ORGANIZATIONAL STRATEGIES AND HUMAN RESOURCE MANAGEMENT PRACTICES TO SUPPORT THE IMPROVEMENT OF EMPLOYEE WELL-BEING

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ABSTRACT

The importance of employee well-being has gained attention in ensuring employees' bio-psycho-social well-being and organizational success. The current study aimed to explore strategies and methods of employee well-being in for-profit organizations. Research has been conducted on a sample of 62 human resource management leaders and experts of Hungarian and international organizations. A self-developed online measurement tool has been applied to explore organizational strategies and human resource management practices of training and development, rewards management, and social activities. Data analysis has been conducted on 60 validated feedback, representing organizations employing 80.000 employees in the Hungarian economy. Results concluded that strategic approaches and expectations were contradicted regarding the improvement of employee well-being. Results show that monetary benefits and social events support organizational expectations of positive employee affection, health, and retention, with occasional employee participation in shaping employee well-being. The explored wellbeing-enhancing strategies and practices might expand existing knowledge of how organizations approach employee well-being.

Keywords: employee well-being; human resource management; rewards and benefits; training and development; employee participation

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INTRODUCTION

Current research aims to explore how organizations support employees' well-being at a strategic and operative level through their human resource management (HRM) practices and tools at the examined organizations.

The concept of employee well-being covers a wide spectrum of individuals' working lives (Schulte & Vainio, 2010), perception, and evaluation of their psychological and social functioning (Keyes et al., 2000), which are

decisive for their bio-psycho-social well-being. Employee well-being affects organizational output factors of productivity, profitability (Jaiswal & Dyaram, 2019), workplace creativity, commitment, performance (Khoreva & Wechtler, 2018), and the resilient coping of organizations with changes (García-Valenzuela et al., 2023) and the efficiency and long-term functioning of organizations (https://www.ilo.org/). The development of employees' physical, mental, and social conditions affects the economic

performance of organizations and the competitiveness of the macro-economy through the general physical and mental health of society (Szabó & Juhász, 2019).

Human capital includes individuals' knowledge, information, ideas, skills, and health (Becker, 2002). Similar to other capital goods, it results in the performance and income of organizations. This might represent a competitive advantage, which cannot be separated from knowledge, health (Wright & McMahan, 2011), and life satisfaction (Jaiswal & Dyaram, 2019) of the individuals.

Despite strategies playing a significant role in organizational operations, there is a lack of emphasis on employee well-being as an organizational strategy in research (Kun et al., 2017). Failing to elevate employee well-being to a strategic level may result in allocating inadequate attention and resources to the subject and misalignment with organizational values (Gurabi & Mátrai, 2016; Nishii & Wright, 2007).

The Ability-Motivation-Opportunity theory (Appelbaum et al., 2000) has been applied in the current study to explore human resource management practices in promoting employee well-being. Theory identifies HRM practices that improve employees' skills and abilities, motivate them to perform, and offer opportunities for development and involvement.

The purpose of the current research is to explore the ability, motivation, and opportunity-enhancing practices in the fields of training and development, rewards and benefits, employee participation and involvement, and social activities. Through mapping the related practices, the study provides an initial review of the approach of for-profit organizations in the Hungarian labor market.

LITERATURE REVIEW

The organizational strategy of employee well-being might be a determining factor for the future labor market and economic efficiency (ENWHP, 2018; OECD, 2019). Elevating the topic to the level of organizational strategy might be necessitated by the changing technological, environmental, and labor market trends of the VUCA world (Agarwal et al., 2019; FMLSA, 2017; Hesketh & Cooper, 2019; ILO, 2021; Millar et al., 2018) and might provide competitive advantage

and enhanced brand image (Fehér & Reich, 2020; Szabó & Juhász, 2019). The pandemic had a significant impact on employee well-being, workplace dynamics, and organizational efficiency (Eurofound, 2021; Coun et al., 2021; Görgényi-Hegyes et al., 2021).

Although organizations shift their focus towards employees, customers, communities, and social relationships, emphasizing corporate social responsibility (Agarwal et al., 2019; Stankevičiūtė & Wereda, 2020), little is known about how employee well-being appears in the human resource management strategy of organizations, and what practices, tools and methods are applied to promote it (Kun et al., 2017).

Antecedents of well-being practices at organizations

Considering the preliminary factors of wellbeing programs at organizations, the flexible benefit approach needs to be mentioned.

Flexible benefits have been applied and became widespread in the USA in 1970-80. According to literature (Armstrong, 2007), the concept of flexible benefits in the form of a cafeteria system is to provide employees both the opportunity and the responsibility to compile their benefits elements within a funding frame. It allows employees to individually optimize their benefit packages. The advantages for employers are the attraction and retention of employees as well as cost optimization. The elements of flexible benefits systems are determined by cultural factors (Nieżurawska et al., 2016), corporate practices, and the local legislative environment.

