

WELLBEING ELEMENTS IN COMPANIES LOCATED IN DIFFERENT SETTLEMENT TYPES IN HUNGARY

Istvan Grajczjar, Krisztina Schottner, Janos Harskuti

Milton Friedman University, Hungary

grajczjar.istvan@uni-milton.hu, schottner.krisztina@uni-milton.hu,

harskuti.janos@uni-milton.hu

Abstract: This study aims to investigate how applied well-being elements and geographic location of a company/institution influence the workplace satisfaction of different working groups in Hungary. In our research, 108 companies and institutions of different sizes were selected in Budapest and in the countryside, as well as organizations with national scope in Hungary. HR managers and professionals were asked for the help of a self-filling expert questionnaire. The study explores how physical, mental, and emotional support is provided in these different locations, and whether well-being-supportive technologies are utilized. Additionally, the study looks at the availability of self-development opportunities and the impact of location on the differences in real-time workforce monitoring, transparent communication, and the redefinition of HR missions. The provision of appreciation, positive feedback, contact with managers, career planning, mentoring, fringe benefits, and physical and mental health are highlighted in relation to location. Our results show that regarding the applied language of appreciation companies in the countryside are able to stay in the competition with companies located in Budapest (the capital) or the ones with nationwide scope. However, such well-being elements like real-time workforce monitoring, utilizing well-being supportive technologies, physical, mental, and emotional support of new and modern HR strategies are in seriously disadvantaged positions compared to companies located in Budapest or to those with nationwide scope. Independently of all this, we found only at companies in the countryside correlations between the satisfaction level of all three working groups and the implemented well-being dimensions and appreciation languages.

Keywords: corporate locations and scopes, HR, workplace satisfaction, well-being dimensions.

Introduction

In 2021, the Milton Friedman University and the National Association of Human Resource Professionals launched a joint research project to examine the perceptions and practices of well-being at work in Hungary. Well-being had been important in quality of life researches, but during and after COVID-19 it has become one of the most thoroughly studied areas. Schein [1] proved that positive organizational culture in increasing the level of well-being and trust always plays an important role. For example, low levels of well-being and job satisfaction caused by not appropriate organizational culture are associated with higher quitting rates [2], while Colquitt et al. [3] emphasise that lack of trust and confidence between different working groups and towards the management influence risk taking and job performance negatively.

In our study, we investigate how applied well-being elements and geographic location of a firm/institution influence the workplace satisfaction of blue-collar workers, white-collar workers and managers concerning their physical working conditions/wages, corporate culture/interest representation and career opportunities, according to HR managers and colleagues working on well-being. In addition, we asked these professionals about general corporate attitudes and practices towards applied well-being elements at work using a self-completed online questionnaire (this study is based on the processing of these questionnaires). For the sample, 108 companies and institutions of different sizes (small entrepreneurs 27%, medium sized corporations 43%, big companies 30%) were selected in Budapest (48%), in the countryside (40%) and with nationwide scope (12%). In the later phases of the research, we will ask employees (through a nationally representative questionnaire) and middle and senior managers (through focus group interviews) for their views on workplace wellbeing practices, and we will also collect the most successful specific workplace wellbeing tools and practices used in Hungary with the involvement of HR practitioners.

Earlier research on the topic

In the literature we find several former studies related to our approach. Harzer and Ruch [4] demonstrated that promoting employee development increases motivation. They found positive relationship between perceptions of fairness and justice and the level of motivation. They also indicated that managers' words of appreciation and feedbacks could have positive impact on employee well-being.

Nielsen et al. [5] studied the relationship between transformational leadership, job satisfaction and psychological well-being in healthcare professionals and proved that transformational leaders contribute to the increase of employee well-being and satisfaction by giving them a sense of being in control while being part of a competent group. Kristof-Brown et al. [6] analysed relationships between person–job, person–organization, person–group, and person–supervisor fit and found that availability to subordinates contributes to job satisfaction and engagement. DeCenzo et al. [7] showed that providing employees with clear career plans including development opportunities can also improve well-being. Allen et al. [8] studied the career benefits associated with mentoring, with the objective and subjective career outcomes and they found that clear career paths and goals could result in higher levels of job satisfaction and engagement. They also showed that mentoring can end up in positive impacts on employee well-being. Kahn [9] examined three psychological factors: meaningfulness, safety, and availability and their respective individual and circumstantial sources. He illustrated that in general supportive managers can create higher levels of job satisfaction and engagement.

