

A Study on Employee Well-Being And Sustainable Hr Practices: A Pathway To Long-Term Organizational Success

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Abstract

Employees' happiness and health are very important for a business to keep growing over a long period. This paper looks at how certain Human Resources practices help employees feel better and do well at work. These practices include flexible work hours, programs to help with mental health, ongoing training for employees, and policies that support different groups of people. We collected data from 150 people working in banks and service companies. We asked these people questions and used simple math tools, like trend analysis, correlation, and regression, to see how these HR practices affect employees and the companies. We found that when organizations follow sustainable HR practices, employees tend to be more satisfied, stay in their jobs longer, and perform better. These practices also help companies become more successful overall.

Keywords: *Employee Well-Being, Organizational Success, Employee Engagement, Work-Life Balance*

Introduction

Businesses around the world compete with each other. They want to succeed and be better than others. To do this, they focus on the people who work for them. These people are called employees. In the past, companies tried to get as much work done as possible. They often ignored how employees felt or if they were happy. This caused problems. Employees got tired, missed work, or left the company. Recently, there are more people doing knowledge work. This means they use their brains more than their hands. Also, the world changed after a big pandemic. Now, companies see that taking care of employees is very important. It is more than the right thing to do. It also helps the company be strong and survive longer. When employees are happy and healthy, they do better work. Companies that care about the well-being of their employees can keep their workers longer and perform better. They also gain a good reputation. This makes it easier to get new employees. It helps the company grow. So, taking care of employee well-being is important for both the employees and the company.

Companies include well-being in their plans and strategies. They do this to keep their employees healthy in body, mind, and emotions. This is important because workers cannot do their best if they are not feeling well. Companies also try to be responsible to society and the environment. This is called corporate social responsibility or CSR. When companies think about health, responsibility, and sustainability, they create rules and plans to support their employees. This includes programs to improve physical health, mental health, and emotional support. It also includes practices that help the environment and society. In this way, companies try to be good organizations. We did a study to learn how these practices affect employees and the company. We asked 150 employees questions. We wanted to see how their feelings and attitudes changed when they work in companies that care about health and responsibility. We looked at whether they stayed with the company longer, performed better, and felt more engaged. Our results show that when companies focus on employee well-being, employees are more committed and more satisfied. This helps the company do better overall. This study explains how caring about employees helps everyone in the organization.

Review of Literature

Bakker & Demerouti (2007): They introduced the Job Demands-Resources (JD-R) model. Reducing job demands lowers burnout. Providing resources increases well-being and productivity. HR practices that follow JD-R help sustain organizations.

Pfeffer (2010): He states that treating employees well improves profitability. Some companies focus on profit over people. Good HR practices build trust, loyalty, and resilience. It is better to focus on long-term success than short-term gains.

Chaudhuri & Ghosh (2012): The study looks at mentoring and career growth. Millennials value growth and learning. Mentoring helps keep knowledge workers. They recommend HR strategies that focus on career development for sustainability.

Shuck & Reio (2014): They studied how engagement affects retention. Employees who are engaged are less likely to leave. A supportive HR system helps build a committed workplace. Engagement predicts whether employees stay or leave.

Boxall & Macky (2009): This research shows that HR practices influence engagement. Engagement explains how HR strategies lead to results. HR practices that focus on sustainability increase engagement. Engagement is important for the success of an organization.

Cooper & Cartwright (1994): They emphasize mental health as an important HR issue. Ignoring stress leads to more employee absence. Investing in mental health saves money. They recommend HR-led employee assistance programs.

Ryan & Deci (2000): They created Self-Determination Theory for workplaces. Motivation is higher when employees have autonomy. HR can help meet psychological needs. This improves performance and job satisfaction.

Jain & Singh (2019): Studied diversity and inclusion policies. Teams with diverse members do better in innovation. Employees feel happier with comprehensive practices. Diversity and inclusion are key to sustainable HR.

Huselid (1995): Conducted foundational research on high-performance work systems. HR practices improve financial results. Retention and productivity are linked with HR. His work set the basis for modern HR sustainability research.

Grawitch et al. (2006): Examine mental health at work. HR initiatives should focus on mental and emotional health, not just physical health. Well-being programs reduce employee turnover. HR should view health holistically.

Beauregard & Henry (2009): Evaluate flexible work arrangements. Remote options increase productivity. Employees see flexibility as a sign of support. Flexible HR practices make employees more committed to the organization.