As explained by Poór and Óhegyi (2013), flexible benefit plans have been adopted by international companies in their European branches. The practice spread across Europe in the '90s. At the beginning of the '90s, international companies started to apply their flexible compensation practices and locate them in the Hungarian regulatory environment as well. However, the practice started with vouchers. By the middle of the decade, the cafeteria systems became widespread in Hungary among employers due to the related tax optimization. Its popularity is unbroken till today. With the introduction of 'Széchenyi Pihenő Kártya' (in English Széchenyi Recreational Card, abbreviated as SZÉP card), a new form of variable benefit system has been established. Accordingly, employees may spend their assigned annual funds on catering, recreation, or travel-related accommodation.

Although constantly changing, an important driver of cafeteria systems - beyond the compensation policy of organizations - is achieving employee satisfaction (Poór et al., 2013). Research (Nieżurawska et al., 2016) showed that the specific employee group of Generation Z evaluates the cafeteria system and its elements. Results indicated that work-life balance and financial benefit-related elements were crucial for the respondents. According to research (Poór et al., 2018), the top three most popular benefit elements applied by the examined companies in Hungary were SZÉP card (96%), voluntary health fund (80%), and employer's contribution to the voluntary pension fund (74%). In terms of what organizations expect from the operation of the cafeteria systems, the research revealed a difference, as companies in the for-profit sector considered employee commitment satisfaction to be the most important. In contrast, members of the non-profit sector appreciated the designability and predictability of their costs. Out of the several changes the system has gone through, the introduction of tax-free benefits for mobility housing allowance in 2017 is highlighted (Poór et al., 2018). Due to the pandemic, the legislative change (76/2018. (IV. 20.)) has enabled a free pass-through among the previously fixed sub-accounts of SZÉP card to support the customization to the needs of employees and provide employers tax benefits. A study (Dajnoki et al., 2023) investigating HRM practices due to the waves of the pandemic revealed that crisis management measures of organizations varied from home office to health protection measures.

The cited antecedents of well-being practices, both from the benefit and health side ground the subject of current research.

Employee well-being in relation to Human Resource Management strategies and practices

Strategic human resource management is a coherent, internally coordinated system that can predict environmental changes, incorporate them into the operation, and exert positive synergistic effects on the outputs of the

organization. HRM and its practices mediate the complex relationship between the organization and employees (Armstrong & Taylor, 2023; Nishii & Wright, 2007).

HRM practices that support employee wellbeing can be explained by the Ability-Motivation-Opportunity (AMO) theory (Appelbaum et al., 2000) rooted in industrial and organizational psychology (Paauwe, 2009). The theory relates to the psychological mechanism linking HRM practices and employee well-being (Zhang et al., 2020). The approach highlights that the purpose of HRM practices is threefold: to improve employees' skills and abilities, to motivate them to perform, and to offer opportunities for development and success. As a frequently applied theoretical framework for examining human resource management (Bos-Nehles, 2023), the AMO theory (Appelbaum et al., 2000) underlines that HRM practices support employee well-being (Zhang et al., 2020; Zheng et al., 2015). HRM practices aim to boost both external and internal motivation to improve employee performance (Jiang et al., 2012; Renaud & Morin, 2020), leading to a greater sense of appreciation from the organization. Study (Pagán-Castaño et al., 2020) of research papers explored the positive impact of employeeoriented HRM practices on employees' wellbeing and confirmed the AMO theory through the mediating role of well-being between the HRM practices and organizational performance outputs (Appelbaum et al., 2000; Nishii & Wright, 2007). The mutual gains of the improvement of individual and organizational performance derive from the HRM practices enhancing employee well-being (Guest, 2017).

However, in their critical review, Kellner et al. (2019) claim inconsistency of the model and point out deficiencies in the standardization of AMO-enhancing HRM practices; they recommend the application of individual- and system-related dimensions in studying ability, motivation, and opportunity-enhancing elements.

Besides exploring the employee well-being strategies of the examined organizations, following the conceptual framework of AMO theory, the current study examines HRM practices of training and development, rewarding, social relationships, and employee participation and involvement in supporting employee well-being. Although there are

overlaps of goals, methods, and outcomes within the AMO model, the practices intended to support employee engagement are placed under the category of motivation. At the same time, communication belongs to opportunity enhancement (Bos-Nehles et al., 2023). Deriving from the AMO theory (Appelbaum et al., 2000) and based on the studies of Zheng et al. (2015), Kellner et al. (2019), Zhang et al. (2020), and Bos-Nehles et al. (2023) Figure 1. (Molnár & Csehné Papp, 2023) has been constructed to summarize the purposes, outputs, and practices of employee well-being enhancing HRM methods.

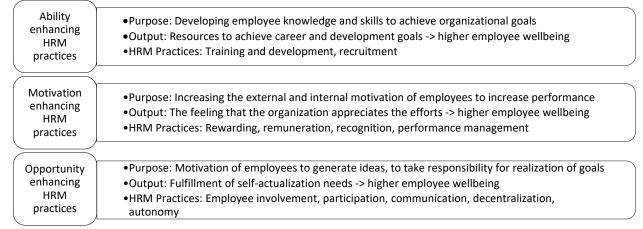


Figure 1: Summary of human resource management practices supporting employee well-being Source: authors' work In Molnár Cs., & Csehné Papp I. (2023). Review of human resource management practices supporting the development of employee well-being. *Új Munkaügyi Szemle.* IV. Évfolyam 2023/3. sz. p.22.