Saks [10] found meaningful difference between job and organization engagements. In that context he indicated that organizational support predicts both job and organization engagement while job characteristics predicts job engagement. Bakker et al. [11] revealed that engagement is dependent on autonomy, supervisory coaching, and performance feedback, although personal resources such as optimism, self-efficacy, self-esteem play important roles too. The study found that work engagement is predictive of job performance and client satisfaction, and giving performance feedbacks, supervisory coaching, appreciation can enhance employee engagement and motivation. In another study Bakker et al. [12] examined the impact of the level of engagement on performance and demonstrated that “job crafting” can help employees manage their engagements and some moderators are essential in the engagement-performance relationship. Deci et al. [13] distinguished autonomous motivation and controlled motivation, and found that all employees had three basic psychological needs: competence, autonomy, and relatedness. They proved that supporting employee autonomy in the workplace can increase employee motivation and engagement. Van de Voorde et al. [14] published that employee well-being as to happiness and relationship is supporting organizational performance, but health-related well-being is in conflict with it. They also showed that promoting internal job opportunities can contribute to higher job satisfaction.

Regional differences regarding levels of work-related well-being were thoroughly studied as well. For example, Stobbe et al. [15] found that the job satisfaction level of general practitioners (GPs) is the highest in Canada and Denmark, while the lowest in Spain and Hungary. Besides GDP and regional differences, technical procedures, feedback from colleagues, preventive care and patient satisfaction played significant roles in the job satisfaction of GPs. Davidescu et al. point [16] that flexible working time and workspaces - correlated strongly with regional differences - increase job satisfaction and thus lead to more acceptance of sustainable HRM in Romania. In Greece, residing in peri-urban rural areas of young farmers was one of the most important factors in their job satisfaction [17]. In Germany, participation in workplace health promotion led to a higher level of job satisfaction among employees of small and medium-sized companies but only in urban areas and definitely not in rural areas [18]. In Ireland and Newfoundland Cook et al. [20] proved that work quality and satisfaction with similar or same jobs in different regions depend “*upon the context in which they are embedded, as people at different locations and/or stages of life have an individual set of aspirations, expectations and life experiences*”. Fedor [20] analysed changes in work-related attitudes like the perception of job satisfaction in disadvantaged regions in Hungary. She found that positive changes in work-related attitudes after the shock of the 2008 economic and labour market crises in underprivileged regions are due to the relative job security in 2015, i.e. that they do not have to fear job loss.

Our research methodology

As in the introduction mentioned, for the sample, 108 companies and institutions of different sizes were selected in Budapest (48%), in the countryside (40%) and with a nationwide scope (12%) in Hungary. HR managers and professionals working on well-being were asked to fill the questionnaire.

Measuring workplace satisfaction

For the analyses of workplace satisfaction among different working groups, we created principal components (PC) as follows:

Satisfaction with physical working conditions/wages PC-s (originally measured by 6-point Likert-scales).

How satisfied are blue-collar workers/white-collar workers/managers with 1) physical working conditions, 2) working hours, 3) wages, 4) fringe benefits and 5) working tools? (Total variance explained – in the case of blue-collar workers: 67.5%; white-collar workers 56.6%; managers: 56.3%.)

Satisfaction with corporate culture/interest protection principal component (originally measured by 6-point Likert-scales).

How satisfied are blue collar workers/white collar workers/managers with 1) working atmosphere, 2) line management, 3) conflict management, 4) interest protection and 5) management communication? (Total variance explained – in the case of blue-collar workers: 76.5%; white-collar workers 75.1%; managers: 72.5%.)

