

The Journal of *Total Rewards*

Q1 2021

The Strategic Use of Benefits

- 08** Strategic Benefits: How Employee Benefits Can Create a Sustainable Competitive Edge
- 23** Strategic Benefits Management: What We Think, What We Know and What We Need to Know
- 36** Strategic Benefits to Help Survive and Thrive in Times of COVID-19
- 45** Strategic Idiosyncratic Deals (I-Deals) Policy: Individually Negotiated Arrangements as an Alternative Approach for Delivering Customized Benefits
- 55** Leveraging Healthy Workplaces as a Strategic Benefit
- 71** Revisiting Benefits Design Approaches: The Strategic Value of Identity-Based Benefits

Leveraging Healthy Workplaces as a Strategic Benefit

A healthy workplace is an underappreciated strategic benefit. The physical and behavioral attributes of the work environment affect employee engagement and well-being, personnel-related costs and organizations' ability to attract and retain high-quality talent. The combining of healthy workplace elements into a coherent, internally consistent and integrated operating environment creates working conditions that enable employees to thrive. We describe the characteristics of a healthy workplace and advocate for investing in key facility and organizational changes — changes that can strengthen the brand as the employer of choice.



Cristina G. Banks, Ph.D.
University of California, Berkeley



L.A. Witt, Ph.D.
University of Houston

HISTORICAL CONTEXT

Prior to 1900, work was predominantly individualized, specialized, slow, inefficient, of variable quality and performed by craft workers (Heminger 2014). At the beginning of the 20th century, the economy was sluggish and in need of overhaul. Aiming to eliminate wastes of human effort and reduce errors and accidents arising from poor execution of work, President Theodore Roosevelt

called for a remedy to the lack of “national efficiency” and supported efforts to dramatically improve economic output and prosperity. Frederick Winslow Taylor, an engineer and management consultant, answered that call with a book titled *The Principles of Scientific Management* (1911). Taylor described how improvements in productivity, quality, efficiency, accuracy and task cycle times could be achieved by applying scientific principles to each element of a person’s work and then re-engineering the job elements using time studies to minimize the human exertion, which, in turn, maximized efficiency and the physical stamina required to complete job tasks.

Similarly, Gilbreth (1911) introduced engineering concepts into the design of work by conducting motion studies to identify wasted motions and developing equipment that maximized efficiency. In 1917, scientific management broadened into the general field of industrial engineering, defined as the engineering of work processes and the application of engineering methods, practices and knowledge to production and service enterprises in order to increase and improve production and service activities (Badiru 2014). Since then, businesses have essentially adopted the industrial engineering perspective of maximizing productivity in all aspects of the design of work (e.g., work processes and needed headcount). Recognition of the importance of human motivation in the productivity and efficiency equation has largely been missing. A century ago, advocates of scientific management assumed that workers would be motivated to do their work as designed because of the compensation earned, and those who weren’t motivated to do repetitive, highly simplified job tasks need not apply.

In the 1970s, a movement took hold to counter the dehumanized working conditions that were commonplace under scientific management. This movement, titled “quality of work life” or QWL, was initiated in 1972 by researchers and practitioners to understand the factors underlying employee job satisfaction (Martel and Dupuis 2006). Their goal was to identify new work practices that would simultaneously increase productivity and job satisfaction. Driving the movement was widespread job dissatisfaction and turnover problems. Unfortunately, after almost two decades of discussion and efforts to create QWL programming in organizations, the movement fizzled out. Contributing to its failure was a lack of consensus regarding the definition of QWL and its determinants. Whereas this period produced some interesting ideas, few were sufficiently compelling to change the status quo of business operations and human resources practices (Martel and Dupuis 2006).

Over the past four decades, the United States has witnessed substantial increases in work-related stress, job strain and health issues as a function of deteriorating working conditions (Grawitch and Ballard 2016). For the most part, employees are still operating within job designs and work processes grounded in the principles of scientific management. That is, the focus has remained to develop effective management and operating processes and structures to maximize results. In his pre-COVID-19 book, *Dying for a Paycheck*, management thought leader Jeffrey

Today's workers have considerably greater expectations for the quality of their work experience than did their parents and grandparents.

Pfeffer (2018) estimated the human cost of bad working conditions — long work hours, shift work, job insecurity, high job demands (e.g., pressure to work fast), low levels of social support and layoffs — to be 120,000 unnecessary deaths each year in the service of productivity and efficiency.

What went wrong? Early and ever-present engineering approaches to job design and work processes focused on human capabilities (i.e., knowledge, skills and abilities) to the neglect of the human motivation to do such work. Employers have increasingly embraced the employee relations perspective, which focuses on people issues and advocates mechanisms (e.g., a supportive work environment) that enhance employee motivation (Grawitch and Ballard 2016). However, much of the effort behind this perspective has focused on extrinsic motivation, primarily through such financial incentives as bonuses and variable compensation. Intrinsic motivation, the desire to work hard because it is meaningful to the individual and thus, self-generated, has largely been neglected except in practices promoting meaningful work, participation in decision making, engagement and recognition. Even with these exceptions, intrinsic motivation can be undermined. Contemporary work practices rarely take into consideration the physiological and psychological consequences of highly engineered work.

Today's workers have considerably greater expectations for the quality of their work experience than did their parents and grandparents (Gallup 2020a; WorldatWork 2019). The need to address these expectations has created pressure for organizations to differentiate themselves from their competitors by improving the employee experience to attract and retain top talent. Today's workers also might be more emotionally and physically exhausted from work than those in previous generations. Gallup polls suggest that 70% of Millennials experience at least some burnout on the job (Gallup 2020d), and that only 65% of employees are satisfied with their amount of on-the-job stress (Gallup 2020e). Not surprisingly, only 56% of employees are completely satisfied with their jobs (Gallup 2020e). COVID-19 has intensified awareness of the importance of safe and healthy workplaces (Gallup 2020b). Taken together, we suggest that the time is ripe to

return our attention to the aspirations underlying the QWL movement and focus on “healthy workplaces.”

