# Does Health Promotion Climate Positively Impact Performance?

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#### **Abstract**

Despite the greater importance companies place on employee health, only a few studies have explored the impact of health promotion in the workplace on individual and team performance. Drawing on the broaden-and-build, it was hypothesised that organisations' health promotion climate influences individuals' performance. Data were collected from 495 employees on 81 teams in 11 Korean companies. In this study, I conducted HLM to understand the direct relationship between health promotion climate and perceived performance of employees into the organisation. On the other hands, to control some variables which can directly and/or indirectly impact on perceived performance, I controlled leadership, self-efficacy, work-family facilitation and family-work facilitation. This study supports the idea that there is a positive relationship between health promotion climate and perceived performance of employees. The question of great workplace and performance impacts individual performance has been a topic of discussion for a long time. Here, I empirically showed the positive relationship between great workplace and individual performance. In the past, few companies supported health promotion programs of their employees in terms of increasing employee health and performance as well. However, many companies do not support this kind of approaches to increase individual performance, because it looks another cost. Taking into account the new finding of this study, positive relationship between health promotion climate and individual performance, it will be more valuable management perspectives in terms of individual performance.

**Keywords:** Health Promotion Climate, Perceived Performance of Employee, Work-Family Facilitation

### 1. Introduction

Fortune magazine annually announces a list of the "100 best companies to work for." The selected companies not only demonstrate excellent financial performance but also have various advanced health and welfare programs<sup>1</sup>, high levels of job satisfaction, organisational commitment, and work-family balance among employees<sup>2</sup>. Stability and happiness experienced through job satisfaction, commitment, and work-family balance are considered to contribute to overall life satisfaction and positive emotions<sup>2</sup>. Thus, on recognizing that psychological stability and positive thinking improve individual and organisational performance<sup>3</sup>, companies have attempted to introduce health promotion programs at work<sup>4</sup>. Several researchers<sup>5</sup>

argue that the GWP index is positively correlated to companies' financial performance, and recommend that health promotion programs be investigated from a business administration perspective. Research on health promotion from a business administration perspective has not been actively discussed. Climate is a meaningful term describing the employees' relationships at the workplace. Organisational climate affects the individual's cognitions and emotions and ultimately influences behaviours and performance. Kopelman et al., proposed a model that explains the processes that involve climate, cognition, emotion, behaviour, and performance. Thus, in the present study, significant relationships between health promotion climate and performance have been empirically tested.

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While, supporting employee health is not a novel concept, the recent emphasis on corporate social responsibility and emerging research on employee well-being6 has led to the recognition that health is a component of employees' happiness. Employees spend more than one-third of their day at work and often continue to work even after regular working hours. Considering these facts<sup>7</sup>, companies are no longer exempt from their responsibilities and obligations toward their employees' health, which was previously considered a personal matter. Particularly after the International Monetary Fund bailout, organisational restructuring and downsizing has been adopted as a default management style8. This change has a negative impact on the performance of both employees and organisations as a whole, with increased levels of physiological anxiety, demoralization, alienation, insecurity, and stress. This is a new challenge for Korean companies that have been predominantly run by performance-driven management. Therefore, this study attempted to review the historical background and research surrounding employee health promotion programs. Furthermore, this study aimed at asserting the need for research focused on improving employee health from a managerial perspective.

# 2. Theories and Hypothesis

### 2.1 The Historical Background

The first documented account of health promotion in the workplace was by Bernadino Ramazzini in 17th century Italy, concerning the improvement of poor working conditions of tailors and cobblers9.

During period of early industrialization, workers were considered disposable and employers demonstrated limited interest in their safety and health in the workplace<sup>10</sup>.

The experience of World War I led American companies to become increasingly interested in the working environment and workers' health. In 1906, Upton Sinclair published The Jungle, emphasizing the importance of safety in the workplace. Consequently, this encouraged companies to take greater interest in workplace safety and employee health<sup>10</sup>. However, it was only with the growth of the workforce in the 1920s that workplace safety in industrial settings was addressed9 and interest in employees' health and safety (e.g., noise, high temperatures, exposure to hazards) at the workplace developed<sup>12</sup>.

