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The paradox of employee psychological well-being practices: An integrative literature review and new directions for research

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Abstract

It is well established that many HR practices for employees’ psychological wellbeing (PWB) and organisational performance conflict and even contradict one another. We address this long-standing issue by undertaking an innovative integrative literature review using the paradox metatheory as a lens. Unlike the contingency approach, a paradox perspective reflects real-world tensions as normal, which can be harnessed and be beneficial. We make three contributions; firstly, we identify contradictory employee PWB and organisational performance HR practices; secondly, we offer a solution in addressing the inherent tension between PWB and performance by developing a new sensemaking conceptual framework; and for our third contribution we offer a more nuanced perspective by distinguishing endogenous factors that organisations can influence to enhance the synergies between employee PWB and organisational performance HR practices. The intended impact of this paper is to instigate a paradigm shift and shape a new trajectory of thinking about how employee PWB and organisational performance practices can exist side-by-side.

Key words: psychological wellbeing, performance, HR practices, paradox, meta-theory
Introduction

Employee-centred HR practices, in particular wellbeing, have gained much interest from scholars and practitioners, especially given their claimed benefits to both staff and the organisation (Guest, 1999). Traditionally, researchers have focused on three dimensions of wellbeing; physiological, psychological and social. Nonetheless, we argue that the psychological dimension of the construct is paramount given the important and central role of mental processes such as perception e.g. Chu, Thorne, and Guite (2004), and ultimately impacting on organisational outcomes (Danna & Griffin, 1999; Hardy, Woods, & Wall, 2003). For example, psychological distress can lead to physical exhaustion and social withdrawal from peers.

Research has also demonstrated that HRM practices lead to positive organisational outcomes (Jackson, Schuler, & Jiang, 2014). However, scholars have recognised the competing, and at times even conflicting, nature of HR practices in supporting both employee psychological wellbeing (PWB) and organisational performance. An emphasis on organisational performance through high-performance work systems (HWPS) (Aryee, Walumbwa, Seidu, & Otaye, 2012) leads to work intensification (Combs, Liu, Hall, & Ketchen, 2006), while organisational change may result in the use of provisional practices (Brown, Ainsworth, & Grant, 2012) that create role ambiguity. For example, the introduction of HR practices such as pay-for-performance can lead to adverse effects on employee PWB (S. Park & Sturman, 2016) through increased feelings of rivalry and conflict among colleagues, and anxiety due to the lack of security in remuneration. Given the potential tensions between employee- vs organisational-centric HR practices, it is important to explore and identify employee PWB practices that complement and compete with practices that support organisational performance. This in turn requires a fresh approach in helping HR professionals through this potentially confounding area of practice.
Therefore, the aim of this study is to synthesise existing literature on the paradoxical challenges posed by tensions that exist between employee PWB and organisational performance practices. In doing so, a paradox metathtory will be used to interrogate and integrate literature, and to differentiate between employee PWB practices that complement or compete with practices supporting organisational performance. The paradox metathtory is an appropriate lens as scholars such as Smith and Lewis (2011) argue that paradoxes render the dominant management model of the contingency approach inadequate because management are required to address opposites simultaneously, circumventing the need to choose one over the other or make trade-offs. Unlike the contingency approach, a paradox perspective views tensions as normal, which can be harnessed and be beneficial (Smith & Lewis, 2011).

This study makes three important contributions. The first contribution of our study is that we are the first to adopt a specific focus on paradoxes between PWB and performance HR practices. The paradox lens has enabled us to comprehensively identify from extant research and literature employee PWB and organisational-performance HR practices that are contradictory with one another. Our second contribution is in addressing the inherent tension between PWB and performance as we develop a new sensemaking conceptual framework that demonstrates how the PWB-performance paradox can be addressed. The intention of this contribution is to instigate a paradigm shift and shape a new trajectory of thinking about how employee PWB and organisational performance practices can exist side-by-side. Finally, for the third contribution, we build upon the work of Guest (2017) who adopted a symbiotic view of PWB practices with organisational performance. Specifically, he argued that the two should not pose a dilemma as the adoption of PWB practices ultimately contribute to organisational performance. Nonetheless, we adopt a more nuanced view as we contend that such opportunities for synergy are context-dependent. For example, new firms can build-in employee PWB into firm performance practices early on and thereby imprinting the firm’s
practices that coalesces PWB with organisational performance and setting a strong
precedence for future reference (Marquis & Tilcsik, 2013).