HRM Practices of training and development

To support the achievement of organizational goals (Zhang et al., 2020), training and development practices – as ability-enhancing practices – provide the workforce with appropriate skills, knowledge, and abilities and consider their developmental needs (Reio, 2007). As workplaces become the main arenas for promoting individuals' bio-psycho-social health and well-being (European Commission, 2014), the concept of positive employment (Guest, 2017) – on the grounds of positive psychology (Seligman & Csikszentmihalyi, 2014) – might provide an applicable interpretative framework for the transfer of knowledge about well-being (Dochy et al., 2022).

HRM Practices of rewards management

Motivation-enhancing practices are identified as compensation, performance-based pay, performance management, benefits, recognition, and practices supporting work-life balance (Armstrong, 2010; Poór et al., 2018; WorldatWork, 2007). Reward management survey (2022) examined employers' benefits provided for their employees in the UK. The

survey concludes that larger organizations provide more financial benefits. According to results, 92% of employers offer training and career development opportunities, and 62% have a workplace pension scheme. In terms of financial benefits, debt counseling is highly ranked (55%), while the least offered benefits are home-workers financial allowance (6%), energy switching schemes (7%), or workplace loans (7%).

A global rewards survey (Reimagining Work and Rewards Survey: 2021 – 2022) of 1,650 employers indicated that 65% of respondents intend to put greater emphasis on employee well-being when redesigning their total reward approach. Based on a survey of 2,028 HR professionals in the USA (2023-24 SHRM State of the Workplace Report), 66% of respondents consider employee mental health as a key challenge for the organizations; however, only 39% of the organizations are planning to increase mental health-related benefits.

HRM Practices promoting social well-being

Opportunity enhancement HRM practices encourage employees to innovate and take ownership of organizational objectives (Mathieu

et al., 2006), and support employee well-being through the fulfillment of self-actualization needs (Ryan & Deci, 2001). Among the opportunity-enhancing HRM practices, employee involvement and participation, communication and information sharing, teamwork, social relations, and autonomy are identified (Kellner et al., 2019).

The examination of the relationship between wellbeing-oriented HRM practices and employee performance (Cooper et al., 2019) revealed the mechanism of social relations as promoting employee resilience and performance through the organizational climate (Cooper et al., 2019). This is supported by OECD's Learning Compass 2030 (2019), which indicates the importance of emotional-physical-social individual and collective well-being from the perspective of the sustainability of social and human capital. The core areas of the compass include social-emotional behavior and health behavior.

HRM practices of employee involvement and participation

Although employee participation impacts the profit targets of organizations (Cox et al., 2006; Kaufman et al., 2010), as performance increases through improved communication, cooperation, and morale, the restrictive nature of agreements might also decrease the profit. According to Grant et al. (2007), employee involvement and participation practices support employees' psychological well-being through increased job (Dube Freeman. satisfaction & psychological ownership, and organizational commitment (Han & Kim, 2018), while the higher level of trust in management (Lee et al., 2019) supports social well-being. A study (Uribetxebarria et al., 2021) highlighted the importance of participation as a management tool to support the competitive advantage of organizations (Delery & Roumpi, 2017) and identified it as a predictor of employee wellbeing. However, there is a debate about whether employee participation has an impact on organizational effectiveness and employee wellbeing (Markey & Townsend, 2013). Employee participation provides the opportunity for employees to actively shape their work and working conditions (Strauss, 2006; Markey & Townsend, 2013) and to invest in their knowledge, skills, and abilities (Wright & McMahan, 2011).

According to Waddock (2020), collective wellbeing requires that employees hear their voices. Employees perceive involvement in decisionmaking, autonomy, training, or informationrelated activities as real and direct participation (Uribetxebarria et al., 2021; Den Hartog et al., 2013). However, it can increase workload and stress (Nishii & Wright, 2007). A systematic review of studies (Beijer et al., 2021) concluded that employees are utilized as sources of information to evaluate HRM practices, such as development, training and participation, autonomy, or incentive compensation.

METHODOLOGY

The current exploration study aims to identify the strategies, HRM practices, methods, and tools that the examined organizations apply to support employee well-being. As the study is part of complex research, the relevant research design is presented in Figure 2.

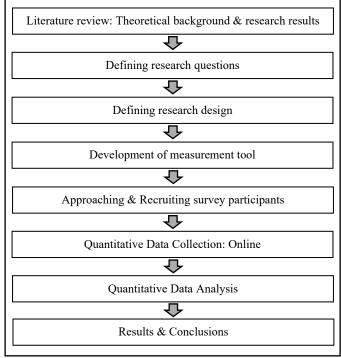


Figure 2: Research design Source: authors' work.

Sample. In the research, a one-respondent survey method (Montabon et al., 2018) was applied. Respondents with broad knowledge of the subject and access to information within their organizations are invited to ensure the value of the method. Therefore, HR leaders and

HR experts, as critical knowledge holders and key informants, have been identified as participants in the survey. The research was conducted in 2023 on a sample of Hungarian and international for-profit organizations registered and operating in Hungary via access-based sampling of 62 human resource management leaders, experts, and senior management members.