#### 2.2 Health Promotion Programs

With the introduction of automation and mechanisation in the 1950s, workers' physical activity in the workplace had reduced, resulting in higher health risks. Workers realized that they needed to exercise to stay healthy. Subsequently, companies provided employees with health education, physical checkups, and support systems in an attempt to prevent a decline in productivity while enabling prevention and diagnosis for employees. The scope of health programs gradually expanded to include personal issues (e.g., substance abuse)13 and was welcomed by the early advocates of industrial health and safety<sup>14</sup>.

However, since these programs did not bring changes in practices at the workplace, they were not ardently supported by CEOs. Unlike the 1950s when top management did not support these programs, companies in the 1960s implemented company-led health promotion and wellness programs in the workplace15 to reduce their share of health insurance premiums that were otherwise borne by their employees<sup>16</sup>.

Accordingly, most research conducted between the 1960s and 1980s focused on employee health status, the company's employee medical insurance expenses<sup>17</sup>, illness-related absentee rates18, employee morale19, and the correlation between employees' health and productivity19-20.

In the 1970s, when the success of thriving Japanese companies was partly attributed to the provision of physical activity programs for all employees, several American companies showed interest in providing fitness facilities at the workplace<sup>21</sup>. In addition, when studies found that exercise could reduce risk factors, such as high blood pressure and hyperlipidemia<sup>22</sup>, greater emphasis was placed on research in health promotion at the workplace<sup>23,24</sup>. Thus, health promotion programs primarily focused on physical exercise as wellness25 but gradually expanded to include smoking cessation, weight control, and stress management<sup>26</sup>.

Health promotion at the workplace has its merits. Considering that workers spend most of their time at work, it is convenient to enroll for company-led health promotion programs. Second, it is possible to establish an organisational structure that enables, maintains, and controls health promotion programs at the workplace. Furthermore, social support from co-workers plays an important role in promoting health programs in the workplace<sup>8,18</sup>. However, previously conducted health promotion programs have different historical backgrounds and significance.

While each program has its advantages, they are characterized by the era in which they were developed. In the 1920s, measures for ensuring employee health at the workplace were indiscriminately adopted without understanding the relationship between health and organisational performance. For example, smoking was prohibited in the workplace at a time when research did not support its negative impact on productivity and health<sup>27</sup>.

In the 1950s, it was known that hazardous materials and noise in the workplace threatened workers' health and productivity; however, health promotion programs only provided relevant information to those exposed to environmental risks and focused on effective treatment of illnesses to which workers had already been exposed<sup>28</sup>.

Health promotion programs during the 1970s focused on the prevention of illness at the workplace, rather than effective treatment. In the 1980s, health was interpreted as a construct to be addressed and maintained, not a perfect, static physical condition; therefore, programs emphasized the involvement of individuals, companies, and societies in developing health promotion activities<sup>29</sup>.

Maes<sup>28</sup> contended that the subject of health promotion should not be limited to individuals, but should extend to environments and organisations, implying that organisations should voluntarily engage with health improvement, rather than only on the employees' behest. Parkinson et al.<sup>30</sup>, defined health promotion programs as the combination of educational, organisational, and environmental activities designed to support behaviours that promote the health of employees (and their families) at the workplace. His description was the first to expand the object of health promotion programs to employees' families and suggest that health promotion programs could cover individual employees, their families, and even family life.

#### 2.3 Theories

The Broaden-and-Build Theory of Positive Emotion was proposed in reference to health promotion programs<sup>31</sup>. This theory suggests that a positive climate leads to positive results in the workplace. Fredrickson's broaden-andbuild theory of positive emotions suggests that the form and function of positive and negative emotions are not isomorphic. Instead, they are distinct and complimentary. While a number of negative emotions narrow individuals' momentary thought-action repertoires by calling forth specific action tendencies (e.g., attack, flee), positive

emotions tend to broaden individuals' momentary thought-action repertoires, prompting them to pursue a wider range of atypical thoughts and actions (e.g., play, explore, savor, and integrate). Broadened thought-action repertoires gain significance because they can build on a variety of personal resources<sup>32</sup>. These may include physical, social, intellectual, and psychological resources that are very similar to the dimensions of perceived wellness.

