job security have been included.

**Job Insecurity and Employee Well-Being:**

Job insecurity has consistently been cited as a powerful stressor associated with negative physical and psychological health outcomes (Cooper, Dewe & O’Driscoll, 2001; Probst, 2000).

Research clearly suggests that perceived job insecurity is detrimental to employee well-being as it may cause stress reactions owing to feelings of uncontrollability and unpredictability. Physical health complaints, mental distress and the experience of general dissatisfaction with life (Lim, 1996) are likely to increase with the level of job insecurity experienced (e.g., Ashford, Lee & Bobko, 1989; Barling & Kelloway, 1996). The meta-analysis conducted by Sverke and his colleagues (2002) showed that job insecurity was negatively related to job satisfaction, organizational commitment, trust and job involvement and was positively related to turnover intention. The negative impact of job insecurity on job satisfaction is attributable to the uncertainty of not knowing how to predict or control job threats.

Longitudinal studies indicate that job insecurity is more likely to cause poor well-being than vice versa (Hellgren & Sverke, 2003; Nelson, Cooper, & Jackson, 1995). Employees who perceive their job is at risk tend to express more work withdrawal intentions and behaviours, such as proactive job search and non-compliant job behaviours, absenteeism, tardiness and task avoidance (Chirumbolo
Further, it has been shown that subjective job insecurity is both more strongly and more often related to mental health complaints as compared to the more physical and biological indicators of health (Iversen & Sabroe, 1988; Mattiasson, Lindgärde, Nilsson, & Theorell, 1990; Mohr, 2000).

Viewing from the positive perspective, job security has been found to be positively related to job satisfaction, quality of life and mental and physical health (Heaney, Israel & House, 1994). As job satisfaction is one of the key manifestations of work-related well-being, job security can be considered as a potential antecedent of employee well-being. In view of the above discussion, it is expected that job security would be positively associated with well-being among employees of the business process outsourcing sector and it is hypothesized that:

**H4:** Perceived job security will be:

(a) positively related to job satisfaction

(b) positively related to work engagement

(c) positively related to life satisfaction

(d) positively related to positive affect

(e) negatively related to negative affect

5. Organizational Justice

Organizational justice refers to subjective perceptions of fairness in the workplace (Greenberg, 1990; Colquitt, Conlon, Wesson, Porter & Ng, 2001). Fairness is important to individuals in everyday life, particularly in the work setting (Ambrose, 2002). Perceptions of justice and fairness are thus key concerns to employees and define the very essence of an individual's relationship with the employer. They have been shown to influence employees' motivation, well-being, attitudes, behaviour and other outcomes relevant to organizations and
organizational members (Folger & Cropanzano, 1998). Fairness or perceptions of organizational justice was thus expected to be a precursor for employee well-being.

**Definition and Dimensions:**

The term organizational justice was first used by French to refer in general to fairness issues in personnel management (French, 1964), but it was Greenberg who first used the term specifically to refer to people’s perceptions of fairness (Greenberg, 1987).

The social science definition of organizational justice is based on people’s perceptions, such that an act is just because it is perceived to be just. This differs from the philosophical justice concepts wherein an act is just when it complies with a normative ethical system.

Research has shown that there are three dimensions of organizational justice, distributive, procedural and interactional. Each of them is discussed below.

**Distributive Justice**

Distributive justice is the perceived fairness of outcome distributions (Adams 1965; Leventhal 1976). According to distributive justice research, a distribution is perceived to be fair if it is consistent with chosen norms of allocation.

A seminal work by Adams (1965) introduced the equity theory of distributive justice which suggests that evaluations of fairness are not based on the absolute level of outcomes per se but on social comparisons of outcome-to-input ratios. Individuals tend to determine distributive justice by comparing their outcome/input ratios with those of others (Adams, 1965; Colquitt et al., 2006). This fairness evaluation is a totally subjective process. If the outcome-input ratios are perceived to be unequal, it is evaluated as unfair. People strive to remove the unpleasant state of inequity, by altering inputs or outcomes, by cognitive distortion of inputs or outcomes, by leaving the exchange relationship, by altering the other’s inputs or outcomes or by changing the object of comparison.
Although Adams proposed equity theory as a general justice theory, it was subsequently adopted and developed in the context of work organizations (Byrne & Cropanzano, 2001). In organizational settings, the inputs include experience, qualifications and effort while the outcomes include pay, promotions and other forms of recognition.