Data collection. The online questionnaire has been completed by 62 human resource management experts, leaders, and management members of organizations via access-based sampling and through professional organizations. Participation was voluntary and anonymous.

Method. For the construction of the selfdeveloped online measurement tool, the Ability-Motivation-Opportunities model (Appelbaum et al., 2000) is used as a conceptual background (Figure 1). At the start of the research, a trial questionnaire was conducted with respondents to check interpretability. Since there was no interpretability problem based on feedback, the questionnaire has been sent out unchanged. The online questionnaire consisted of 48 questions. Out of that, there were three open and 45 closed questions. Due to the exploratory approach, closed questions had a category of 'Other' answers, where respondents could name unique items that are not covered by given options. There were questions about the respondents' positions, fields of work, and years of experience. Questions about characteristics of the represented organizations were asked about the field of activity, sector, location, ownership, annual revenue, and headcount. These questions were targeted at exploring the well-being strategies and the expected outcomes from the improvement of employee well-being. Questions related to wellbeing-oriented HRM practices have been grouped into four major categories: 'training and development', 'benefits and rewards', 'community events of social relationship', and 'involvement and participation'. The focus of current research is not on studying wage-related data, but monetary and non-monetary benefits and incentives of reward management have been involved. The survey has been designed to explore the application of HRM practices and the

approach toward these tools and methods. Therefore, respondents had to rate their feedback on a 3-grade scale, where '1' meant: 'Available', '2' meant 'Not available, but would be important', and '3' meant 'Not available and not needed'. Feedback results have been analyzed and visualized in graphical charts, and for better visibility, decimals have been rounded.

RESULTS

Characteristics of respondents. Out of the 62 survey respondents, two have been excluded due to incomplete filling of the questionnaire and as being a non-profit organization, resulting in 60 validated responses. Participants were senior HR leaders (38%), subordinate HR experts (38%), middle managers in HR (22%) and CEOs (2%). The majority (48%) has 10+ years of experience, followed by those with 5-10 years (22%), 3-5 years (18%) and with experience less than 3 years (12%).

Characteristics of examined organizations. Sectorial classification (Table 1) shows that the majority of the examined organizations are in the secondary sector (48%), mainly from production and manufacturing, ensuring the representation of blue-collar employees in 46,7%. Companies in services (17%) and telecommunications (17%) are presenting the characteristics of consumer and information technology-driven workplaces.

Table 1: Sectorial distribution and headcount of examined organizations

Classification	Sector	Distribution of organizations (%)		Number of employees (heads)	
		Activity	Sector	Sector	Classification
Secondary	Production of metal base material, plastic, and non-metal products	15%		7 792	37 720
	Manufacturing food, beverage, textile, wood, paper, petroleum	13%		4 933	
	Vehicle production	8%	48%	17 950	
	Production of chemical, pharmaceutical, medicinal products	5%		5 618	
	Production of machines and equipment	3%		588	
	Construction industry	3%		839	
Tertiary	Services	17%		7 222	41 350
	Financial and insurance activities	5%		13 380	
	Wholesale and retail trade	3%	30%	20 018	
	Shipping and storage	3%	2070	255	
	Electricity, gas, steam, water supply, waste management	2%		475	
Quaternary	Telecommunications, IT, and information services	17%		2 124	2 415
	Education	3%	22%	71	
	Natural science R&D, pharmaceutical industry	2%		220	

The ownership structure reflects that foreign private entities own 62% of the companies, 35% are in domestic private, and 3% are in state or municipal ownership, as visualized in Figure 3.

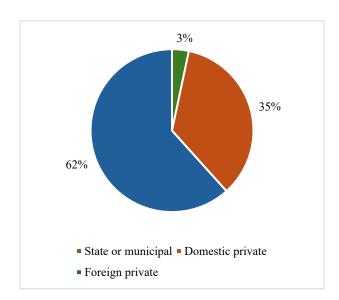


Figure 3: Ownership structure of examined organization (percentage of organizations) Source: authors' work.

Regarding employment (Figure 4), there are major employers with more than 5.000 employees. However, most organizations (40%) have a workforce of between 100-500 heads. At the time of data collection, the total number of employees of the examined organizations was 81.485 heads (Table 1). Although the survey is not representative, the magnitude of employment coverage represents 1,72% of the total active employment in Hungary in 2023 in the age group of 15-64 years, according to available data from the Hungarian Central Statistical Office (Barkóné et al., 2024).

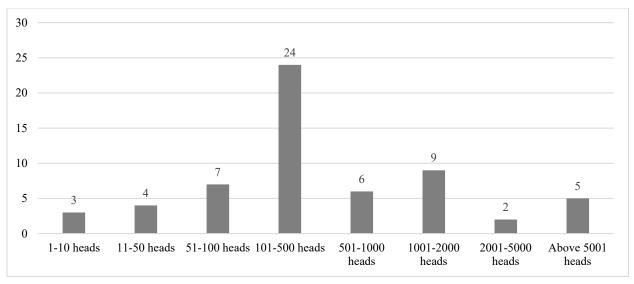


Figure 4: Distribution of examined organizations by number of employees (number of organizations) Source: authors' work.