The model<sup>33</sup> value profit chain establishes relationships between profitability; customer loyalty; and employee satisfaction, loyalty, and productivity. The links in the chain are as follows: profit and growth are primarily stimulated by customer loyalty. Loyalty is a direct result of customer satisfaction. Satisfaction is largely influenced by the value of services provided to customers. Value is created through satisfied, loyal, and productive employees. Employee satisfaction, in turn, is primarily influenced by high-quality support services and policies that enable employees to cater to customers. An alternative perspective to profitability—typically taking into account the organisation's efforts to enhance external factors (e.g., customer loyalty and product quality)—is the emphasis on internal factors (e.g., employee satisfaction and loyalty) as instrumental in gaining profit. These internal factors may coincide with the purpose of health promotion programs.

#### 2.4 Hypothesis

Kopelman et al., McGregor<sup>32</sup>, and Roethlisberger<sup>33</sup> proposed that job satisfaction and overall life satisfaction are positively associated with organisational effectiveness. Studies examined the relationship between job climate, behaviour related to workplace safety climate<sup>12</sup>, and service climate<sup>19</sup>. These studies reported that group climate can potentially influence individual behaviour. Zohar and Luria<sup>12</sup> suggest that akin to the influence of hierarchical system of the group climate on individual behaviour and perception, workplace safety climate can positively influence individual safety behaviour. Similarly, supportive leadership and work climate is associated with decreased work-family conflict<sup>19</sup>. Usually, employees who are satisfied and happy work harder than unhappy employees do<sup>12</sup>. Addressing employees' physical health interests and emotional needs can improve organisational performance<sup>32.</sup> This implies that performance-related individual behaviours could be influenced by various cognitive and emotional factors.

According to the broaden-and-build theory proposed by Fredrickson<sup>7</sup>, positive emotions are very similar to perceptions of the organisations' healthpromotion climate. That is, employees with high levels of perceived wellness actively work towards improving their performance and achieving their ultimate goals.

Usually, employees who are satisfied and happy work harder than unhappy employees do<sup>12</sup>. Addressing employees' physical health interests and emotional needs can improve organisational performance<sup>20</sup>, implying that performance-related individual behaviours could be influenced by various cognitive and emotional factors. According to the broaden-and-build theory proposed by Fredrickson<sup>11</sup>, positive emotions are comparable to perceived wellness. That is, employees with high levels of perceived wellness actively attempt to increase their productivity and achieve their larger goals. Based on these findings a hypothesis was formulated as follows:

H1: A positive relationship exists between health promotion climate and performance.

# 3. Methodology

### 3.1 Participants and Data Collection

Data were obtained from 495 employees in 81 teams from 11 companies in 4 industries, between August and September, 2011. The industries were IT, manufacturing, service, and pharmaceutical. The average number of team members was 6.1. Team leaders distributed the questionnaires to subordinates, and members of each team were divided into XX group and OO group (marked on the questionnaire covers and envelopes, in advance). After the team members completed the questionnaires, they submited them to team leaders in sealed envelopes. Team leaders verified the participant's actual performance (compared to appraisals conducted in 2010 for individual performance) in addition to their in-role performance on the questionnaires. After completing data collection, team leaders relayed all information to the researchers.

A climate of wellness promotes satisfaction and happiness, thus influencing emotional, social, and physical health that in turn, positively affects their performance<sup>25</sup>. Kopelman, Brief, and Soeters suggest that life and job satisfaction and well-being positively impact an organisation's efficiency. This study used a 'cross-level' model, wherein perceived wellness at the individual level could potentially influence performance at the organisation level. Because individual emotions affect organisational climate<sup>26</sup>, an individual's perceived wellness at the team level may influence organisational performance. Taking into account that individuals' shared values and behaviours is an element contributing to group climate<sup>23</sup>, performance at the group level is believed to be influenced by the climate at the same level.

#### 3.2 Measures

All items were measured on a Likert-type scale ranging from 1 ('strongly disagree') to 7 ('strongly agree'). A health promotion climate measure (7 items), based on Group Safety Climate Scale of Zohar<sup>10</sup> by Gully, was developed. The means of each item were used as scores for the variables. We used the seven item scale from Williams & Anderson<sup>25</sup> to measure in-role performance. In-role performance was determined by the team leader, rather than self-reports, to eliminate common method bias. We conducted a large-scale pilot test to validate these measures. Cronbach's alpha of health promotion climate and in-role performance measures were 0.88 and 0.91, respectively.