The next section is a literature review on the paradox metatheory and extant research
on the psychological dimension of wellbeing. This is followed by a discussion on the
methodology employed in this integrated literature review. The findings of the review are
then presented. A discussion follows that includes the development of a conceptual
framework. Finally, emerging issues within this area are highlighted and directions for future
research are outlined.

Underpinning Theory and Literature Review

Paradoxes

Schad, Lewis, Raisch, and Smith (2016) define paradox as, ‘persistent contradiction between
interdependent elements’ (p. 10), and it is one of many related forms of organisational
tensions including dilemmas (McGrath, 1982), dualities (A. Smith & Graetz, 2006) and
dialectics (Seo & Creed, 2002). Paradoxes are both inherent and socially constructed
(Luscher & Lewis, 2008). Paradox is inherent due to the intrinsic nature of some systems;
e.g. equality vs equitability; and is also socially constructed due to institutional actors’ choice
of cognitive frames, dialogical mixed messages (Argyris, 1988) and ‘functional stupidity’ as
a consequence of a lack of reflexivity (Alvesson and Spicer (2012).

While organisational tensions are ubiquitous, many are latent (Luscher & Lewis, 2008).
However, as change intensifies, such as in today’s environment, these dormant tensions start
to manifest and organisations begin to face many paradoxical challenges. The multiplicity of
goals inherently invites tension as organisations strive to address competing and even
opposing needs of stakeholders (Scherer, Palazzo, & Seidl, 2013). In addition, the need to ‘do
more with less’ becomes proverbial as scarcity is fueled by the need to satisfy multiple goals.
Change, plurality and scarcity are potent alchemy that promotes paradoxes such as to cooperate and compete (Chung & Beamish, 2010), explore and exploit (Smith, Binns, & Tushman, 2010), and learn and perform (Dobrow, Smith, & Posner, 2011).

If paradoxes are not attended to, ambivalence, conflict, chaos and collapse ensue (Schad et al., 2016). Finding a balanced approach is key, as Sundaramurthy and Lewis (2003) argue “Stressing one polarity exacerbates the need for the other, often sparking defenses, impeding learning, and engendering counter-productive reinforcing cycles” (p. 397).

Although the dominant contingency approach offers one response to tensions, it is inherently about choices, which may not be genuinely available when confronted with paradoxes and dualities (Smith & Lewis, 2011). The paradox perspective is about attending to all competing demands at the same time; it views tensions as normal, and they can be functionally exploited (Smith & Lewis, 2011).

**Metatheory**

Tsoukas (1994) proposed that a metatheory is a theory of theories, while Ritzer (1990) states that a metatheory is “an overarching theoretical perspective” (p. 3), which is similar to Lewis and Smith’s (2014) construal of metatheory as a ‘theoretical framework’. Qiu, Donaldson, and Luo (2012) suggest that a metatheory is a paradigm, with Hesketh and Fleetwood (2006) arguing that a metatheory is an overriding assumption and that all theory employs metatheory. Tsoukas (1994) contends that a metatheory is particularly useful when there are no acceptable theories of a phenomenon. He further contended that a metatheory can be used as an organising instrument that i) guides the identification of ontological and epistemological principles of a phenomenon, which then ii) bring together divergent perspectives of a phenomenon, which is premised upon various applications. He argues that undertaking the two steps should elucidate the nature of a phenomenon by revealing the
relationship between the various perspectives and the scope of the applications of the perspectives.

The metatheory approach has been used in a number of fields within management and organisation studies. For example, Poole and Van de Ven (1989) attempted to develop a metatheory of innovation, while Hesketh and Fleetwood (2006) adopted critical realism as a metatheory in examining the link between HRM and performance. In addition, Jarvensivu and Moller (2009) applied a metatheory of inter-organisational network management, while Chao and Moon (2005) used chaos, complexity, and network theories in building a metatheory to understand the complexity of culture from the perspective of a cultural mosaic.

**Paradox as a Metatheory**

Metatheories are effective in helping move beyond an ‘either/or’ polarisation (Tsoukas, 1994). Schad et al. (2016) argue that the plurality and multiplicity in the application of paradox renders it as a metatheory. For example, paradox has been used as a tool for theorising e.g. Dameron and Torset (2014), while others have used paradox as a lens to study relationships in phenomena e.g. Hahn, Preuss, Pinkse, and Figge (2014), with some framing paradox as theory e.g. Smith and Lewis (2011).