In terms of annual revenue, most organizations (58%) have earned above 5,1 billion HUF in 2022 (Figure 5).

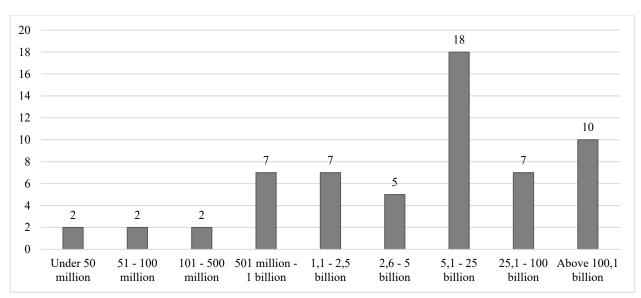


Figure 5: Distribution of examined organizations by annual revenue in HUF (2022) (number of organizations)

Source: authors' work.

Employee well-being strategies and practices at the examined organizations

Strategic approach to employee well-being

As for the importance of employee well-being at the examined organization, respondents were asked to answer on a 5-grade Likert scale, where '5' meant 'Very important' and '1' meant 'Not at

all'. 50% of respondents answered as employee well-being is 'Very important' in their organizations, 33% as 'Important', 15% as 'Neither important nor not important,' while 2% indicated that it is 'Not important at all'. While 62% of the organizations have a defined employee well-being strategy, 38% do not have one (Table 2).

Where an employee well-being strategy exists - as respondents could indicate multiple choices that might overlap - it is mostly part of the HR strategy (27), 15 organizations have a defined separate employee well-being strategy, and 13 have included the relevant financial resources in their budget. Employee well-being strategy is the

least prominent part of learning and development. Out of the 23 companies that do not have a well-being strategy, 13 respondents stated that it would be important to have one.

Table 2: Employee well-being strategy at examined organizations

Employee well-being strategy exists				There is no employee well-being strategy		
	6 Vell-being stra er of feedbacks		38%			
HR Strategy	Well-being strategy	Budget	Learning & Development	Would be important	No information about it	No need for it
27	15	13	5	13	9	1

Source: authors' work.

Regarding the question of what organizations expect from the improvement of employee wellbeing, respondents could identify multiple categories (Figure 6). Organizations mainly expect their employees to have positive affections and feel better, have a higher level of satisfaction and engagement, have a better relationship between employer and employees, and have a better mental state. Results show that

organizations do not consider well-being development as a driver of their new business acquisitions or expansions and of the relationship between employer and employee representations. Also, they do not expect an improved financial situation for their employees.

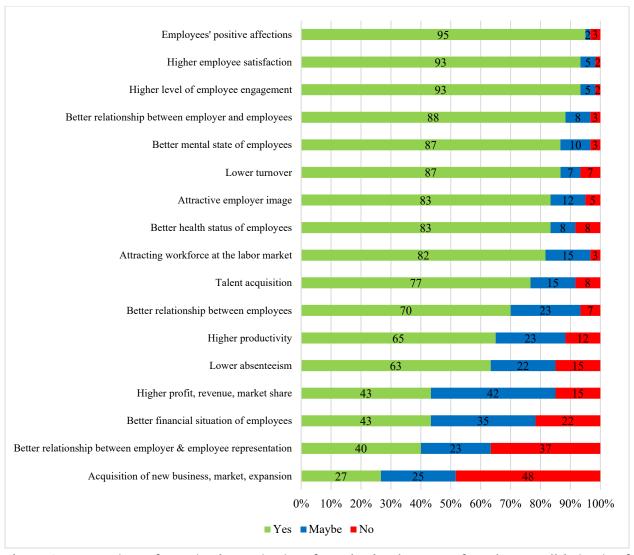


Figure 6: Expectations of examined organizations from the development of employee well-being (% of organizations)

The detailed answers in Figure 6 have been aggregated into 7 major categories. Results show (Figure 7) that in return for developing employee well-being, the most desired outcome by 94 % of organizations is that employees have 'Positive feelings', including that they are feeling well, satisfied, and engaged towards the organization. The second leading reasons (87%) are 'Health improvement' and 'Retention' of employees, followed by 'Branding' (81%) and 'Better employee relations' (66%). The least expected

outcomes are 'Economic growth of the company' (50%) and the achievement of a 'Better financial situation of employees' (43%).

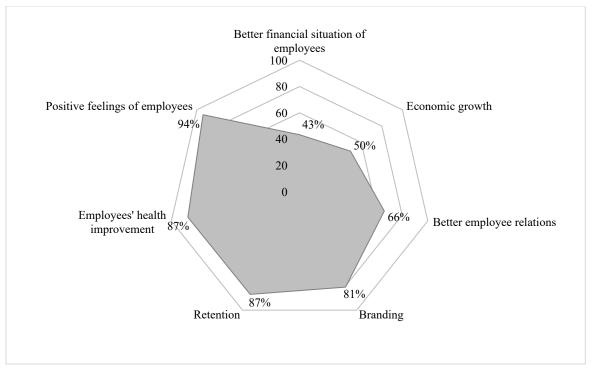


Figure 7: Expectations of organizations from the development of employee well-being by major categories (% of organizations)

Although survey results show a high number of strategic goals linked to employee well-being, 58,33 % of organizations do not have any measurement related to employee well-being. 10% use fluctuation as an indicator. Employees' participation in well-being programs and absenteeism are measured by 3-3% of organizations. In contrast to survey feedback, 87% of respondents considered employees' health improvement as an expectation from well-being development, but only one respondent indicated psycho-social assessment as an input and measurement tool in the theme of employee well-being.