**Procedural Justice**

The second category of fairness is procedural justice, which refers to the degree to which the formal decision making procedures used in the organizations are fair. This dimension was introduced by Thibaut and Walker (1975), whose seminal work compared the Anglo-American adversarial legal system to the European inquisitorial system. Thibaut and Walker (1975) found that since the adversarial system allowed process control or voice to the disputants during the presentation of evidence, it was viewed as more fair than the inquisitorial system. In simulated dispute-resolution procedures, process control was shown to increase acceptance and fairness perception of verdicts, even if the outcome could not be influenced. This finding is known as the 'voice phenomenon' and suggests that fairness evaluation of a procedure depends on having opportunities for exercising voice during procedures.

Procedural justice was transferred into a non-legal context by Leventhal (1980) who identified six criteria of perceived procedural fairness. Typically, procedures are perceived to be ‘fair’ when they are consistent across people and over time, free of bias, accurate (relying on good information), contain mechanisms for correcting wrong decisions, adhere to prevalent conceptions of morality and are ‘representative’ (i.e. take into account opinions of all groups affected), which implies process control and decision control.

Lind and Tyler (1988) refined this issue further and discussed the difference between having actual control over a procedure and having opportunities to voice one’s opinions about the procedure. This distinction was represented in two separate models to explain why having a voice enhanced procedural justice. The self-interest model suggests that individuals want to exercise voice over procedures because it allows them the opportunity to influence
the outcome. A second model is the group-value model, which considers that having an opportunity to voice opinions satisfies individuals' desire to be heard, regardless of the actual influence they have over the outcome. Merely expressing one's opinion has positive effects, because it promotes group solidarity among those who are involved in the process. This may not achieve an immediate gain but may bring about a long-term benefit to the group, in which members perceive that they are valued and treated with respect and dignity.

**Interactional Justice**

Interactional justice was introduced as a third dimension of justice by Bies and colleagues (Bies & Moag, 1986; Bies & Shapiro, 1988), who pointed out that organizational justice research had solely focused on outcomes and procedures as the bases for fairness judgments while neglecting the role of social interactions. They introduced the interactional justice dimension to organizational justice which is defined as the fairness of the interpersonal treatments employees receive during the enactment of organizational procedures (Bies & Moag, 1986).

Interactional justice is most likely to occur when decision makers (a) treat individuals with interpersonal dignity and (b) provide subordinates with justifications or explanations.

As interactional justice emphasizes one-on-one transactions, employees often seek it from their supervisors. This presents an opportunity for organizations as demonstrated by a quasi-experimental study by Skarlicki & Latham (1996). In this study, the researchers trained leaders to behave more justly. Amongst other inputs, these leaders were trained to provide explanations and apologies (informational justice) and to treat their reports with courtesy and respect (interpersonal justice). When work groups were examined three months later, individuals who were reporting to trained leaders exhibited more helpful citizenship behaviours than those who reported to untrained leaders. This was consistent with Levinson's argument that a supervisor personifies the organization for the employees.
According to Bies (2001), the concerns regarding interpersonal treatment include everyday encounters, not just the ones in formal decision-making contexts.

Greenberg (1993) proposed to split interactional justice into two main elements: the quality of treatment (respect and sensitivity) and explanations and information regarding decision making. These two elements were named informational justice and interpersonal justice.

Inadequate conclusive evidence exists with regard to the question of treating the two elements of interactional justice as separate dimensions (Fortin, 2008). In view of this, three dimensions of fairness that is distributive, procedural and interactional justice were included for the present study and an overall composite score for the perception of justice was computed for studying its relationship with the psychological well-being of employees. Further, following the tradition of Rawls (1971), no distinction has been drawn between justice and fairness.