Schad et al. (2016) claim that paradox as a metatheory offers a powerful lens as an *explanandum* of tensions, which are ubiquitous in organisations. Lewis and Smith (2014) support this view as a metatheory lens uses the principles of paradox in bridging multiple constructs, theories, context and methodologies as they argue that “…*metatheory is unconstrained by particular contexts, variables or methods, rather delineating core elements, such as underlying assumptions and central concepts, for a scholarly community*” (p. 129). A paradox metatheory is appropriate here given the complexities that are inherent in the relationship between employees’ PWB and organisational performance. Such a claim is
supported by scholars such as Tsoukas (2017) who argue that the ‘complexification’ of theory is needed to reflect the complexities in reality.

**HR Practices-Psychological Wellbeing**

Psychological wellbeing is a multi-dimensional construct that has been conceptualised in various ways by scholars. For example, Ryff (1995) defines it as a representation of wellness, which is conceived as “progressions of continued growth across the life course” (pg. 99). Schmutte and Ryff (1997) define it as “a general feeling of happiness” (pg. 551). Similarly, Panaccio and Vandenberghe (2009) conceptualise PWB as being characterised by the presence of positive affect, the absence of negative affect, job satisfaction and life satisfaction. Warr (1990) on the other hand operationalised PWB along three dimensions covering satisfaction-dissatisfaction, enthusiasm-depression and comfort–anxiety. According to Diener and Suh (1997), PWB may be in the form of thoughts or in the form of affect. This is consistent with Ryff and colleagues model of PWB which encompasses six dimensions; involving self-acceptance, personal growth, purpose in life, positive relations with others, environment mastery, and autonomy (Ryff, 1989a, 1989b; Ryff & Keyes, 1995). In considering PWB, a distinction is often made between hedonic (positive emotions) and eudemonic (positive functioning) well-being (Guest, 2017). Hedonic wellbeing is typically represented by life/job satisfaction and is seen as driven by the need for rewards/pleasure and the avoidance of negative experiences e.g., Ryan and Deci (2001). On the other hand, eudaimonic wellbeing provides opportunity for self-expression and is derived from the assessment that one’s life situation is meaningful e.g. Ryff and Keyes (1995).

PWB has been found to relate with a number of outcomes by scholars. For example, Cartwright and Cooper (2008) found that people with higher levels of PWB at work are healthier, have happier lives and live longer. Wright and Cropanzano (2000) in their field
study, demonstrated that there was a positive relationship between PWB and job performance. Similar findings were reported by Robertson, Birch, and Cooper (2012) where PWB was found to have incremental value over and above that of positive job and work attitudes in predicting self-reported levels of performance. Antecedents of PWB have also been examined by scholars, some of which include: transformational leadership e.g. Arnold (2017); authentic leadership and attachment insecurity e.g. Rahimnia and Sharifirad (2015); perceived organisational support e.g. Panaccio and Vandenberghhe (2009); meaningful work and perspective taking e.g. Arnold and Walsh (2015); employee perception of HR practices e.g. Baluch (2017); emotional intelligence e.g. Carmeli, Yitzhak-Halevy, and Weisberg (2009); HPWS e.g. Heffernan and Dundon (2016).

These results reflect the increasing interest in PWB in scholarly research. Recent arguments suggest that given the changes in work conditions such as the influx of information technology, financial unsettlement, economic, political and global upheavals etc., in order for organisations to increase their performance, they first have to take into consideration their employee wellbeing (c.f. Guest, 2017). Employers have therefore focused on implementing practices that could foster employee PWB. These practices, mainly within the remit of HR management, oftentimes pose paradoxical challenges to the organisation because of the contradictions that exist between those that positively influence PWB and those that focus on increasing organisational performance at the expense of PWB. Therefore, building on the work of Guest (2017) and as noted above, we aim to interrogate and synthesise literature to differentiate between HR employee PWB practices that complement or compete with practices supporting organisational performance and change using the paradox metatheory lens.
HR Practices—High Performance

While there is a claimed link between HR practices promoting PWB and positive impact on organisation performance, there is a separate and distinct thread of research within what is referred to as Strategic HRM, which focuses on utilising HR practices to improve organisation performance (Combs et al., 2006). These performance focused HR practices have been coined under various terminologies such as high performance work systems (HPWS), high involvement management (HIM), and high commitment management, with scholars mostly examining relationships between what are referred to as HPWP and organisational outcomes (Kinnie, Swart, & Purcell, 2005). HPWP research pays little attention to potential effects of identified practices on individual employees, including their PWB (Guest, 2017).