HRM Practices of training and development to support employee well-being

Training and development programs are offered mainly by the organizations (Figure 8) to support the employees' professional knowledge (90%). Leadership development (85%), mentoring (70%), and supporting further studies (70%) are also highly ranked in the ability-enhancing portfolio of the examined organizations. The opportunity to enter into a study contract might

overlap with the support for obtaining a higher/secondary education degree (52%). The skill development programs offered by 67% of organizations might overlap with time- and stress-management programs, as shown in Figure 9. The least available training programs are the physical (22%) and mental (27%) health and career planning (40%) related programs.

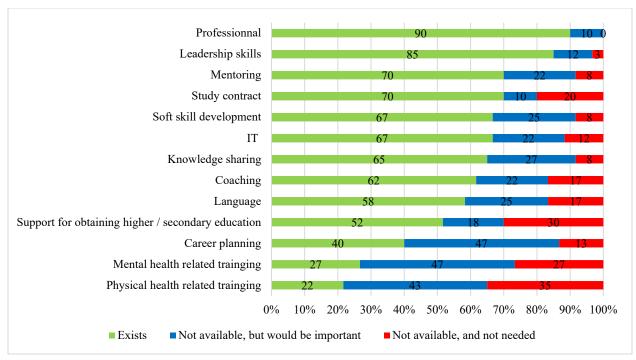


Figure 8: Training and development programs (% of organizations)

Since well-being is often associated with health, workplace learning might be relevant in developing awareness and knowledge about health. Therefore, the questionnaire specifically asked about health-themed training and development programs. Results show (Figure 9) that 77% of organizations have first aid training,

followed by time management (45%) and information sessions on healthy lifestyle and nutrition (38%). While programs that help employees quit smoking (10%), improve sleep health (13%), or psychology-themed programs (18%) are the least present.

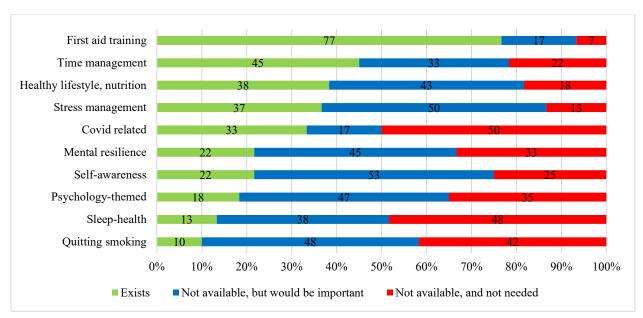


Figure 9: Health promotion-themed programs (% of organizations)

Source: authors' work.

HRM Practices of rewards management to support employee well-being

The application of reward elements by the examined companies is visualized in Figure 10. Although some benefit elements might overlap in terms of multiple applicability or purpose like variable benefit or variable recreational systems -the following groups have been identified for the classification of reward elements: 'Financial', 'Health', 'Sports and Recreation', 'Work environment', 'Housing', and 'Mobility'. In terms of variety, it is evident from the survey data that examined organizations that emphasized financial benefits. Although supporting sports and recreation might also be considered as intending to improve employees' health, the current classification differentiates it as rather financially subsidizing their utilization.

Survey results show that the top five benefit elements are commuting support (92%), performance bonus (88%), gifts for occasions like Christmas or Women's Day (88%), occupational health service (87%), and private usage of company phones (78%). Despite the fact that organizations could recruit beyond commuting range since home-office has spread as a result of changes in work organization due to pandemics, the financial contribution to overhead cost of home-office is available only at 10% of the examined companies. This is in contrast with the widespread availability of home-office, as 43% of organizations offer weekly 2-3 days home-office for their employees, 20% offer weekly 1 day, at 20% of companies have home-office ranges from weekly 4 days up to permanent home-office, where employees decide whether and when they would be present at the premises of the company, and only 17% has no home-office at all.

The least provided benefits are the ones that support housing and relocation, which might reflect their expensive nature and the fact that companies are managing their workforce supply from the geographical range of potential daily commuting. Very few of the responding companies provide workers' hostel (13%), relocation support (13%), and health-related benefits, such as dental treatment (17%) or physiotherapy (17%), although the overall need for health-related benefits outweighs all other benefit types.

