

# High involvement management and employee well-being

## Giving employees more discretion at work can boost their satisfaction and well-being

Keywords: high involvement management, employee well-being, job satisfaction, job quality

### ELEVATOR PITCH

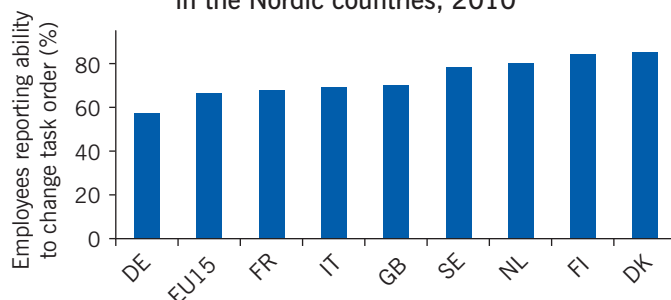
A wide range of high involvement management practices, such as self-managed teams, incentive pay schemes, and employer-provided training have been shown to boost firms' productivity and financial performance. However, less is known about whether these practices, which give employees more discretion and autonomy, also benefit employees. Recent empirical research that aims to account for employee self-selection into firms that apply these practices finds generally positive effects on employee health and other important aspects of well-being at work. However, the effects can differ in different institutional settings.

### KEY FINDINGS

#### Pros

- ⊕ High involvement management is associated with higher productivity and better economic performance of firms.
- ⊕ High involvement management gives more discretion to employees, and high job control weakens the negative link between job demands and employee well-being.
- ⊕ Greater autonomy at work leads to greater employee well-being.
- ⊕ Multiple theoretical frameworks link high involvement management to employee well-being and health outcomes.
- ⊕ Innovative work practices should lead to working smarter, not necessarily harder.

Employee discretion at work seems to be strongest in the Nordic countries, 2010



Source: Based on data from Eurofound. European Working Conditions Survey 2010. Online at: <http://www.eurofound.europa.eu/surveys/2010/fifth-european-working-conditions-survey-2010>

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#### Cons

- ⊖ High involvement management can lead to higher work intensity.
- ⊖ Increasing the intensity of work may erode employee well-being and harm performance.
- ⊖ High involvement management might increase strain and lead to higher risks of occupational accidents and sickness-related absenteeism.
- ⊖ Whether it is profitable for firms to redesign jobs for workers' benefit varies with firm characteristics and market conditions.
- ⊖ There is no agreement on which sets of high involvement management practices are sufficient to transform the working environment.

### AUTHOR'S MAIN MESSAGE

While empirical studies have linked high involvement management jobs with firm productivity and employee well-being and health, only recently have studies accounted for the possibility that more able employees are more likely to enter such jobs. If unaccounted for, this employee self-selection will exaggerate the benefits of high involvement management for employees. However, even after self-selection is taken into account, the employee effects are generally positive, suggesting that firms may want to invest in these practices, which seem to improve both firm outcomes and employee well-being, at least in some institutional settings.