Rather than focusing on job satisfaction, the healthy workplaces concept focuses on employee need satisfaction, which underlies employee physical and psychosocial health (i.e., well-being), and, in turn, stimulates intrinsic work motivation (Maslach and Banks 2017). Considerable scientific evidence (e.g., Conn et al. 2009; Day, Hartling and Mackie 2016; Demou et al. 2018; Grawitch, Gottschalk, and Munz 2006; Staskon 2016; Tung et al. 2017; Waterworth et al. 2018) has revealed that healthy workplaces promote not only individual well-being and productivity but also desirable organizational outcomes, such as favorable job attitudes and lower personnel costs in the forms of tardiness, absenteeism, health-related expenses and dysfunctional turnover — outcomes that underscore its strategic value.

WHAT IS A HEALTHY WORKPLACE?

That is a good question. There are many interpretations of the term, “healthy workplace,” depending on the perspective one is taking. One interpretation describes a workplace that offers wellness programs as a healthy workplace (Hull and Pasquale 2018; Ozminkowski et al. 2016; Rongen et al. 2013). Wellness programs range from biometric screenings (e.g., blood pressure, health-risk assessment), to lifestyle or risk-factor management (e.g., alcohol counseling, fitness programs), to disease-management programs (McHugh 2016; Tomaschek et al. 2018). Another interpretation involves organizational programs that produce more positive emotions at work, a key part of promoting employee happiness and psychological well-being. Those include employee recognition, employee involvement, job crafting and diversity/inclusion programs (Nielsen 2014; van Wingerden et al. 2017). Still another interpretation is held by environmental psychologists and occupational health professionals. They focus on the prevention of harms in the workplace (e.g., toxics, psychosocial stress factors and ergonomics) and promotion of employee physical and psychological health through the introduction of environmental interventions and physical design qualities known to have positive physiological and psychological health and well-being effects (e.g., biophilia [the human tendency to interact with nature], indoor environmental quality and floor-plan design). The truth is that all these elements, while diverse and seemingly disconnected, are needed to construct a holistic definition of a “healthy workplace.” We contend that any one approach noted above does not consider the totality of what an employee experiences at work, and that the aggregate experience is what counts. This notion was implicit in the definition of health offered more than seven decades ago by the World Health Organization (1948) — the alignment of mental, social and physical well-being — and later in the definition of healthy workplaces by the American Psychological Association (2015).

Employee experience from the start to the end of the workday and workweek is the right metric. This is because the underlying physiological and psychological

response to the work and environment in which it is performed determines to what extent an employee's health and well-being are supported or even promoted through their work life and work/life balance. If one needs evidence of the failure of employer efforts to create healthy workplaces, look no further than the higher rates of illness and disease across the world due to poor working conditions, low percentages of employees engaged in their organizations, increasing rates of absenteeism, presenteeism and burnout, and accelerating rates of substance abuse (e.g., Burton 2010).

HOW TO CREATE A HEALTHY WORKPLACE

How do we reverse these trends by creating a healthy workplace that holistically supports employee health and well-being? After a review of the literatures from several relevant disciplines — including public health, occupational health, ergonomics, psychology, medicine and engineering — regarding factors proven to positively affect human health and well-being, Banks and colleagues (Banks 2014; Giacalone 2015; Banks 2017) determined that there was an underlying implicit structure that differentiated positive intervention results from negative ones. The most successful interventions were those that address basic human needs, such as participation in decision-making practices — providing employees with voice and choice. When this common thread was revealed through the literature reviews, a new search was initiated to determine which basic human needs were the most important and relevant to a person's health and well-being. The search revealed seven primary human needs that were shown to be empirically related to people's health and well-being (Maslach and Banks 2017):

- I Autonomy.** People's desire to experience ownership of behavior and to act with a sense of volition (Deci and Ryan 2000). This need can be fulfilled by having significant choice in when, where, how and how long one performs the job, opportunities to cognitively restore, timely access to needed resources and the availability of paid leaves of absence.
- I Belongingness.** Humans striving for close and intimate relationships and the desire to achieve a sense of communion and belongingness (Baumeister and Leary 1995). This need can be fulfilled by an organizational culture that builds social cohesion, seating in neighborhoods to facilitate bonding, leader messaging that emphasizes the value of employee work, opportunities to meet people at work outside of the immediate social network and a place to visit with people socially at work.
- I Competence.** The desire to feel capable of mastering the environment, to bring about desired outcomes and to manage various challenges (White 1959). This need can be fulfilled through employee training, personal development, growth opportunities, role and performance expectation clarity, resources (e.g., time) available to perform at the desired level, and awareness of how each person contributes to the success of the organization.