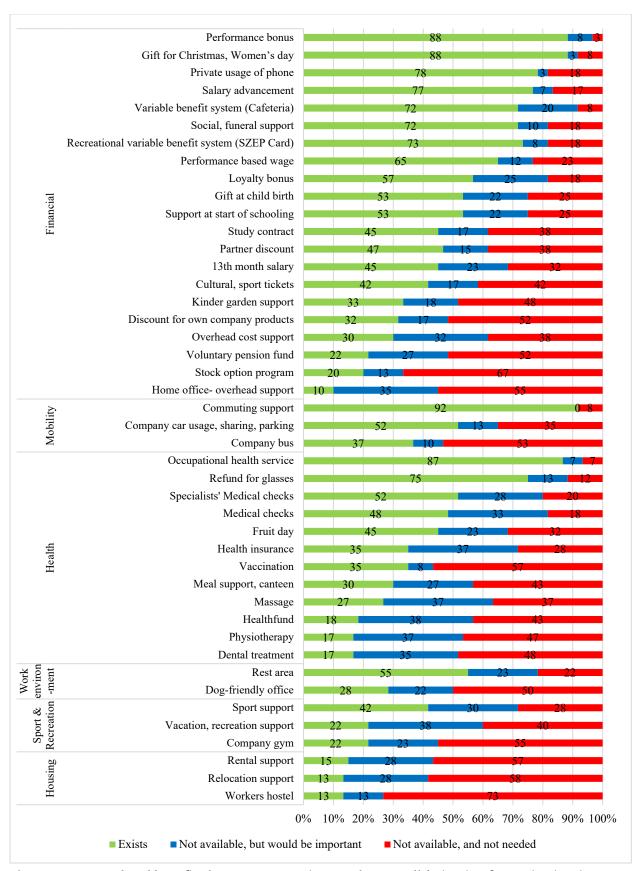


Figure 10: Reward and benefit elements supporting employee well-being (% of organizations) Source: authors' work.

HRM Practices promoting social well-being through community events

Survey results (Figure 11) show that organizations intend to enhance their employees' social interactions with various activities. Examined organizations consider teambuilding events (97%) in terms of increasing cooperation, similarly to events related to Christmas celebrations (93%). Employee lifecycle-related events like the celebration of

anniversaries of employment or retirement (67%) are showing their importance. Organizations involve employees in activities of corporate social relations – such as donations (72%), voluntary activities (50%), and blood donations (50%) – in this way expanding social relations to the greater communities beyond the company.

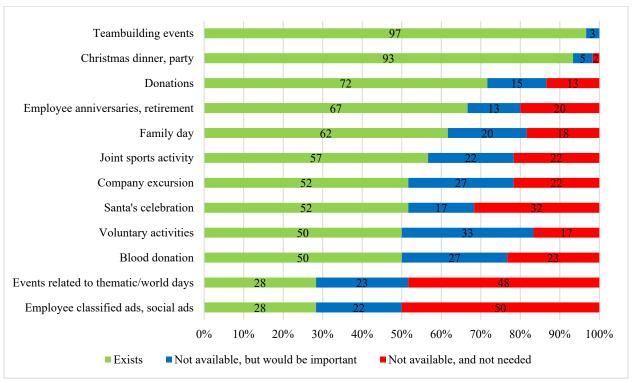


Figure 11: Community events and activities organizations (% of organizations)

Source: authors' work.

HRM practices of employee involvement and participation to support employee well-being

The survey reveals what sources of information are utilized to ground employee well-being programs strategies and (Figure 12). Respondents could identify more categories in their answers. Results show that mainly employee needs (63%),HR employees' knowledge, information, and ideas (62%), and leadership suggestions (57%) are utilized regularly for generating strategies and programs. The unemployment rate (2%), related literature (7%), and needs identified by employee representation (10%) are the least applied means of gathering information to establish a thorough well-being approach.

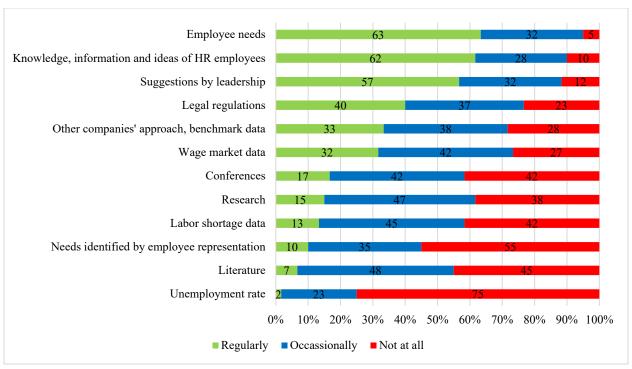


Figure 12: Sources of information supporting the development of employee well-being strategy and programs (% of organizations)

Organizations must involve their employees in defining well-being programs and satisfying their needs; therefore, respondents were requested to determine methods for employee participation and involvement (Figure 13). The leading tool for regular employee involvement is the conduct of formal satisfaction surveys (60%). According to respondents, a survey tool specifically designated to collect employee needs is available regularly in 35% of organizations. Discussions with leaders (52%), employees' occasional inputs (38%), speak-up programs (23%), suggestion programs (23%) and employee portals (20%) represent less formal and structured means of data collection regarding well-being. Despite the fact that 62% of organizations have an employee well-being strategy (Table 2), employees are involved in strategic planning only 22% and in business planning at 17% of the organizations. Employee participation through representations is regular in only 17% of the examined organizations. Results indicate that structured and systematic means of involvement, either via strategic and business planning or through formal representations, are the least utilized methods of employee involvement in shaping well-being.