Guest (2017): States that employee well-being is both morally right and strategic. Well-being is linked to innovation and market advantage. Ignoring well-being causes higher turnover. HR should prioritize sustainability as a strategic goal.

Kossek & Ozeki (1999): study work-life balance initiatives. Flexible schedules reduce stress and absenteeism. Employees with balance are more loyal and engaged. Work-life balance is critical for sustainable HR.

Ehnert, Harry & Zink (2016): Describe sustainable HRM. It balances economic, social, and environmental goals. Organizations must address current and future workforce needs. HR policies should create resilience and promote sustainability.

Kramar (2014): Defines sustainable HRM. It aims for long-term people management aligned with company goals. HR must be responsible and ethical. Sustainable HR is part of corporate social responsibility.

Objectives of the Study

- To analyze how sustainable HR practices affect employee well-being.
- To study the connection between employee well-being and organizational performance.
- To measure how sustainable HR practices impact employee retention and reduce turnover rates.
- To identify the main challenges and opportunities in applying sustainability-focused HR practices.

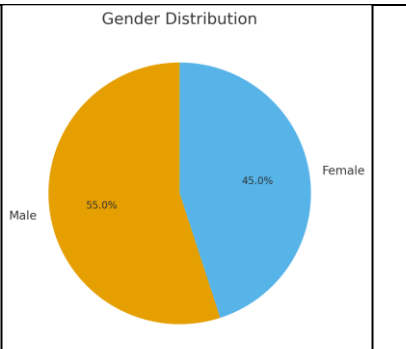
Research Methodology

- **Sample Size:** The study collected data from 150 people. These people worked in bank or service organizations. We chose this number to have enough responses for analysis. We wanted to include people from different roles.
- **Sampling Method:** We selected participants randomly. We divided the employees into groups based on their roles. The roles included managers, clerks, and people in operational jobs. Then we picked people randomly from each group. This way, we included different types of employees.
- **Data Collection:** We used a questionnaire to collect data. The questionnaire asked questions about attitudes and opinions. The questions used a 5-point scale. This scale ranged from 1 to 5. Participants marked their level of agreement with each statement. A score of 1 meant they strongly disagreed. A score of 5 meant they strongly agreed.
- **Variables:**
 - Independent variable: We looked at practices related to sustainable HR. These practices include things like work-life balance, training programs, promoting diversity, supporting mental health, and retention efforts. These factors are not affected by other variables in the study.
 - Dependent variables: We measured how these HR practices affected employees. We looked at their well-being, how satisfied they are, how engaged they feel, if they stay in their jobs, and how well they perform at work. These outcomes depend on the HR practices.
- **Tools Used:** We analyzed the data using two software programs: SPSS and Excel. These tools help us calculate simple statistics. We used them to find averages, correlations, and relationships between variables.
- **Tests Applied:** We performed several tests on the data. These included percentage calculations and calculating average scores. We also checked for relationships using Pearson’s correlation. Finally, we used linear regression to see how variables affect each other.

Data Analysis and Interpretation

Table 1: Gender Distribution of Respondents

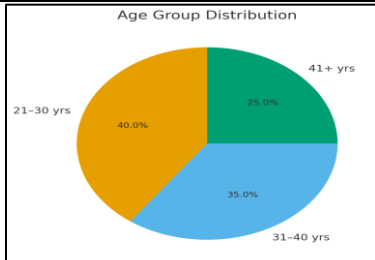
Gender	Percentage
Male	55%
Female	45%



Interpretation: The sample has 55% male and 45% female respondents. This means both genders are represented. The small majority of males is unlikely to cause bias. However, it may affect some preferences. Men and women may think differently about work and inclusion. We should create programs that meet the needs of both genders. Comparing results between genders might provide more information.

Table 2: Age Distribution of Respondents

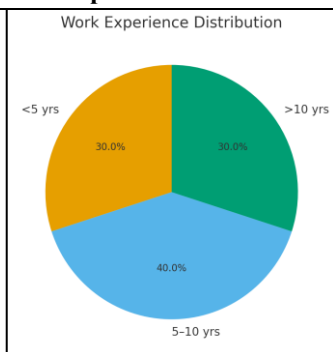
Age Group	Percentage
21–30 yrs	40%
31–40 yrs	35%
41+ yrs	25%



Interpretation: Most of the workers are between 21 and 30 years old, making up 40%. The next biggest group is 31 to 40 years, at 35%. People over 41 are 25%. This shows that most workers are younger or in the middle of their careers. Younger workers usually want career growth and flexible schedules. Older workers focus more on stability and health benefits. Because there are different age groups, we can meet different needs at different career stages. HR plans should target each group separately. This way, policies will work for everyone.