- **Positive emotions.** The need to experience feelings of hope, optimism, efficacy, resilience, pride, awe, satisfaction and other pleasurable emotions (Cohn and Fredrickson 2009). This need can be fulfilled in many ways that evoke positive emotions, including being in a beautiful, well-maintained, biophilic-filled workplace, making friends at work, physical and psychological comfort, feeling safe and secure through various physical and organizational protections, feeling useful because personal input is given and accepted, taking restorative time away from work and having work/life balance.
- **Psychological safety.** Opportunities to show and express oneself without the need to engage in identity suppression or code-switching (i.e., acting inauthentically) because of a fear of negative consequences of self-image, status or career (Kahn 1990). This need can be fulfilled by having physical barriers to potential threats and harms (e.g., security doors, card-key systems), organizational policies against harassment and abuse, signage to warn employees of onsite dangers, workers' compensation to cover work-related injuries, policies and effective enforcement to protect against retaliation, and an organizational culture that encourages the expression of "voice."
- **Fairness.** The perception that decisions are made via a fair process, and that people are treated with dignity and respect (Robbins, Ford, and Tetrick 2002). This need can be fulfilled by having in place due process procedures that are strictly followed, having grievance processes governed by an independent body, instilling an organizational culture that underlies the importance of fairness, and building an environment that reflects fairness through access to resources and equitable treatment.
- **Meaning.** The perception that employees are doing something they value and that provides a sense of purpose in their lives (George and Park 2016). This need can be fulfilled when employees have work assignments that are important for achieving personally meaningful goals, leadership communicates and demonstrates the meaningfulness of the work employees do, and the link between work performed and public benefit is made clear.

Given these examples of how need fulfillment can be manifested in different ways, how can we create a healthy workplace that address the basic human needs of employees? Looking at the workplace as an integrated system of jobs, work processes, organizational structures, management processes, physical features and resources, we know that all parts of the system have to intersect synchronously to create a well-functioning organization. In this case, we are coordinating the physical and organizational aspects in support of employee health and well-being. Like the synchrony between hardware and software in electronic devices to generate the outcomes consumers want, a healthy workplace combines the physical environment (e.g., indoor environment quality in terms of air, temperature, ventilation, noise, physical layout and amenities) and the behavioral environment (e.g., organizational policies and procedures, culture and climate, human resource

practices and employee support services) to provide an employee experience that supports job performance, engagement, workplace enjoyment and satisfaction and organizational commitment. Empirical studies on the effects of basic human need fulfillment have shown need satisfaction is the pathway to intrinsic work motivation, employee health and well-being. Moreover, it contributes to employee productivity, engagement, commitment and retention, as well as important, cost-reducing outcomes, such as lower absenteeism and health-care costs (Maslach and Banks 2017; Banks, DeClercq, and Thibau 2019).

Tables 1 and 2 summarize actions that organizations can take to create a “healthier” workplace. Most organizations will not accomplish all that is set forth in these two tables. However, the more of these actions that can be implemented together and in a coordinated fashion, the more employees will likely experience a work environment that promotes their health and well-being in important respects — with employers and employees reaping the benefits that come with the creation of an environment that truly works for all parties involved.

Contributions from the Physical Environment

Environmental psychologists, architects, designers and organizational psychologists have identified elements of the physical environment that affect people’s emotions, behaviors and interactions. HR professionals are relatively new to this body of knowledge, as most of the activity in the built environment takes place within the real estate and facilities management functions. However, understanding how the physical environment affects employee health and well-being can be a new arrow in the HR quiver for building an employee experience that complements and extends other arrows they have in terms of employee programs, policies, procedures and protections. Table 1 lists physical elements; each has a long history, when done right and in combination, of greatly enhancing employee physical and psychological comfort, positive emotions, cognitive performance, engagement and attraction to the workplace (Augustin 2020; Augustin 2007). As Dube (2019) noted, well-designed workspaces don’t merely enhance cohesion and productivity; they reflect the organization’s personality.

One can informally test the hypothesis that multiple aspects of the physical environment need to work together to create a supportive experience by imagining if an employee had only a few of these elements and not most others. Would the employee experience a highly engaging, comfortable, socially and emotionally satisfying and productive work experience? That is likely to be the case in most organizations today. That is why it is important to change the scenario — both physically and behaviorally.

Contributions from the Behavioral Environment

HR professionals and a wide range of organizational scientists have been immersed in studies of how to lower the stress and unhealthy working conditions that

TABLE 1 Elements of a Healthy Workplace: Physical Environment

| Physical Environmental Factors | |
|--------------------------------|---|
| Factor | Examples of Healthy Elements |
| Indoor environmental quality | Abundant natural light without glare, full-spectrum electric light, indoor/outdoor air exchange, air purification, local temperature control, local lighting control, circadian lighting, prevention of glare, comfortable humidity, visual privacy, acoustic privacy, white noise at 45 dba, cleanliness, clean-smelling air, relatively high ceilings for spaciousness and air circulation, glass tops of internal walls for natural light, underground space lit by solar tubes or circadian lighting. |
| Building materials | Non-toxic materials, elimination of off-gassing materials, natural fabrics, internal glass features for visual transparency when privacy not needed, walls and internal barriers reach true ceiling and floor to dampen transmission of unwanted sounds/noise, floor vents surrounded by sound-dampening material to stop sound travel through raised floors. |
| Biophilia | Natural or realistic-looking plants, projections of moving nature scenes, water features (waterfall), internal/external gardens, plant fabric prints, art displays, natural materials (wood with visible grain, stone, leather, copper) and fabrics that will age over time, open internal atrium for plantings and natural light, windows that open and allows things to move inside, large nature scenes of forests, meadows and long vistas. |
| Colors | Bright unsaturated light colors for focused work areas (e.g., sage green) and saturated surface colors and intense lighting for stimulating environment, lighter colors for spaciousness, colors and color intensities vary to match different workplace zones and activities -- red colors only to signal danger or rule-following, blues to signal trustworthiness, dependability and competence, green for enhancing creative performance. |
| Visual complexity | Lack of visual clutter and lack of stark/barren environments, moderate complexity as conveyed in relatively few colors and shapes, symmetry and balance. |
| Furniture & equipment | Ergonomically adjusted workstations, secure storage for personal items, personalization of workstations/work areas, furniture in good repair, workstations placed at least six feet apart, high-comfort seating and reclining in restorative areas, equipment to encourage movement and postural variation, reliable WiFi technology devices that are easy to operate, variety of seating options for different sorts of activities. |
| Floor plan | Effective separation of focus areas from social/collaborative and restorative areas, spacious break rooms, proximity to amenities, sight lines to greenery and nature areas, areas for prospect and refuge (perching, viewing), space for accidental "collisions," avoidance of crowding, unobstructed distant views, team-based neighborhoods, multiple activity-based workplace options, clear wayfinding, workstations separated from active walkways, walkways along the front (and not back) of workstations, printers and other equipment located away from focus areas to eliminate distracting noise. |
| Tribal culture | Colors of the country flag in decor, symbols of pride in country displayed, symbolic messages displayed to stimulate employee cohesion, visual messaging of national importance and impact, floor design match cultural values (individualistic vs. collectivistic), personal space zones sized to match cultural expectations. |
| Organizational culture | Building design and furniture equipment to match activities aligned with culture (different varieties of tables, chairs, and movable walls, wheels on furnishing to change configurations), floor design and office options to match organizational structure (hierarchical vs. decentralized). |