Organisational outcomes associated with HPWP include increased job satisfaction, lower employee turnover, higher productivity, better decision-making, increased efficiency, and greater flexibility. These outcomes all help improve organisational performance (Combs et al., 2006). The main HR practices associated with HPWP include training and development; incentive compensation; selection; employee participation and flexible work arrangements (Combs et al., 2006). Each of these has some potential for impacting PWB, either positively, negatively, or both. For example, employee participation can have positive impact on PWB. However, the effects may vary across different occupational groups (Kinnie, et al., 2005), with members of some groups experiencing participation as empowering while others experience anxiety. It is reasonable to assume that there will also be individual differences within occupational groups. Similarly with incentive compensation, which may be experienced as positive and as negative by different groups and individuals. Negative experience of incentive compensation is likely to lead to anxiety and have a negative impact on PWB. It is therefore clear that HR practices associated with HPWP may be detrimental to
employees’ PWB and, through that effect, have negative consequences for organisation performance.

**Methodology**

We used two of the most commonly used databases in management studies; Scopus and Web of Science (Klang, Wallnöfer, & Hacklin, 2014). The search process first involved the primary topic of the study, using the Boolean terms ‘health’ OR ‘well-being’. Using the database’s inbuilt filters, we then limited the articles to those in English in the field of psychology and business management. By selecting only journal articles we adopted the viewpoint of Podsakoff, Mackenzie, Bacharach, and Podsakoff (2005) who argued that such periodicals represent validated knowledge. We then progressively searched within each return set with the Boolean terms ‘Employee’ OR ‘Workplace’, followed by ‘Organisational Performance’ and ‘Human Resource *’, using wildcards to broaden the search. Scopus had 106 returns, while Web of Science recorded 54. Sixty-eight articles were used for the study. Table 1 shows the steps taken in the literature search and selection process.

| Table 1 near here |

To ensure that the articles were relevant and contributed to the attainment of the study’s aim, we screened the articles for relevance and suitability. For example, articles were excluded for five primary reasons; i) themes involved examining HR practices in improving organisational performance in health-care organisations, ii) focus on PWB with cursory or no mention of HR practices, iii) focus on HR practices with little or no relevance to PWB; or, in relation to performance iv) articles emphasised the constructs e.g. organisational commitment, with only cursory reference to PWB, and v) articles focused on detriments on employee PWB in the context of personality and personal factors e.g. ethnicities. Table 2 shows that most of the papers reviewed were quantitative studies.
The articles were reviewed and evaluated using the paradox metatheory lens. While an analytical framework was developed prior to the analysis, we adopted a reflexive approach and adapted the framework to fit with the data as new perspectives emerged. The synthesis that then follows from the literature review offers a new conceptual framework (Torraco, 2016) and perspective of employee PWB and organisational performance practices.

Findings

The findings are organised into four parts. The first highlights the variability in the conceptualisation of employee PWB. The second part identifies the PWB practices that are paradoxical to organisational performance, while the third highlights the ‘mutual-gains’ PWB practices with organisational performance i.e. ‘win-win’ scenario. Finally, the fourth part outlines the contexts for mutual-gains model of PWB practices on organisational performance.

Conceptualising Employee PWB

Our analysis of the literature revealed that authors conceptualised PWB broadly, including job satisfaction e.g. Boxall and Macky (2014); diversity management e.g., Guillaume, Dawson, Otaye-Ebede, Woods, and West (2017); happiness and job involvement e.g. Huang, Ahlstrom, Lee, Chen, and Hsieh (2016); as the inverse of emotional exhaustion e.g. Shantz, Arevshatian, Alfes, and Bailey (2016); as a degree of depressiveness e.g. Stengård, Bernhard-Oettel, Näswall, Ishäll, and Berntson (2015); as the inverse of burnout e.g. van Mierlo, Rutte, Vermunt, Kompier, and Doorewaard (2006); and as within the continuum anxiety-contentment e.g. Wood and de Menezes (2011). Given the broad conceptualisation of PWB, many HR practices can be construed as directly or indirectly supporting employee PWB. For example, although ‘challenging jobs’ is usually part of performance-enhancing initiative, it
may be conceived as an employee PWB practice in enhancing job satisfaction, although
challenging job assignments in turn may also be perceived as stressful and cause self-doubt
(Šarotar Žižek, Treven, & Čančer, 2015). Some jobs are inherently stressful, for instance,
customer-facing staff performing emotional labour can experience distress as they feel
estranged from their true self (Sloan, 2008).