Besides, we measured, how satisfied are blue-collar workers/white-collar workers/managers with career possibilities, separately (a 6-point Likert-scale as a standardized variable). For a later analysis, we created *secondary principal components* from all these above-mentioned satisfaction dimensions (Total variance explained – in the case of blue-collar workers: 76%; white-collar workers 78.3%; managers: 73.8%).

Measuring well-being elements

Next, we used variables for measuring so-called *appreciation languages* (on 6-point Likert scales), like how common is the presence of 1) managers' words of appreciation, praise and positive feedback to employees, 2) availability of managers to subordinates, 3) provision of career plans, annual goals, development for employees, 4) provision of mentoring and support, 5) provision of fringe benefits, 6) provision of well-being elements to improve physical and mental health. For later analysis, we created indices for all working groups from these questions.

For detecting implemented well-being elements, we used questions (on 4-point Likert scales) about whether it is typical in the analysed company to 1) embed well-being considerations in work organisation, performance management, appraisal, remuneration and incentive programmes, 2) strengthen well-being awareness in collegial relationships, 3) create a work environment that supports the physical, mental and emotional well-being of employees, 4) develop technology solutions that support well-being. For later analysis, we created indices for all working groups from these elements called "*well-being embeddedness/technology*".

In the next block, we asked (on 3-point Likert scales) to what extent are the following elements implemented in the organisation: 1) high degree of autonomy and freedom of choice in determining training and development paths, 2) regular analysis of internal filling-opportunities for open positions, 3) providing project-based and/or part-time opportunities for retention and better skills utilisation, 4) real-time workforce analysis to support organisational decisions, 5) transparent communication, 6) redefining HR role and mission from time to time, 7) integration of human and technological resources as part of HR strategy. For later analysis, we created indices for all working groups from these questions called "*development/career/analyses/communication*".

Research results

First, we focused on the means and frequencies of different well-being elements by settlement types/scopes. Second, we analysed correlations between the above-mentioned well-being dimensions as indices and workplace satisfaction principal components by working groups and settlement types/scopes.

Our results show that regarding the applied language of appreciation companies in the countryside are able to stay in competition with companies located in Budapest or with nationwide scope. What is more, concerning managers' words of appreciation, praise and positive feedback to employees (4,4 on a 6-point scale), availability of managers to subordinates (5.5 on a 6-point scale), provision of career plans and annual goals (4 on a 6-point scale) and mentoring for employees (4.2 on a 6-point scale) companies in the countryside are in leading positions. Regarding elements to improve physical and mental health (3.2 on a 6-point scale) or providing fringe benefits (4.5 on a 6-point scale) they are in the third and second positions, while companies with a nationwide scope are in the leading positions in these spheres (4.8 physical and mental health and 5,1 concerning fringe benefits on 6-point scales). These

later companies (with a nationwide scope) are only in the third position concerning the above-mentioned first three elements (praise, positive feedback to employees 3.8 points, availability of managers to subordinates 4.5 points, provision of career plans 3.4 points), however.

The picture changes radically if we investigate which (further) well-being elements are fully implemented and where. For example, real-time workforce monitoring (16%), project-based part-time jobs (16%), well-being supportive technologies (11%), physical, mental and emotional support (19%), well-being awareness in collegial relationships (13%), and embeddedness of new and modern HR strategies and missions (11%), companies in the countryside are in seriously disadvantaged positions compared to companies located in Budapest (values between 22% and 44%) or those with nationwide scope (values between 36% and 55%).

Satisfaction levels in different working groups show interesting patterns, however (see Fig. 1). Only at companies in the countryside the aggregated satisfaction level of all three working groups correlates with the implemented well-being dimensions and appreciation languages. It means that the more well-being elements are at companies in the countryside implemented the higher the satisfaction levels of blue-collar workers, white-collar workers and managers, too. In contrast, no implemented elements are correlating with the satisfaction levels of managers in Budapest and at companies with a nationwide scope significantly. In the case of blue-collar workers only the existence of appreciation languages counts at companies with nationwide scope, while we did not find any correlations between the implemented well-being elements and the satisfaction levels of blue-collar workers in Budapest. In the case of white-collar workers in addition to existing correlations between every implemented well-being dimension and their satisfaction levels at companies in the countryside, implemented well-being embeddedness and technology do not contribute to the satisfaction level of this working group in Budapest and at companies with a nationwide scope.