TABLE 2 Elements of a Healthy Workplace: Behavioral Environment

| Behavioral Environmental Factors | |
|----------------------------------|--|
| Factor | Examples of Healthy Elements |
| Leadership & management | Clear approval for employees to make choices regarding how, when and where they can accomplish their work and to act in ways that promote their health and well-being; explicit specification of employee roles and responsibilities; clear and reasonable performance expectations; skilled supervision; employee involvement in problem solving and decision making; self-directed work teams; fair treatment of employees in all economic-related decisions; promotion on the basis of clear, fair and equitable criteria. |
| Organizational culture | Visual display and communication of organizational values that support the organization’s mission and that employees support, communications from leadership regarding the importance of employee health and well-being with measurement of organizational progress toward health and well-being goals, leaders’ behavior consistent with organizational values, frequent and timely communications with employees on important organizational matters, clear communications of commitment to a safe, healthy and productive work environment. |
| Job design | Support for alternative work arrangements regarding days worked, hours worked, working from home and job crafting. |
| Employee rewards and recognition | Employee, team and organizational accomplishments celebrated and rewarded, recognition of employee contributions to organizational success and rewards and recognitions given for employee innovations in health improvement and organizational effectiveness. |
| Wages/compensation | Living wages, compensation consistent with all wage/hour laws and legally compliant, wages paid for all work performed, non-discriminatory compensation and promotion practices. |
| Benefits | Affordable health care, paid leaves of absence and financial assistance for child/eldercare. |
| Work hours | Reasonable work hours — limited work hours per day and per week. |
| Employee growth/ advancement | Training and development opportunities available and are taken without penalty away from the job, career counseling available and realistic, developmental opportunities offered, organizational support programs for skill enhancement, and clear and non-discriminatory advancement opportunities. |
| Health and safety | Training in employee injury and illness prevention, affordable and employer-assisted health insurance programs, promotion of healthy behaviors, effective disease and illness prevention programs, assessment and treatment of health problems, introduction and support for participation in effective wellness programs and training for the prevention of and response to harassment, retaliation, discrimination and inequities. |
| Extra-organizational support | Assistance in navigating life challenges outside of work, such as financial assistance for child/elder care. |

have harmed employees for several decades. There are multiple points of potential organizational dysfunction that have given rise to employee disengagement, absenteeism, presenteeism, burnout and voluntary turnover. Table 2 lists examples of elements of psychologically healthy workplaces. From the software analogy described earlier, we can imagine how organizational structures and processes do (and do not) complement what the physical environment (hardware) attempts to support. Even when the physical environment has the “right” healthy elements, the workplace may not operate in a manner that supports employee beliefs that they can fulfill basic needs and thus position them to do their best work and enjoy their relationship with the organization and its members. The “right” elements of the physical environment need to match or complement the “right” elements of the behavioral environment to create a holistic approach to supporting employee health and well-being.

In order to support and promote employee health, well-being and productivity through organizational structures and processes, we would have to examine the multiple points of interaction between organizational functions and employees that affect their experience of the organization (Banks 2019). Dominant intersections include leadership and management, organizational culture, organizational structure, employment protections and compliance, risk management, finance (compensation and benefits), technology, human resources and occupational health. Each of these functions has knowledge based on scientific findings for supporting employee health and well-being. Ideally, we would bring these parties together and form as a cross-functional team whose responsibility is to implement the elements within their own domains and coordinate evaluation of the effects of each set of initiatives and interventions to form a unified picture of how the organization is functioning in the service of employee experience.

WHY HEALTHY WORKPLACES ARE A GOOD DEAL FOR EVERYONE

Proof that a healthy workplace is a good deal resides in a considerable body of research that has established that even limited, programmatic efforts to promote employee well-being have substantial positive impact (Evans, Johansson, and Rydstedt 1999; Holman and Axtell 2016; Karasek 1979; Kawakami et al. 1997; Richardson and Rothstein, 2008). Such efforts include work redesign, training and education (e.g., job control/coping mechanisms, self-efficacy and feedback processes), selection and placement (i.e., reducing strain via person-job fit) and health promotion programs. For example, redesign efforts to increase job autonomy improve mental health, reduce sickness-based absence rates and improve performance (Bond and Bunce 2001). They also enhance self-efficacy in handling work problems (Parker 1998). Stress management programs reduce absenteeism and lower medical costs (Griffin and Clarke 2011; Willert, Thulstrup, and Bonde 2011), even when delivered online (Carolan, Harris, and Cavanagh 2017). In general, providing tangible resources (e.g., technology and training that reduce constraints

Healthy workplaces promote not only individual well-being and productivity but also highly desirable organizational outcomes.

against work) to employees improves their well-being and performance (Nielsen et al. 2017). Providing intangible resources also has impact. Mindfulness training promotes employee well-being and capability to work (Bartlett et al. 2019; Slutsky et al. 2019), and job crafting increases employee engagement through need satisfaction (van Wingerden, Bakker, and Derks 2017).