**Paradoxical PWB Practices**

Some authors found that although HPWS may instigate employees’ higher levels of
satisfaction and greater intrinsic rewards from their work, employees, at the same time, may
experience greater anxiety and more intense work rhythms, increased workloads and strains
that ultimately act as a barrier to high performance (Decramer et al., 2015; Van De Voorde &
Beijer, 2015). An unintended consequence of the introduction and on-going demands of high
involvement management (HIM), rather than create an increased sense of coherence or a
feeling of being valued by the organisation (therefore increasing PWB) (Wood & de
Menezes, 2011), lead workers to question the organisation’s valuation of them and the
comprehensibility and meaningfulness of what surrounds them (Wood, Van Veldhoven,
Croon, & de Menezes, 2012). Research shows a nuanced picture in that performance-related
practices involving enriched jobs can be complementary with employee PWB but at the same
time their performance-related practices i.e. HIM, are counter-effective to employee PWB
(Fan et al., 2014). Such inconsistent results extend to the practice of performance appraisal,
as it can be either motivating or demotivating. Its effectiveness is highly contextual,
dependent on how it is designed and implemented e.g. de Koeijer, Paauwe, & Huijsman,
(2014). Additionally, participative management has been shown to be negatively associated
with employee social well-being (Boreham, Povey, & Tomaszewski, 2016), while,
remarkably, empowering leadership practices have no significant impact on PWB (J. G. Park, Kim, Yoon, & Joo, 2017) (see Appendix 1 for summary of findings).

Job resources e.g. autonomy and discretion are paradoxical with high efficiency practices and business models such as just-in-time (JIT) and total quality management (TQM) as they may impede productivity (Schabracq & Cooper, 1997). Other practices such as quantitative flexibility, which is generally advantageous for organisations, is detrimental to employees in terms of job security (Schabracq & Cooper, 1997). Although it is not surprising that practices that support work systems such as lean may enhance organisational performance but may be detrimental to employees’ PWB e.g. Townsend & Wilkinson (2010), it is nonetheless counter intuitive that enhancing employees’ job resources to enable them to better cope with such work systems can also be to employee psychological detriment. There are elements in job design to build-in autonomy to enhance PWB (R. Park & Searcy, 2012) such as flexible working arrangements (FWA). FWA not only increases job autonomy but it can also increases work life balance (WLB) (Rudolph & Baltes, 2017) and therefore PWB (Boreham et al., 2016). However, other research revealed that FWA could lead to insecurity (Lange, 2013) with some scholars identifying more nuanced relationship necessitating FWA/WLB practices to be coupled with effective team design to be effective (Liu & Wang, 2011). Figure 1 illustrates the paradoxical PWB practices with practices supporting organisational performance.

[Figure 1 near here]

Other PWB practices that may have counter impact are employee communication practices enabling participation and involvement. The positive impact of such practices is limited as through the passage of time staff may feel the practices become invasive and stressful (Cañibano, 2013). The need to accommodate ‘more’ communication may also impede the speed of decision-making (Boxall & Macky, 2010). Further PWB practices aimed
at enhancing collegial relationships with co-workers can be undermined by competitive organisational climate supported by individual-based competitive reward schemes (Reio & Ghosh, 2009), which confuses staff at best and causes frustration and withdrawal of extra-role behaviours at worst. The impact of some PWB practices may need further research as some practices do not result in the envisaged impact e.g. health and wellness practices on mitigating turnover (Caillier, 2016) or enhancing work-life balance (Bui, Liu, & Footner, 2016).

**Mutual Gains PWB-Performance Practices**

Literature also shows practices that generally provide a win-win scenario for employee PWB and organisational performance. Learning and development (L&D) practices tend to have an overall positive impact (Reio & Ghosh, 2009) especially if they cater for employees’ professional and personal development (Kira & Balkin, 2014). While most L&D practices are directed at maximising employees’ abilities (e.g. talent management) to increase job involvement and ultimately performance (Spreitzer, Sutcliffe, Dutton, Sonenshein, & Grant, 2005), such practices can also help improve performance by enabling employees to better cope with stress e.g. enhancing emotional intelligence e.g. Karimi, Cheng, Bartram, Leggat, & Sarkeshik, 2015. van Mierlo et al. (2006) found that practices that stimulate learning mitigate the effects of work intensification. L&D practices that stimulate individuals through task design can reduce emotional exhaustion and thereby increase PWB (Rudolph & Baltes, 2017).