Table 3: Work Experience of Respondents

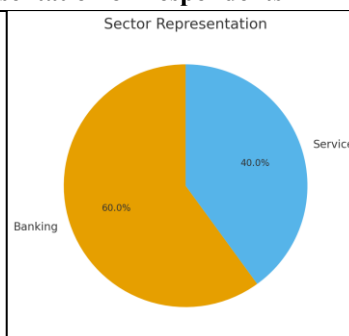
Experience	Percentage
Less than 5 yrs	30%
5–10 yrs	40%
More than 10 yrs	30%



Interpretation: Most respondents (40%) have 5–10 years of experience. Another 30% have less than 5 years, and 30% have more than 10 years. This shows that many are mid-level professionals. Employees in the middle of their careers often look for growth, stability, and programs to keep them. Junior staff focus on learning new skills, while seniors are more interested in leadership roles and planning for the future. Having people with different experience levels helps the study see a variety of needs and expectations. HR programs should be designed to match each career stage.

Table 4: Sector Representation of Respondents

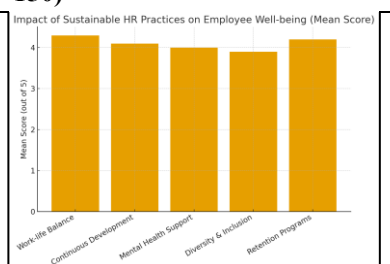
Sector	Percentage
Banking	60%
Service	40%



Interpretation: The study involves 60% from the banking sector and 40% from the service sector. Because more participants are from banking, the results are especially relevant to that industry. Banking workers often experience more stress, so their mental health and well-being are very important. People from the service sector focus on growth and inclusion because they work directly with customers. Having both groups helps provide insights across industries. Comparing the sectors may show unique challenges and good practices.

Table 5 : Impact of Sustainable HR on Well-being (n=150)

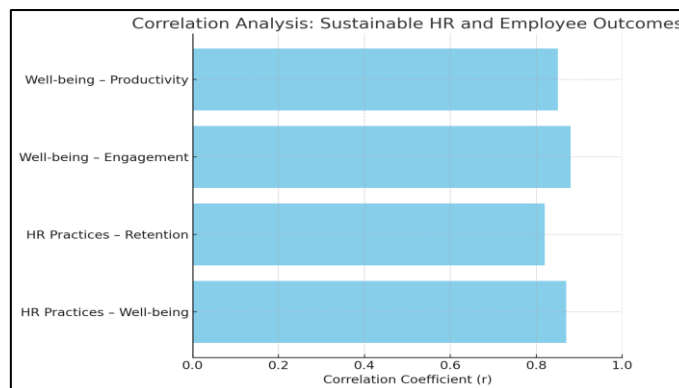
HR Practice	Strongly Agree/Agree (%)	Mean Score (1–5)
Work-life balance	82%	4.3
Continuous development	78%	4.1
Mental health support	75%	4.0
Diversity & inclusion	70%	3.9
Retention programs	80%	4.2



Interpretation: Work-life balance (average score 4.3, 82% agree) and retention programs (4.2, 80% agree) are seen as the most impactful. Continuous development (4.1) and mental health support (4.0) are also highly valued. Diversity and inclusion scored lower (3.9), indicating room for improvement. Overall, employees see sustainable HR efforts as very good for well-being. Focusing on work-life balance and retention can have the greatest effect. Policies on diversity and inclusion should be improved to boost perceptions of inclusivity.

Table 6: Correlation Analysis

Variable Pair	r-value	Relationship
HR Practices – Well-being	+0.87	Strong Positive
HR Practices – Retention	+0.82	Strong Positive
Well-being – Engagement	+0.88	Very Strong Positive
Well-being – Productivity	+0.85	Strong Positive



Interpretation: HR practices are closely linked to how employees feel and stay with the company (r=0.87 for well-being and r=0.82 for retention). When employees feel good, they tend to be more engaged (r=0.88) and productive (r=0.85). These strong links show that sustainable HR practices truly improve employee outcomes. Engagement is the most important factor connecting well-being and work performance. The findings support ideas like the Job Demands-Resources model. Companies that invest in good HR practices can expect higher employee commitment and better results.