As the healthy workplace involves a holistic approach emphasizing both physical and psychological factors affecting physical and psychosocial health, it provides greater impact through a comprehensive, integrated and coordinated approach (e.g., Day et al. 2016; Demou et al. 2018; Waterworth et al. 2018). Consequently, healthy workplaces promote not only individual well-being and productivity but also highly desirable organizational outcomes. As Griffin, Hart, and Wilson-Evered (2000) asserted two decades ago, the path to sustainability for contemporary organizations is to prioritize the intersection of employee and organizational outcomes. The key is to prioritize (all) stakeholder value as opposed to shareholder value, per se. Investing in employee well-being is critical not only for individual organizations but also for society (Gallup, 2020c).

HEALTHY WORKPLACES AS A NONMONETARY BENEFIT

Compensation scholars (e.g., Martocchio 2011) have emphasized the distinction between tangible (e.g., pay and program-based benefits) and intangible compensation (e.g., recognition, status, employment security, challenging work and unplanned learning opportunities). Innovations with increasing importance to employees in tangible compensation have included flexible benefit plans, enhanced protection programs, paid time off, flextime, part time or reduced load work, job sharing, leaves (e.g., educational, travel, medical and parental), employee-requested relocation, child care, elder care, wellness classes and fitness centers. These have yielded increases in workforce attraction and retention, motivation/engagement, in- and extra-role performance and job attitudes, as well as decreases in counterproductive and withdrawal behavior (e.g., Cole and Flint 2004; Dencker, Joshi, and Martocchio 2007; Kossek and Michel 2011; SHRM 2019; Williams and MacDermid 1994).

Innovations in intangible compensation have been largely unexplored compared to tangible compensation — perhaps because intangible compensation is not typically in the hands of compensation professionals. Why does this matter? The marketplace for talent is highly competitive and more so today than before the arrival of COVID-19 because top talent can work for anyone, anywhere. Businesses know how to match their competitors in tangible benefits, but they don't necessarily know how to match or beat them in nonmonetary benefits. What clearly distinguishes one organization from the next goes beyond money and organizational culture — it is the employee's total experience. The most important nonmonetary benefit an organization can offer is a healthy workplace that is holistic, comprehensive, integrated and coordinated in providing a need-fulfilling experience that motivates people to work every day and do their best work while maintaining or even enhancing their health and well-being. This type of nonmonetary benefit is difficult for competitors to imitate because it takes leadership's commitment to the value of employee health and well-being and the investment in the organizational infrastructure to bring it to fruition. Organizations that recognize this competitive advantage opportunity and commit to its investment both monetarily and organizationally will be leagues ahead.

MAKING HEALTHY WORKPLACES WORK

Wolf (2020) emphasized two factors that reinforce the timeliness of efforts to promote healthy workplaces. First, he observed that in the past, employee well-being was typically considered to be a personal matter that did not warrant focused attention by organizational leaders. However, he argued that today, leaders who emphasize employee well-being will see substantial returns on investment. Second, Wolf noted that remote workers have experienced substantial well-being issues, including low self-care, emotional isolation, lower levels of exercise, lower back pain and inadequate emotional and mental well-being. When remote workers return to the workplace, businesses with truly healthy workplaces are likely to have a more resilient, dedicated workforce than companies with less healthy workplaces. Hence, they will be better positioned for the next crisis. Moreover, employees will be highly motivated to return if their workplace incorporates the physical and psychological elements that fulfill their basic needs. The COVID-19 era has heightened worker awareness of the importance of community well-being and sensitized them to failures to sustain it. As a consequence, employees are likely to view healthy workplaces as being required rather than just desired. Indeed, the time is ripe to focus on healthy workplaces. Wolf (2020) also observed that well-being is typically not a priority of top executives. We suggest that framing a focus on healthy workplaces in terms of a strategic benefit is likely to garner the support of top executives.

The bottom line is that two forms of leadership are needed to create and sustain a healthy workplace. One is servant leadership (Greenleaf 1970), which involves

focusing on employee needs in shaping the behavioral environment. The other is workspace leadership (Witt and Banks 2020), which involves focusing on employee needs in shaping the physical environment. When organizational leaders make this commitment and invest in this very important nonmonetary benefit, they will reap the rewards of being a leader both as a business and as a supporter of quality work life — keys to being the employer of choice. ■

ABOUT THE AUTHORS

Cristina Banks, Ph.D., (cbanks@berkeley.edu) is director of the Interdisciplinary Center for Healthy Workplaces and Senior Lecturer at the Haas School of Business at the University of California, Berkeley. Her Ph.D. is from the University of Minnesota. She has published several articles on HR management issues, such as performance management and employment law compliance. More recently, she has published on the creation of healthy workplaces with the latest being a book, *Built to Thrive: How to Build the Best Workplaces for Health, Well-Being & Productivity*. She is a frequent contributor to industry panels and webinars on the impact of COVID-19 on employee well-being and productivity and the future workplace.

L.A. Witt, Ph.D., (witt@workspaceleader.com) is professor of Public Affairs (Hobby School for Public Affairs), Management & Leadership (C. T. Bauer College of Business) and Psychology at the University of Houston. His Ph.D. is from Tulane University. A former HR director in the financial services sector, he focuses on strategy-culture alignment.