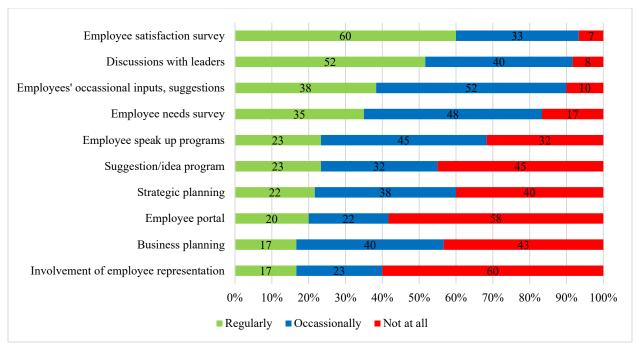


Figure 13: Methods of employee involvement to design well-being programs (% of organizations) Source: authors' work.

DISCUSSION

The current study intends to explore the organizational approach to employee well-being and map HRM practices applied by Hungarian for-profit organizations to support their employees' well-being. Following the Ability-Motivation-Opportunity theory (Appelbaum et al., 2000) as a theoretical framework, human resource management practices enhancing employee well-being have been explored.

Numerous studies (Jaiswal & Dyaram, 2019; Khoreva & Wechtler, 2018) have highlighted the importance of employee well-being in promoting employee satisfaction, productivity, and overall organizational success. Studies (Szabó & Juhász, 2019; Fehér & Reich, 2020) have also delved into the impact of organizational policies and practices on employee well-being.

Regarding the organizational strategy of employee well-being as a potential determining factor for future labor market and economic efficiency (ENWHP, 2018; OECD, 2019), the research concluded that employee well-being is considered strategically important, as 62% of the examined organizations have a well-being strategy. In conclusion, exploring the motives that drive organizations to improve their employees' well-being, results show that organizations expect employees to have positive

feelings and higher levels of satisfaction and engagement, resulting in retention and lower levels of fluctuation. Similarly, attracting new and retaining existing workforce are expected under branding outcomes. Contradicting survey results show that organizations expect that employees' health is improving due to wellbeing practices. However, health-themed programs are less represented within their learning and development portfolio. In contrast to the findings of previous research (Jiang et al., 2012; Renaud & Morin, 2020), organizations consider the performance metrics and economic growth of companies as less important or indirect expectations as an outcome of wellbeing development.

Data on the ability-enhancing HRM practice of reward management indicates that organizations are mainly applying monetary benefits to support their employees' well-being but do not expect that the improvement of employee well-being would result in employees' better financial situation. According to survey results, the dominance of monetary tools in well-being improvement does not mean that organizations expect a better financial situation for their employees but rather to achieve their positive feelings and emotional ties to the company.

Literature (Agarwal et al., 2019; Stankevičiūtė & Wereda, 2020) highlights the importance of social support, as building interpersonal relationships, fostering a sense of belonging, and creating opportunities for social interactions might contribute to a positive work environment and improved mental well-being of employees (Agarwal et al., 2019; Laine & Rinne, 2015). High emphasis on social relationships via community events and internal and external corporate social relations are in line with the organizational expectations that employees have better relationships.

In line with the literature (Markey & Townsend, 2013; Uribetxebarria et al., 2021), various tools of employee involvement and participation are applied. Employees' feedback is considered as major source of information (Beijer et al., 2021). However, the collection of inputs is less structured, regular, and systematic. Formal methods of involvement in business planning and participation of employee representations are the least applied methods, indicating that organizations maintain their leading role in formulating their well-being strategies and practices, and employees are considered targets of well-being development rather than partners.

Within the wide range of practices explored, in summary, research data show that examined organizations apply monetary benefits and social events in shaping employee well-being to support the expectation of positive employee affection, health, and retention, with occasional and spontaneous application of employee participation and involvement methods.

CONCLUSION AND RECOMMENDATION

In the rapidly changing work environment (Agarwal et al., 2019; FMLSA, 2017; Hesketh & Cooper, 2019; ILO, 2021; Millar et al., 2018), employees' well-being is gaining attention as a crucial factor in ensuring organizational success and employee satisfaction. Therefore, current research intends to expand the existing knowledge in the field of employee well-being (Kun et al., 2017). In addition to exploring the strategic nature of well-being (ENWHP, 2018), the study identifies possible well-being practices applied by the examined organizations.

The limitation of the current study - despite representing employers of several thousand employees - is the size of the sample, which

might restrict the overall conclusions to be drawn. Therefore, the collected data is not representative of economic organizations or the Hungarian labor market. However, results supplement the limited existing literature presenting HRM tools and practices applied to enhance employees' well-being in the Hungarian context.

Results might support future research and help human resource management experts gain a comprehensive overview of organizational practices in promoting employee well-being. Future research is advisable to conduct on a larger sample and involve organizational performance measures, adaptability of practices to employee needs, and utilization by employees.

The current paper aims to provide valuable insights into organizational aspects of employee well-being and provide guidance to organizations in targeted interventions and policies to promote employee well-being, ultimately leading to a more satisfied and productive workforce.

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