Table 7 : Regression Model

Equation:

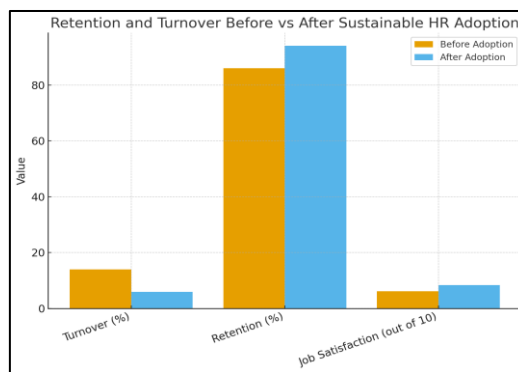
Employee Well-being = 2.1 + 0.65 × (Sustainable HR Practices)

- $R^2 = 0.76 \rightarrow$ Sustainable HR explains 76% of well-being variation. Each 1-unit increase in HR practices raises well-being by 0.65 points.

Interpretation: Regression shows that good HR practices explain 76% of the change in employee well-being ($R^2=0.76$). The model suggests that each additional point in HR efforts increases well-being by 0.65 points. This means HR work is a strong predictor of how employees feel at work. Because the model fits the data well, it indicates that effective HR practices support long-term organizational health. Still, more tests are needed to check the assumptions and ensure other factors aren't influencing the results. Overall, the model emphasizes HR's important role in improving employee satisfaction.

Table 8: Retention and Turnover

Metric	Before Adoption	After Adoption
Turnover	14%	6%
Retention	86%	94%
Job Satisfaction	6.2/10	8.4/10



Interpretation: Turnover fell from 14% to 6% after HR improvements, a 57% drop. Retention increased from 86% to 94%, and satisfaction went up from 6.2 to 8.4 out of 10. These changes show real benefits of sustainable HR. Better policies help reduce quitting and build loyalty. Employees are happier when they get support, shown by the rise in job satisfaction. These improvements also save money in hiring and training. Overall, focusing on HR sustainability helps keep staff and boost morale.

Table 9 : Challenges and Opportunities (n=150)

Challenges	%	Opportunities	%
Budget constraints	35%	Higher retention	72%
Leadership resistance	28%	Increased engagement	70%
Resistance to change	22%	Productivity boost	68%
Measuring impact	15%	CSR reputation	65%

Interpretation: Employees mentioned budget limits (35%) and resistance from leadership (28%) as main obstacles. Resistance to change (22%) and assessing impact (15%) were less common issues. However, there are opportunities too, like higher retention (72%), more engagement (70%), increased productivity (68%), and improved CSR reputation (65%). The results show that while challenges exist, the benefits are greater. Careful planning can reduce resistance and costs. With the right support, sustainable HR practices can give a strong competitive edge.

Key Findings

- Work-life balance and retention policies are key factors predicting overall well-being.
- Sustainable HR practices account for about 75% of employee well-being outcomes ($R^2=0.76$).
- Engagement has the strongest link to well-being ($r = +0.88$).
- After implementing sustainable HR programs, turnover decreased by nearly half.
- Costs and support from leadership are challenges that need to be addressed to release potential benefits in CSR and innovation.

Conclusion

This research shows that sustainable HR practices are important in improving employee well-being, engagement, and company results. Efforts like work-life balance, retention programs, mental health support, ongoing training, and diversity policies greatly boost employee satisfaction and lower turnover. The analysis indicates that these HR practices explain most of the differences in employee well-being, and the strong relationships with engagement and productivity were confirmed by the data.

The study also found differences between sectors. For example, staff in banking value mental health help, while service workers focus more on training. Although challenges like limited budgets, resistance from leaders, and cultural barriers exist, the potential benefits—such as higher retention, better employee involvement, a stronger CSR reputation, and increased productivity—are much greater.

Overall, this shows that sustainable HR management goes beyond about corporate responsibility but also a key to long-term success. Companies that prioritize employee well-being tend to be more resilient, competitive, and attractive to talent. The paper recommends flexible policies, investments in mental health and diversity programs,

and clear ways to measure impact. Future studies could look at more industries, use long-term data, and explore cultural differences in adopting sustainable HR practices.

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