### 4. Results and Discussion

Climate is a meaningful term for the relationship between employees at the same workplace.

Table 1. Project selection matrix rules

	Perceived Performance	
Variables	Model 1	Model 2
Step 1		
Leadership	$0.208^{**}$	0.110
Efficacy	$0.380^{**}$	0.373**
WFW	$0.154^{**}$	0.122**
FWF	$0.079^{**}$	0.083
Step 2 HP Climate		0.148*
F	56.165**	46.604**
R	0.355	0.364
FΔ	56.165**	5.753 <sup>*</sup>
$R^2\Delta$	0.355	0.009

\*p < 0.05, \*\*p < 0.01; WFW FWF HP climate: health promotion climate.

The main purpose of this study was to determine the relationship between wellness and performance. A significant positive relationship was found between perceived wellness and in-role performance ( $\gamma$ 70 = 0.02, p < 0.05). That is, the higher the perceived wellness, the higher the performance. Fulmer et al.29, study on the

relationship between the GWP index and companies' performance suggested that positive employee relations (e.g., the company's support and effort to maintain good employee relationships) favorably influence the intangible assets of an organisation, therefore influencing the organisation's competitive advantages for sustainable growth. However, instead of measuring wellness itself, Fulmer et al.<sup>29</sup>, measured the GWP index, which is similar to wellness, and analyzed the relationship between GWP indexes and companies' financial performance.

Several companies have been investing in wellness programs to advance their status as a "great workplace". However, few studies have reported whether this kind of investment influences employee performance and have examined the types of mechanisms that translate employee wellness into performance<sup>31,32</sup>. Therefore, the results of this study are significant as they elucidate the relationship between wellness and performance.

From a theoretical positive psychology perspective, wellness may be similar to psychological well-being, a positive psychology concept<sup>1,4</sup>. We discovered that psychological well-being influenced wellness ultimately, employee performance. Thus, it is significant that wellness, as a positive psychology concept, is an antecedent to individual and team performance.

We investigated the role and impact of wellness climate and wellness leadership at the group level and the results are noteworthy for wellness practitioners. When a practitioner introduces wellness programs and activities, the importance of wellness leadership and climate is not always considered. Typically, practitioners focus on the content of wellness programs and activities. However, to conduct more effective and successful organisational wellness programs, it is necessary to use the existing wellness leadership and climate for facilitation.

# 5. Implications

The present study found a positive relationship between perceived wellness and in-role performance. Fulmer et al.29, reported a positive relationship between the GWP index and a firm's financial performance, they did not analyse the impact of wellness perception on individual and team performance. However, the results of the present study suggest that wellness is an antecedent to enhanced performance among individuals and teams.

Although small, a negative moderating effect of wellness climate on the association between perceived wellness and in-role performance was found. We had not anticipated this result. Therefore, further studies that examine other variables and theoretical approaches are necessary. We found that wellness leadership and climate facilitated wellness programs and activities in organisations. This finding will be useful for wellness practitioners. Wellness is a positive psychology concept, the presence of which can transform the workplace into a 'great workplace'. The primary theoretical constructs in positive psychology are subjective and psychological well-being2. According to some researchers, wellness is comparable to psychological well-being. Thus, wellness was found to be positively associated with performance even when controlling for psychological well-being variables. This implies that although wellness and psychological well-being are similar constructs, wellness is a clearly distinct construct in relation to positive psychology.

# 6. Study Limitations and Directions for Future Research

Based on the literature review and our empirical study on wellness, we note certain limitations and directions for future research.

First, more sophisticated measures for wellness at the individual, group, and team levels need to be developed. Some studies<sup>4</sup> claim that the definitions of psychological and spiritual wellness are still vague, implying that the five dimensions of wellness are not distinct.

Further, more expansive theories that explain crosslevel issues in organisations are needed. The broadenand-build theory used in this study was appropriate for explaining variables on a single level (e.g., individual level). However, wellness-related variables (e.g., wellness leadership, climate, and intention, and perceived wellness) are measured on several levels.

Moreover, the data set needs to be expanded and a longitudinal design could be used to better understand the sustained impact of climate on productivity. The sample data set we used in this study were drawn from only four industries and eleven companies, and is not representative of the working population.

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