In summary, it seems to be plausible that implementing the analysed well-being elements is most effective at companies in the countryside in Hungary, since all these highly contribute to the general satisfaction of all three working groups under investigation.

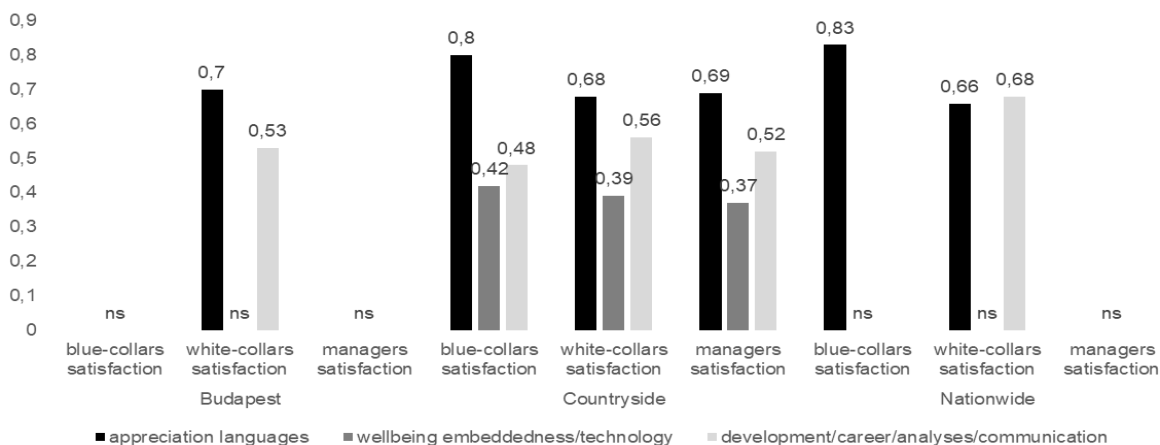


Fig. 1. Correlations between satisfaction of different working groups and wellbeing dimensions by settlement type/scope (only significant correlations are presented, $p < 0.01$; ns = not significant)

Conclusions

In conclusion, regional differences in well-being have been thoroughly studied in various European countries, with disparities found both between and within countries. Various studies have revealed the importance of job satisfaction, organizational culture, trust variables, employee development, mentoring, and supportive managers in enhancing employee well-being and engagement in different regions. Understanding the factors that contribute to employee well-being and engagement is critical for employers to create a positive work environment that promotes productivity, employee retention, and organizational success.

In Hungary we found that in terms of well-being elements' implementation such as real-time workforce monitoring and well-being supportive technologies, companies in the countryside lag behind those in Budapest or with nationwide scope. At the same time, however, companies in the countryside have shown a strong focus on appreciation languages and career development, leading to high levels of satisfaction among blue-collar workers, white-collar workers, and managers. What is more, if well-being elements are implemented (does not matter which ones), companies in the countryside appear to be at an advantage, with high levels of satisfaction among all three working groups. Therefore, it can be inferred that implementing the analysed well-being elements is most effective at companies in the countryside in Hungary.

Underlying reasons can be very wide-ranging from different expectations of employees through diverse mentalities until corporate culture in different locations, starting from socio-psychological approaches via organizational and manager studies until sociology of work. But this analysis is an issue of a further research based on a qualitative methodology.

Author contributions

Conceptualization, G.I. and H.J. and S.K.; methodology, G.I. and S.K.; validation, SK; formal analysis, G.I; investigation, G.I. and H.J.; data curation, H.J.; writing – original draft preparation, H.J. and S.K.; writing – review and editing, S.K. All authors have read and agreed to the published version of the manuscript.

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