REFERENCES

- American Psychological Association. 2015. "Creating a Psychologically Healthy Workplace." Viewed: Oct. 27, 2020. http://www.apaexcellence.org/resources/creating_ahhealthyworkplace.
- Augustin, S. 2020. "Workplace Design That Works." Working paper, Interdisciplinary Center for Healthy Workplaces, University of California, Berkeley.
- Augustin, Sally. 2009. *Place Advantage: Applied Psychology for Interior Architecture*. Hoboken, NJ: John Wiley & Sons.
- Badiru, A.B. 2014. "General introduction." In Badiru, A.B. ed. *Handbook of Industrial and Systems Engineering*, 1-14, 2nd ed. Boca Raton, FL: Taylor & Francis Group.
- Banks, C.G. 2014. "Creating Healthy Workplaces." White paper, Interdisciplinary Center for Healthy Workplaces, University of California, Berkeley.
- Banks, C.G. 2017. "An Integrated Approach to Healthy Workplace Design." American Psychological Association Convention, Washington, DC.
- Banks, C.G. 2019. "Introduction." In Banks, C.G., C. DeClercq, and I.J.C. Thibau, eds. *Built to Thrive: How to Build the Best Workplaces for Health, Well-Being and Productivity*. Berkeley, CA: Interdisciplinary Center for Healthy Workplaces.
- Banks, C.G., C. DeClercq, and I.J.C. Thibau. 2019. *Built to Thrive: How to Build the Best Workplaces for Health, Well-Being and Productivity*. Berkeley, CA: Interdisciplinary Center for Healthy Workplaces.
- Bartlett, L., A. Martin, A.L. Neil, K. Memish, P. Otahal, M. Kilpatrick, and K. Sanderson. 2019. "A Systematic Review and Meta-Analysis of Workplace Mindfulness Training Randomized Controlled Trials." *Journal of Occupational Health Psychology* 24(1): 108-126.
- Baumeister, R.F. and M.R. Leary. 1995. "The Need to Belong: Desire for Interpersonal Attachments as a Fundamental Human Motivation." *Psychological Bulletin* 117(3): 497-529.
- Bond, F.W. and D. Bunce. 2001. "Job Control Mediates Change in a Work Reorganization Intervention for Stress Reduction." *Journal of Occupational Health Psychology* 6(4): 290-302.
- Burton, J. 2010. "WHO Healthy Workplace Framework and Model: Background and Supporting Literature and Practices." Geneva, Switzerland: WHO Headquarters. Viewed: Oct. 27, 2020. https://www.who.int/occupational_health/healthy_workplace_framework.pdf.

- Carolan, S., P.R. Harris, and K. Cavanagh. 2017. "Improving Employee Well-Being and Effectiveness: Systematic Review and Meta-Analysis of Web-Based Psychological Interventions Delivered in the Workplace." *Journal of Medical Internet Research* 19(7): e271. Viewed: Oct. 27, 2020. <https://doi.org/10.2196/jmir.7583>.
- Cohn, M.A. and B.L. Fredrickson. 2009. "Positive Emotions." In Lopez, S.J. and C.R. Snyder, ed. *Oxford Library of Psychology: Oxford Handbook of Positive Psychology*, 13–24. Oxford, England: Oxford University Press.
- Cole, N.D. and D.H. Flint. 2004. "Perceptions of Distributive and Procedural Justice in Employee Benefits: Flexible vs. Traditional Benefit Plans." *Journal of Managerial Psychology* 19(1/2): 19–40.
- Conn, V.S., A.R. Hafdahl, P.S. Cooper, L.M. Brown, S.L. Lusk. 2009. "Meta-Analysis of Workplace Physical Activity Interventions." *American Journal of Preventive Medicine* 37(4): 330–339.
- Day, A., N. Hartling, and B. Mackie. 2016. "The Psychologically Healthy Workplace: Fostering Employee Well-Being and Healthy Businesses." In Rossi, A.M., J. A. Meurs, and P. L. Perrewé, eds. *Stress and Quality of Working Life: Interpersonal and Occupation-Based Stress*, 199–217. Charlotte, NC: IAP Information Age Publishing.
- Deci, E.L. and R.M. 2000. "The 'What' and 'Why' of Goal Pursuits: Human Needs and the Self-Determination of Behavior." *Psychological Inquiry* 11(4): 227–268.
- Demou, E., A. MacLean, L.J. Cheripelli, K. Hunt, and C.M. Gray. 2018. "Group-Based Healthy Lifestyle Workplace Interventions for Shift Workers: A Systematic Review." *Scandinavian Journal of Work, Environment & Health* 44(6): 568–584.
- Dencker, J.C., A. Joshi, and J.J. Martocchio. 2007. "Employee Benefits as Context for Intergenerational Conflict." *Human Resource Management Review* 17(2): 208–220.
- Dube, R. 2019. "Want a Better Company Culture? Create a Smarter Workspace." *Forbes.com*, May 20, 2019. Viewed: Oct. 28, 2020. <https://www.forbes.com/sites/robdube/2019/05/20/want-a-better-company-culture-create-a-smarter-workspace-with-laura-boone/#2060b3725e24>.
- Dulebohn, J.H., J.C. Molloy, S.M. Pichler, and B. Murray. 2009. "Employee Benefits: Literature Review and Emerging Issues." *Human Resource Management Review* 19(2): 86–103.
- Evans, G.W., G. Johansson, and L. Rydstedt. 1999. "Hassles on the Job: A Study of a Job Intervention with Urban Bus Drivers." *Journal of Organizational Behavior* 20(2): 199–208.
- Gallup. 2020a. "State of the American Workforce." *Workplace*, Feb. 6, 2020. Viewed: Jan. 2, 2021. <https://www.gallup.com/workplace/285818/state-american-workplace-report.aspx>.
- Gallup. 2020b. "How U.S. Companies Are Planning for a Safe Return to the Workplace." *McKinsey.com*, June 26. Viewed: Oct. 28, 2020. <https://www.mckinsey.com/industries/pharmaceuticals-and-medical-products/our-insights/how-us-companies-are-planning-for-a-safe-return-to-the-workplace>.
- Gallup. 2020c. "Prioritizing Health: A Prescription for Prosperity." *McKinsey.com*, July 8. Viewed: Oct. 28, 2020. <https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/prioritizing-health-a-prescription-for-prosperity#>.
- Gallup. 2020d. "Employees Need High Well-Being for High Performance." *McKinsey.com*, Oct. 6. Viewed: Oct. 28, 2020. <https://www.gallup.com/workplace/215924/well-being.aspx>.
- Gallup. 2020e. "Work and Workplace." *McKinsey.com*, Oct. 6. Viewed: Oct. 28, 2020. <https://news.gallup.com/poll/1720/work-work-place.aspx>.
- George, L. and C.L. Park. 2016. "Meaning in Life as Comprehension, Purpose and Mattering: Toward Integration and New Research Questions." *Review of General Psychology* 20(3): 205–220.
- Giacalone, A. 2015. "The Healthy Workplace Interdisciplinary Model of Well-Being: A Focus on Psychological States." White paper, Interdisciplinary Center for Healthy Workplaces, University of California, Berkeley.
- Gilbreth, F.B. 1911. *Motion Study*. New York: Van Nostrand.
- Grawitch, M.J. and D.W. Ballard. 2016. "Introduction: Building a Psychologically Healthy Workplace." In Grawitch, M.J. and D.W. Ballard, eds. *The Psychologically Healthy Workplace: Building a Win-Win Environment for Organizations and Employees*, 3–11. Washington, DC: American Psychological Association. Viewed: Oct. 28, 2020. <https://doi.org/10.1037/14731-001>.
- Grawitch, M.J. and D.W. Ballard. 2016. In Grawitch, M.J. and D.W. Ballard, eds. *The Psychologically Healthy Workplace: Building a Win-Win Environment for Organizations and Employees*. Washington, DC: American Psychological Association. Viewed: Oct. 28, 2020. <https://doi.org/10.1037/14731-000>.