Studies on Organizational Justice, Stress and Well-Being:

Based on their meta-analysis, Cohen-Charash and Spector (2001) reported distributive, procedural and interactional fairness, among others, to be positively related to job satisfaction and commitment to the organization, and negatively related to turnover intentions and negative emotions at work. Francis and colleagues (2003) found that the three types of justice together explained unique variance in employee well-being after controlling for job control and job insecurity.

Based on a study of 174 university faculty members, it was suggested by Judge & Colquitt (2004) that the extent to which employees perceived the university's work-family policies as fair predicted stress levels six months later.

Using a common organizational justice measure, Elovainio, Kivimäki & Helkama (2001) showed that procedural justice and interactional justice predicted self-rated health status and minor psychiatric disorders among over 4000 Finnish hospital employees. These results suggest that fairness has an impact on employee
health over and above the effects of job control and social support. Kivimaki and colleagues (2004) got similar results from a 7-year study of London civil workers, providing important support for the influence of organizational justice on health and well-being.

All the studies reviewed above demonstrated that organizational justice is associated with employee well-being and accordingly the following hypothesis was postulated:

**H5: Perception of Organizational Justice will be:**

(a) positively related to job satisfaction
(b) positively related to work engagement
(c) positively related to life satisfaction
(d) positively related to positive affect
(e) negatively related to negative affect

**Consequences of psychological well-being**

The study examined the following three consequences resulting as outcomes of the psychological well-being of employees keeping in view their special significance for the organizations of this sector:-

1. Organizational commitment
2. Felt Obligation
3. Projected Job Stay

i. **Organizational Commitment:**

Organizational commitment refers to an individual’s loyalty or bond to his/her employing organization. In the face of increased global competition, organizations are more than ever before dependent upon the positive work attitudes and behaviours that typically emanate from employee commitment.
There is a substantial body of evidence demonstrating the benefits to organizations of having a strongly committed workforce. Meta-analytic reviews of this research demonstrate that employees who are committed to an organization are less likely to leave (Mathieu & Zajac, 1990; Tett & Meyer, 1993) and more likely to attend work regularly (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002), perform effectively (Cooper-Hakim & Viswesvaran, 2005; Riketta, 2002), and be good organizational citizens (Meyer, Stanley, Herscovitch & Topolnytsky, 2002; Riketta, 2002). Committed employees are more likely to engage in extra-role behaviours such as sharing of ideas, creativity or innovativeness which help organizations to stay competitive. Deery and Walsh (2001) found that employees in an outsourced call centre who had low levels of commitment also had high levels of intention to turnover.

It has been established that committed employees strive harder towards achieving the organization’s mission, goals and objectives (Mowday, Porter & Steers, 1982; Meyer, Paunonen, Gellatly, Goffin & Jackson, 1989). Further, from a macro perspective, a society as a whole tends to benefit from employees’ organizational commitment in view of the lower rates of job movement and the likely higher national productivity or work quality or both (Mathieu & Zajac, 1990).

**Definition of Organizational Commitment:**

Organisational commitment can be defined as a force that binds an individual to an organisation and elicits behaviours relevant to the organisation (Meyer, Becker, & Van Dick, 2006). It has also been conceptualized as the degree to which employees feel devoted to their organizations (Spector, 2000). According to Mowday, Porter & Steers (1982), organizational commitment involves three factors: (a) a strong belief in and acceptance of the organization’s goals and values (b) a willingness to exert considerable effort on behalf of the organization, and (c) a strong desire to maintain membership in the organization.