Other ‘functional’ HR practices include recruitment and selection involving hiring staff with spiritual vitality and ethical character, tailoring compensation and benefits packages to provide equitable pay scales tends (Wright, 2010), and widening and improving employee engagement and voice practices to understand employees’ PWB needs as well as to convey
organisational performance requirements that ultimately allows the discovery of mutual gains thresholds e.g. Conway, Fu, Monks, Alfes, & Bailey (2016). PWB schemes, including occupational health and safety, such as counselling to improve PWB, can reduce absenteeism and therefore improve performance and general wellbeing e.g. Ogunyomi & Bruning (2016). Tsai and Wu (2010) argue that such interventions help create a climate that promotes organisational citizenship behaviours as employees become more satisfied with their job. HR practices that enrich jobs through the creative design of tasks stimulate employees and thereby increase commitment and performance e.g. Mihail & Kloutsiniotis (2016). Other PWB practices to enhance the work environment include investing in physical infrastructure (ergonomics, safety) (Sadatsafavi & Walewski, 2013), and ‘situational engineering’ involving techniques designed to alter physical work environments (Wright, 2010).

**Context for Mutual Gains**

Clearly there are many contingent factors that enable PWB and organisational performance practices to exist in harmony (Ogbonnaya, Daniels, Connolly, & van Veldhoven, 2017) such as age of employees (Kooij et al., 2013) and national culture (Malek, Mearns, & Flin, 2010), In addition to these exogenous factors that organisation’s may not be able to influence, there are however endogenous factors that can be shaped such as focusing on innovation and creating a positive organisational climate without using work intensification practices (Heffernan & Dundon, 2016), and establishing selection practices aimed at recruiting employees that have high organisation and/or job-person fit (Mostafa, 2016).

Employee perceptions are a strong antecedent of the impact of HR practices for PWB and performance e.g. Shantz et al. (2016). For example, change in organisational logics e.g. public service to for-profit enterprise, may cause employees to perceive changes in HR practices with suspicion e.g. Townsend & Wilkinson (2010). Such a situation is typified in
many universities where financial performance is highly prized (including surrogates such as student recruitment and research funding) above other social goals. Employees’ perception of organisational support is also crucial. For example, Zhang, Zhu, Dowling, & Bartram (2013) found that employees who perceive the relationship with their employers as an economic exchange will in turn view HR practices for high performance as exploitive. Whereas employees that perceive the relationship as a social exchange will in turn view HR practices for high performance as a win-win situation in favour of both employees’ well-being and organisational performance. Employees’ perception of organisational justice (distributive, procedural and interactional) also has a strong impact on the effects of PWB and organisational performance practices. Toh, Morgeson, and Campion (2008) showed that paradoxes may not emerge if HR practices are consistent with organisational values, in particular when organisational values view employees’ PWB as synonymous with organisational performance e.g. Sadatsafavi & Walewski, (2013).

Many ‘progressive’ organisations will claim that a host of PWB practices are inscribed in policy. However, it is how the practices are introduced and implemented that counts e.g. Woodrow & Guest (2014). The implementation of practice can be improved with effective communication focusing on the manner in which HR policy and intended outcomes of HR practices shared (Sparks et al., 2001). Van De Voorde and Beijer (2015) suggest that line managers need to effectively convey the purpose of HPWS practices to improve employees’ attribution of the practice. Wood and de Menezes (2011) propose that organisations communicate clear-cut outcomes, in particular related to enriching jobs, by enhancing consultation and improving information sharing. In addition, there are some practices that line managers can implement to buffer the impact of performance attributions such as implementing stress management programmes. Line managers therefore play an important role e.g. how well they adopt and balance HR-related roles i.e. ‘Employee Champion’ and
‘Strategic Partner’ (Shipton, Sanders, Atkinson, & Frenkel, 2016). It is equally crucial that managers are well trained to implement participative leadership e.g. Metz, Brown, Cregan, & Kulik (2014).

Discussion

The notion that some PWB practices may conflict with organisational performance may not be new as the fabric of modern organisations themselves are counter to employee PWB (O’Donohue & Nelson, 2014). Nonetheless, it is important that organisations are equipped to deal with paradoxes as they occur as no one organisations will have ‘perfect’ circumstances befitting both PWB and organisational performance. Smith and Lewis (2011) argue that a paradoxical perspective requires management to address opposites simultaneously, circumventing the need to choose one over the other or make trade-offs. Ultimately they suggest that the solution to paradoxes demands “…creative sensemaking…” (p. 395). This section discusses how management are able to address paradoxical issues due to PWB and organisational performance practices through sensemaking.