- Grawitch, M.J., M. Gottschalk and D.C. Munz. 2006. "The Path to a Healthy Workplace: A Critical Review Linking Healthy Workplace Practices, Employee Well-Being and Organizational Improvements." *Consulting Psychology Journal: Practice and Research* 58(3): 129–147.
-
- Greenleaf, R.K. 1970. *The Servant as a Leader*. Indianapolis, IN: Greenleaf Center.
-
- Griffin, M.A. and S. Clarke. 2011. "Stress and Well-Being at Work." In Zedeck, S. ed. *APA Handbook of Industrial and Organizational Psychology, Vol. 3: Maintaining, Expanding and Contracting the Organization*, 359–397. Washington, DC: American Psychological Association. Viewed: Oct. 28, 2020. <https://doi.org/10.1037/12171-010>.
-
- Heminger, A.R. (2014). "Industrial Revolution, Customers and Process Improvement". In Badiru, A.B. ed. *Handbook of Industrial and Systems Engineering*, 45-49. Boca Raton, FL: CRC Press/Taylor and Francis.
-
- Holman, D. and C. Axtell. 2016. "Can Job Redesign Interventions Influence a Broad Range of Employee Outcomes by Changing Multiple Job Characteristics? A Quasi-Experimental Study." *Journal of Occupational Health Psychology* 21(3): 284–295.
-
- Hull, G. and F. Pasquale. 2018. "Toward a Critical Theory of Corporate Wellness." *BioSocieties* 13(1): 190–212.
-
- Kahn, W.A. 1990. "Psychological Conditions of Personal Engagement and Disengagement at Work." *Academy of Management Journal* 33(4): 692-724.
-
- Karasek, R.A. 1979. "Job Demands, Job Decision Latitude and Mental Strain: Implications for Job Redesign." *Administrative Science Quarterly* 24(2): 285–308.
-
- Kawakami, N., S. Araki, M. Kawashima, T. Masumoto, and T. Hayashi. 1997. "Effects of Work-Related Stress Reduction on Depressive Symptoms Among Japanese Blue-Collar Workers." *Scandinavian Journal of Work, Environment & Health* 23(1): 54–59.
-
- Konrad, A.M. and R. Mangel. 2000. "The Impact of Work-Life Programs on Firm Productivity." *Strategic Management Journal* 21(12): 1225–1237.
-
- Kossek, E.E. and J.S. Michel. 2011. "Flexible Work Schedules." In Zedeck, S., ed. *Handbook of Industrial and Organizational Psychology, Vol 1: Building and Developing the Organization*, 535–572. Washington, DC: American Psychological Association. Viewed: Oct. 28, 2020. <https://doi.org/10.1037/12169-017>.
-
- Martel, J. and G. Dupuis. 2006. "Quality of Work Life: Theoretical and Methodological Problems, and Presentation of a New Model and Measuring Instrument." *Social Indicators Research* 77: 333–368.
-
- Martocchio, J.J. 2011. "Strategic Reward and Compensation Plans." In Zedeck, S. ed. *Handbook of Industrial and Organizational Psychology: Vol. 1: Building and Developing the Organization*, 343–372. Washington, DC: American Psychological Association. Viewed: Oct. 28, 2020. <https://doi.org/10.1037/12169-011>.
-
- Maslach, C. and C.G. Banks. 2017. "Psychological Connections with Work." In Cooper, C. and M. P. Leiter, eds. *Routledge Companion to Well-Being and Work*, 37-54. New York: Routledge.
-
- McHugh, G. 2016. "Measuring Dimensions of a Healthy Workplace Climate: A User-Friendly Assessment Tool." *International Journal of Disability Management* 11: e1. Viewed: Oct. 28, 2020. <https://doi.org/10.1017/idm.2016.1>.
-
- Nielsen, K. 2014. "Leadership and Climate in a Psychologically Healthy Workplace." In Day, A., E.K. Kelloway, and J.J. Hurrell Jr., eds. *Workplace Well-Being: How to Build Psychologically Healthy Workplaces*, 226–244. Hoboken, NJ: Wiley-Blackwell.
-
- Nielsen, K., M.B. Nielsen, C. Ogbonnaya, M. Känslälä, E. Saari, and K. Isaksson. 2017. "Workplace Resources to Improve Both Employee Well-Being and Performance: A Systematic Review and Meta-Analysis." *Work & Stress* 31(2): 101–120.
-
- Ozminkowski, R.J., K. Marlo, E. Ratelis, J., Van de Meulebroecke, R. Kichlu, and S. Serxner. 2016. "Beyond ROI: Using Value of Investment to Measure Employee Health and Wellness." *Population Health Management* 19(4): 227–229.
-
- Parker, S.K. 1998. "Enhancing Role Breadth Self-Efficacy: The Roles of Job Enrichment and Other Organizational Interventions." *Journal of Applied Psychology* 83(6): 835–852.
-
- Pfeffer, J. 2018. *Dying for a Paycheck*. New York: Harper Collins.
-
- Richardson, K.M. and H.R. Rothstein. 2008. "Effects of Occupational Stress Management Intervention Programs: A Meta-Analysis." *Journal of Occupational Health Psychology* 13(1): 69–93.
-
- Robbins, J.M., M.T. Ford, and L.E. Tetrick. 2012. "Perceived Unfairness and Employee Health: A Meta-Analytic Integration." *Journal of Applied Psychology* 97(2): 235-272.
-