**Dimensions of Commitment:**

For the purpose of this research, organizational commitment was conceptualized as the commitment which is directed towards one’s employing
organization and the well-established three-component model (Meyer & Allen, 1991, 1997; Meyer & Herscovitch, 2001) was adopted. This model has been subjected to the greatest empirical scrutiny and has received the greatest support (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). The three components of commitment as per this model are:

a) **Affective Commitment** refers to the affective or emotional attachment the employee has with the organization such that the strongly committed individual identifies with, is involved in and enjoys the membership in the employing organization (Allen & Meyer, 1990). Employees who are affectively committed to the organization identify closely with the organization, and their loyalty is a part of their everyday life.

b) **Continuance (Economic/Calculative) Commitment** is based on employees’ perceptions of the relative investments they have made in the organization and the costs associated with seeking employment elsewhere. Meyer, Allen & Smith (1993) proposed that this form of commitment can be affected by anything that makes leaving the organization more difficult or costly for the individual. Although the actual costs may be quite specific, two general categories of antecedents have been identified: (a) lack of available alternative employment opportunities and (b) investments or side bets (Becker, 1980) that would be lost if the individual were to leave the organization. Therefore, if the employees believe that fewer viable alternatives are available; their continuance commitment will be stronger to their current employer. Individuals also become bound to an organization as they have invested in it and cannot afford to separate themselves from it.

Continuance commitment is thus based on a need to stay rather than because the organizational membership is valued or pleasant.

c) **Normative Commitment** refers to the commitment based on a moral belief or obligation that it is the right and moral thing to remain with the organization (Wiener, 1982). Employees who are normatively committed respond to their own sense of loyalty and fairness.
Meyer and Allen (1991) argued that one of the most important reasons for distinguishing among the different forms of organizational commitment was their having very different implications for behaviour. Although all three forms tend to bind employees to the organization, and therefore relate negatively to turnover, their relations with other types of work behaviour can be quite different. Further, they highlighted affective commitment as the most conducive to greater longevity in the job and achievement of higher performance standards. Research has shown that affective commitment has the strongest positive correlation with job performance, organizational citizenship behaviour and tenure. This is followed by normative commitment while continuance commitment tends to be unrelated, or negatively related to these behaviours.

In view of the above discussion, the following hypothesis was postulated:

H6: The psychological well-being of employees would be positively related to organizational commitment.

a) Job satisfaction would be positively related to organizational commitment.

b) Work engagement would be positively related to organizational commitment

c) Life satisfaction would be positively related to organizational commitment

d) Positive affect would be positively related to organizational commitment

e) Negative affect would be negatively related to organizational commitment

ii. Projected Job Stay

Fisher & Hanna's (1931) seminal work on the "dissatisfied worker" is representative of the early recognition that employee satisfaction is predictive of employee participation decisions. More specifically, they noted that employee satisfaction was linked to a much greater extent of employee turnover than was commonly realized and actually accounted for upwards of 90% of employee turnover. Their interest in the role of well-being of employees in employee withdrawal decisions was similarly shared by a number of other researchers.
In a study investigating withdrawal behavior among call-center operators, Grebner, Semmer, Faso, Gut, Kälin & Elfering (2003) found that low job complexity and low task variety predicted intentions to leave the work role, findings that are consistent with research outside the call centre (e.g. Houkes, Janssen, deJonge & Bakker, 2003). While research investigating the relationship between job related well-being and withdrawal behavior in the business process outsourcing context is limited, other studies have found lower reported levels of job satisfaction associated with higher turnover intent (Carsten & Spector, 1987; Travers & Cooper, 1993), closer consideration of alternative employment (Connolly & Viswesvaran, 2000) and higher rate of turnover (Tsai, 2000; Van Brukelen, Van der Vlist & Steensma, 2004).

As voluntary employee attrition is amongst the key challenges facing the business process outsourcing industry, projected job stay was examined as an outcome of the psychological well-being of employees and it was hypothesized that:

**H7:** The psychological well-being of employees would be positively related to projected job stay.

a) Job satisfaction would be positively related to projected job stay

b) Work engagement would be positively related to projected job stay

c) Life satisfaction would be positively related to projected job stay

d) Positive affect would be positively related to projected job stay

e) Negative affect would be negatively related to projected job stay

iii. **Felt Obligation:**

Felt obligation is a prescriptive belief regarding whether one should care about the organization’s well-being and help the organization reach its goals (Eisenberger, Armeli, Rexwinkel, Lynch & Rhoades, 2001). Organizational support theory suggests that when employees perceive being valued and supported by their employing organization, an implied obligation develops between them.
and the organization. The employees who are experiencing psychological well-being can therefore be expected to reciprocate the favourable treatment they receive from their employing organization (Mowday, Porter & Steers, 1982; Rousseau, 1990; Wayne, Shore & Liden, 1997). Therefore, the final hypothesis of this study is as follows:

**H8:** The psychological well-being of employees would be positively related to felt obligation.

a) Job satisfaction would be positively related to felt obligation

b) Work engagement would be positively related to felt obligation

c) Life satisfaction would be positively related to felt obligation

d) Positive affect would be positively related to felt obligation

e) Negative affect would be negatively related to felt obligation

A summary of the expected relationships is presented in table numbers 3.1 and 3.2 below:

**TABLE 3.1**

**Summary of expected relationships between antecedents and components of psychological well-being**

<table>
<thead>
<tr>
<th>Antecedent variables</th>
<th>Job satisfaction</th>
<th>Work engagement</th>
<th>Life satisfaction</th>
<th>Positive Affect</th>
<th>Negative Affect</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Motivating potential of the job</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
<td>-ve</td>
</tr>
<tr>
<td>2 Job demands</td>
<td>-ve</td>
<td>-ve</td>
<td>-ve</td>
<td>-ve</td>
<td>+ve</td>
</tr>
<tr>
<td>3 Support at work</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
<td>-ve</td>
</tr>
<tr>
<td>4 Job security</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
<td>-ve</td>
</tr>
<tr>
<td>5 Organizational Justice</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
<td>-ve</td>
</tr>
</tbody>
</table>
TABLE 3.2

Summary of expected relationships between psychological well-being and organizational consequences

<table>
<thead>
<tr>
<th>Components of PWB</th>
<th>Projected job stay</th>
<th>Commitment</th>
<th>Felt obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Job satisfaction</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
</tr>
<tr>
<td>2. Work engagement</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
</tr>
<tr>
<td>3. Life satisfaction</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
</tr>
<tr>
<td>4. Positive affect</td>
<td>+ve</td>
<td>+ve</td>
<td>+ve</td>
</tr>
<tr>
<td>5. Negative affect</td>
<td>-ve</td>
<td>-ve</td>
<td>-ve</td>
</tr>
</tbody>
</table>

Note: +ve indicates a positive relationship is expected and -ve indicates the expectation of a negative relationship.

A pictorial representation of the organizing framework of the antecedents and consequences of psychological well-being of employees is shown in figure 3.3 below:

Figure 3.3
Organizing framework of the antecedents and consequences of psychological well-being
Conclusion:

This chapter presented a review of the literature on psychological well-being of employees. The contemporary view suggests that both well-being and unwellbeing should be included in the framework for understanding the psychological well-being of employees. This approach has been adopted for the present study. Further from amongst the two key perspectives of well-being namely hedonic and eudaimonic well-being, the hedonic perspective was considered appropriate for operationalizing well-being in view of the workplace context of the study and the lack of consensus on the scales for the assessment of eudaimonic well-being.

A comprehensive framework for studying the construct domain of psychological well-being was proposed in section-B of the chapter. As per this framework, psychological well-being comprises of subjective or context free well-being and job related well-being. Life satisfaction, levels of positive affect and negative affect are the primary components included for measuring subjective well-being. Job related well-being has been captured with the constructs of job satisfaction and work engagement. This was done in order to cover both affective as well as cognitive components of satisfaction with one’s job.

In the last section of this chapter, the rationale for the selection and a theoretical background of the five antecedents namely job characteristics, job demands, support at work, job security and organizational justice have been discussed. Thereafter the three consequences of organizational commitment, projected job stay and felt obligation were detailed. The literature review provided the necessary and sufficient basis for the hypotheses which specify the relationships among the constructs.
CHAPTER 3- REFERENCES


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