Sensemaking is homologous to ‘organising’ in that it aims at restoring cognitive order (Sandberg & Tsoukas, 2015). Sensemaking occurs in both immanent conditions and times of crisis. The genesis of sensemaking varies: it occurs when reality simply does not match ‘theory-in-use’ (Schwandt, 2005); when an individual ‘feels’ something is not right (Weick, 2006); there is a presence of disruptive ambiguities, crisis and disasters (Weick, Sutcliffe, & Obstfeld, 2005); threats to identity, epiphanies and even planned changes (Maitlis & Lawrence, 2007). Our conceptual framework (Figure 2) uses sensemaking as an approach in addressing the PWB-performance paradox, specifically building upon Luscher and Lewis’ (2008) work, that demonstrates how effective managerial sensemaking helped firms to address paradoxical challenges in times of change. The framework has five stages; mess,
problem, dilemma, paradox, and achieving. Organisations move through the stages via four activities; evidence-based enquiry, multiple perspective taking, double loop learning, and reframing.

[Figure 2 near here]

A mess is a complicated situation and may occur when organisations attempt to balance a firm-wide performance-orientated approach by employing PWB policies, without consideration of existing policies; for example when work-life balance policies contradict performance management indicators (Ackoff, 1993). A difficult situation may deteriorate into a ‘mess’ as HR are unable to reconcile policies to reflect senior managements’ intentions, resulting in line managers implementing the policies inconsistently. Confusion therefore sets in. To gain clarity, evidence-based enquiry is used as it encourages the specification of outcomes (symptoms) and potential root causes that contribute to the problematic situation (Rousseau & McCarthy, 2007). This approach helps to verify that the issues are genuine and not mere misunderstandings. For example, line managers may point out where the inconsistencies lie in written policies in providing opportunities for employee autonomy but at the same time having to adhere to strict standard operating procedures.

As the situation becomes clearer, people are able to identify the discrete problems. Problems are difficulties that a person or one party faces (D'Zurilla, Nezu, & Maydeu-Olivares, 2004). However, when aggregated and viewed collectively, the problematic situation appears severe. A technical approach to problem solving is inadequate as solving one problem may exacerbate another e.g. ‘shifting the burden’. For example, line managers may adopt a contingent ‘if-then’ approach, but this may in fact undermine the reason for the PWB policies as employees feel there is a lack of procedural justice. To address this situation, multiple perspective taking must be adopted, involving eliciting and understanding the viewpoint of others (Grant & Berry, 2011). This approach helps in gaining a more
complete picture of the situation; i.e. ‘connecting the dots’; which identifies that there are competing and even contradictory views. For example, while employees acknowledge that some wellbeing policies such as FWA may not always be for altruistic reasons, they believe that the policy in itself has benefits even though its ‘returns’ are long term orientated, which is in contrast to management’s view who may believe that wellbeing is important but for short-term, instrumental reasons.

Dilemma sets in as people in an organisation feel ‘stuck’ as the options available are polarities that have both advantages and disadvantages (Aguinis, Gottfredson, & Joo, 2013). When one polarity is favoured, adverse outcomes transpire. For example, with a conviction that challenging jobs lead to learning for performance, management are intent in ‘challenging’ employees to learn but this stresses employees as they may not be able to cope with the challenges and feel that they have to constantly show that they have ‘learned’, which is not always demonstrable. Double loop learning is a helpful aid in this situation as it involves questioning one’s own beliefs and way of thinking (Argyris, 2002). Questions that arise from a double loop learning process may include ‘why is there a dilemma in the first place?’, ‘is this dilemma self-imposed as we take things for granted?’ For example, through double loop learning management may appreciate that psychological safety is crucial as people tend to be vulnerable when they learn, especially when stretched doing challenging jobs, and that management must learning is not always a predictable process (Abubakar & Arasli, 2016).

Ultimately, organisations then find themselves in a paradoxical situation. A paradox occurs when there are persistent contradictory interdependent elements (Schad et al., 2016). For example, performance-orientated practices such as performance-based compensation packages create competitive environments that strain relationships between colleagues and invites conflict, which undermines efforts to enhance employee communication and
collaboration. In addition, managers may view that an emphasis on wellbeing practices such as work-life balance undermine performance-related initiatives as it gives employees excuses for not ‘seeing out the work’ even after completing their mandatory working hours for that day. Reframing allows organisations to address paradoxes as it helps to change one’s interpretive framework (Maitlis, 2005), which provides a coherent configuration of assumptions, rules, and boundaries (Bartunek, 1984). For example, the reframing of a paradoxical situation allows managers to view such a situation not as one that is debilitating but as a catalyst for creativity in new ways of doing things. Reframing enables managers and employees to accept that paradoxes do not go away but workarounds nevertheless can be identified and developed (e.g. such as adopting this sensemaking framework).