- Rongen A., S.J. Robroek, F.J. van Lenthe, and A. Burdorf. 2013. "Workplace Health Promotion: A Meta-Analysis of Effectiveness." *American Journal of Preventive Medicine* 44(4): 406–415.
-
- Society for Human Resource Management (SHRM). 2019. *U.S. Employee Benefits in 2019*, 9-10. Viewed: Oct. 30, 2020. <https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/pages/benefits19.aspx>.
-
- Slutsky, J., B. Chin, J. Raye, and J.D. Creswell. 2019. "Mindfulness Training Improves Employee Well-Being: A Randomized Controlled Trial." *Journal of Occupational Health Psychology* 24(1): 139–149.
-
- Staskon, F.C. 2016. "Psychologically Healthy Workplaces Within Effective Organizations: Achieving Long-Term Outcomes from New Symbiotic Relations." *PsycCRITIQUES*, 61(9).
-
- Taylor, F.W. 1911. *Principles of Scientific Management*. New York: Harper Bros. Publishing.
-
- Tomaschek, A., S.S.L. Lanfer, M. Melzer, U. Debitz, and G. Buruck. 2018. "Measuring Work-Related Psychosocial and Physical Risk Factors Using Workplace Observations: A Validation Study of the 'Healthy Workplace Screening.'" *Safety Science* 101: 197–208.
-
- Tung, C.Y, Y.W. Yin, C.Y. Liu, C.C. Chang, and Y.P. Zhou. 2017. "Employer and Promoter Perspectives on the Quality of Health Promotion Within the Healthy Workplace Accreditation." *Journal of Occupational and Environmental Medicine* 59(7): 642–648.
-
- van Wingerden, J., A.B. Bakker, and D. Derks. 2017. "Fostering Employee Well-Being Via a Job Crafting Intervention." *Journal of Vocational Behavior* 100: 164–174.
-
- Waterworth, P., M. Pescud, S. Chappell, C. Davies, D. Roche, T. Shilton, M. Ledger, T. Slevin, and M. Rosenberg. 2018. "Culture, Management and Finances as Key Aspects for Healthy Workplace Initiatives." *Health Promotion International* 33(1): 162–172.
-
- White, R.W. 1959. "Motivation Reconsidered: The Concept of Competence." *Psychological Review* 66(5): 297-333.
-
- Willert, M.V., A.M. Thulstrup, J.P. Bonde. 2011. "Effects of a Stress Management Intervention on Absenteeism and Return to Work — Results from a Randomized Wait-List Controlled Trial." *Scandinavian Journal of Work, Environment & Health* 37(3): 186–195.
-
- Williams, M.L. and S.M. MacDermid. 1994. "Linkages Between Employee Benefits and Attitudinal and Behavioral Outcomes: A Research Review and Agenda." *Human Resource Management Review* 4(2): 131.
-
- Witt, L.A. and C.G. Banks. 2020. "Workspace Leadership: Culture by Design." Working paper, Hobby School for Public Affairs, University of Houston.
-
- Wolf, R. 2020. "Invest in Your Employees' Well-Being; You Can't Afford Not To." Gallup.com, Sept. 18. Viewed: Oct. 28, 2020. <https://www.gallup.com/workplace/320297/invest-employees-wellbeing-afford-not.aspx>.
-
- World Health Organization. 1948. "Preamble to the Constitution of the World Health Organization as Adopted by the International Health Conference," 19–22, June. Viewed: Oct. 28, 2020. <http://who.int/about/definition/en/print.html>.
-
- WorldatWork. 2019. "Social Movements Raise Worker Expectations." *Workspan*, February. Viewed: Nov. 6, 2020. <https://worldatwork.org/workspan/articles/social-movements-raise-worker-expectations>.
-