Conclusion and Future Research

By adopting a specific focus on paradoxes between PWB and performance HR practices, we make our first contribution by comprehensively identifying employee PWB and organisational-performance HR practices that are contradictory with one another. Recent research has established that HR practices have varying effects on different occupational groups, and also unpredictable impact through inconsistent implementation by line managers (Kinnie, et al., 2005). There is also the potential for confusion, and contradiction, across HR practices. While it is well established that HR practices in relation to organisational performance are more likely to have positive impact when ‘bundled’, there is still a tendency to introduce a single practice for a single purpose. One example is FWA to support PWB. This can ignore the impact in other areas, especially organisation performance. This is in part a cause of confusion through contradictory objectives; e.g. is FWA primarily to promote PWB at the expense of performance? Or, if FWA is introduced to promote organisation performance by reducing employment costs, is this at the expense of PWB? These questions
lead to our first contention here. This is that such questions will be at the heart of future research and concern in professional practice (Guest, 2017). The focus will be on how to reconcile the apparent contradictions.

In addressing this issue, we offer our second contribution by developing a new sensemaking conceptual framework that demonstrates how the PWB-performance paradox can be addressed. The underlying contention is that there is a need to reframe the apparent contradiction as a paradox. Contradictions are conceived as problems. In contrast, paradoxes are conceived as natural occurrences in social systems, and as opportunities for positive learning and change. Our central argument is that future research needs to adopt the concept of paradox as a metatheory to analyse and understand how HR practices can complement rather than contradict each other. The conceptual framework in Figure 2 is our contribution to enabling and supporting future research into HR practice, which promote both PWB and high performance.

Finally, we offer our third contribution by identifying contexts for mutual gains as we build upon the work of Guest (2017) who adopted a symbiotic view of PWB practices with organisational performance. Specifically, we complement his work by adopting a more nuanced perspective in identifying endogenous factors that organisations can influence to enhance the synergies put forth by Guest (2017). Our contribution chimes with the work of some authors; e.g. Torre (2012); who have suggested that empirical studies on the effects of HPWS on psychological PWB is mixed, and therefore a ‘sceptical view’ is appropriate given the paradoxical nature of the relationship and the near-impossibility in categorically attributing the impact of HPWS on PWB. For example, workers involved in HPWS may register higher levels of satisfaction and greater intrinsic rewards from their work, but at the same time they may experience greater anxiety and more intense work rhythms. Authors suggest a causal chain approach be adopted as an analytical approach as the impact of HR
practices is complex with many latent and mediating factors e.g. Ang et al. (2017). Torre (2012) argues that a more tailored approach is required as the context in which the practices are introduced and the needs of the individual must be considered. The conclusion of the study is also consistent with other findings related to communication and perceptions of employees on HR practices e.g. Shuck and Reio (2014).
References:


*part of sample reviewed*
Tables and Figures

Table 1: Literature search and screening steps

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Figure 1: Illustration of the paradox between HR PWB and HR performance-orientated practices

**Psychological Wellbeing practices:**
- Increasing job-resources e.g. job autonomy/discretion
- Flexible work arrangements (FWA) reduce work/family conflict
- Challenging jobs increases motivation
- Employee communication to enhance sharing of ideas and reduce uncertainty

**HR performance-orientated practices:**
- High efficiency practices e.g. JIT requires standard operating procedures
- High involvement management to increase work centrality
- HPWS e.g. supporting TQM, requires high citizenship behaviours
- Appraisal system and pay-for-performance increase employee performance

**Paradox and tensions**
- Increasing discretion reduces efficiency
- FWA distracts employees from their jobs
- Challenging jobs perceived to be exploitive and employees withdraw extra-role behaviours
- Information asymmetry occurs due to pay-for-performance and causes poor organisational performance

**Organisational performance**

Positive (Intended) →
Negative (Unintended) →
Figure 2: Conceptual framework: Sensemaking approach in addressing PWB-performance HR practices paradoxes

1. Mess

2. Problem

3. Dilemma

4. Paradox

5. Achieving

- Reframing
- Double loop learning
- Evidence-based inquiry
- Multiple perspective taking

Until new paradoxical situation emerge

*Adapted from Luscher and Lewis (2008)