

CHAPTER II

REVIEW OF RELATED LITERATURE

A. The Impact of Well-Being to the Employees

The good conditions or treatments apply to the employees as human instead of resources would be categorized as good well-being. All these activities should be associated with the management of people in firms. HRM suggesting employees need to be treated with “consideration and a personal touch” in order to attain favorable outcomes (Marescaux and Winne, 2013:4).

Employees have the need to be treated humanely by the company. Some of them need to express their views about work, and some not too much in need. Some of them are sensitive to wage rates and some do not. This is make several HRM practices raise workers’ overall job satisfaction and their satisfaction with pay satisfaction (Petrescu and Simmons, 2008: 651).

The managers should consider the practices of HRM as a crucial key of the success and the adaption of the organization with the external environment with its rapid changes that occur. So the enterprises whose interest to increase the level of employee’s satisfaction, must pay attention to all HRM practices: selection, training, compensation and employee participation for policy development (Achour and Sarra, 2017: 82).

Similarly, in the case of organisational knowledge, an organization hoping to enhance the creation and development of organizational knowledge should pay attention to its HRM practices. In particular, the organization

should emphasize the implementation of HRM systems that enhance individual learning and the motivation for sharing and transfer knowledge within the firm (Jimenez and Valle, 2013: 28). Organisation can proactively enhance employee performance through implementing appropriate HRM practices (Cordery and Gamble, 2014: 947). Similar tunes are also expressed by Ghalayini (2017, 68) that HRM practices have positive effects on individual employee performance, providing the evidence that these practices have positive effects on individual employee outcomes.

B. Utilitarianism and Well-being

The utilitarian ethic has become a popular ethic accepted by most people without knowingly the origin of it's ethical principles. In *The Loss of Happiness in Market Democracies*, Robert Lane argues that the economic and political institutions of our time are products of the utilitarian philosophy of happiness (Liszka, 2005: 340). Principle of happiness has been used and implemented in many organizations, especially in the HRM practices. According to John Stuart Mill, managers will conform to the rules so-called "The Greatest Happiness Principle" (Belak and Rozman, 2012: 1619). A research is needed which includes a sufficient explanation of this ethical thinking and it's implementations.

Utilitarianism is not merely a popular ethic. It is also a stream of popular economic philosophy of last one hundred years and even today. The concept of utilitarianism reaches its maturity in the works and thoughts of

John Stuart Mill and Jeremy Bentham. Utilitarianism is an ethic that has influenced many economic and political conditions in recent years. This research would also discuss utilitarianism as a philosophical approach which is very useful in assessing an action based on the benefit / usability aspect. This code of ethics (namely the principles of happiness) has penetrated into various aspects of HRM practices. Research on the utilitarian ethics and its relevance with HRM practices in the study of employee well being is very rare accomplished by researchers on discipline of management.

In general, organizations often treat the employee as a company's asset then create treatments that do not humanize the employee. Even though, it is employee who would determine the continuation of life of an organization. This framework has bad effect on employee well being. Because in reality, the employee is a partner of the organisation. Organisation should be a partner of employee to meet their personal and career goals (Inkson, 2008: 270). Organizations that provide good well being to the employee will get a good reward from the employee's performance toward the organization. Although the employee is basically working for their goals, but its personal goal would resulting good affect in giving good contribution to the organization.

Every human action is based on a certain ethical judgment (whether consciously or unconsciously). HRM practices are one aspect of the organization that every day faces ethical choices, both in making decisions and in making policies. HRM practices that ignore employee well-being

would cause the bad effect wherea employee would not contribute well to organizational performance, therefore organizational with good performance should have an innovative HRM practice with oriented well to well-being employees. This research would examine the implementation of utilitarian framework (namely "principle of happiness") to employees' well-being which would enhance the organizational performance. Implementing ethical principles are a guarantee for a strong organization and healthy work environment. It is at the hand of the managers to implement the ethical policies the compliance rules and more than that to practice everyday an ethical leadership style, which by Socrates will lead the organization to the state of "happiness" (SOMESAN, 2011: 60).

C. Happiness and Pleasure in Hedonist Perspective

The idea that happiness is the only last goal pursued by humans is known as hedonism. Hedonism is a popular theory that can be traced back to ancient Greek (Rachels, 2004: 189).

In Greek philosophy, hedonism has been found in the mind of Aristippos of Cyrene (433-355 SM), a disciple of Socrates. When Socrates asked his disciples what the ultimate goal of human life was, Aristippos replied "what is good for man is pleasure" (Berten, 2005: 26). For Aristippos, pleasure is only about physical things because the essence of pleasure is always involves with motion in the body (Putra, 2009: 26).

Aristippos argues that man must limit himself to the pleasure which obtained easily and unnecessarily for human to struggle and work hard even though it gives his or her the rise of pleasure. This argument causes hedonism heavily criticized from the christian perspective. The Greek philosopher who also offers hedonism as the principle of life is Epicurus (341-270 SM). Some authors assume that Epicurus's concept of pleasure is broader than the Aristippos's concept.

But every Epicurean theory of life that we know of assigns to the pleasures of the intellect, of the feelings and imagination and of the moral sentiments a much higher value as pleasure than to those of mere sensation (Mill, 2008: 5).

For Epicurus there is pleasure beyond the physical stage but it does not mean that physical pleasure can be ignored. The pleasure he means namely spiritual pleasure. (Putra, 2004: 27).

It is quite compatible with the principle of utility to recognise that some kind of pleasure are more desirable and more valuable than others. In estimating the value of anything else, we take into account quality as well as quantity; it would be absurd if the value of pleasures were supposed to depend on quantity alone (Mill, 2008: 6).

The thought of John Mill has more in common with Epicurean than Aristippos's thought. As an important sentence written by John Mill (1008: 7) that *"It is better to be a human being dissatisfied than a pig satisfied; better to be Socrates dissatisfied than a fool satisfied"*

Nevertheless these two ancient Greek thoughts give some styles to utilitarianism. Utilitarianism does not fully reach its maturity in the work of

John Mill only, so that the forms or models of utilitarianism that still use a hedonism framework often get criticized from other views.

Jeremy Bentham is one who introduces utilitarianism into society as a moral principle that needs to be applied. Bentham had a student named John Stuart Mill. Mikhael Dua (2008: 59) mentions that John Stuart Mill, son of James Mill and disciple of Jeremy Bentham was a utilitarian and he was considered as the most mature developer of utilitarianism on that day.

John Mill tries to withdraw from hedonistic utilitarianism by creatively interpreting the idea of pleasure as human quality. To explain this dimension Mill adopted the thought of ancient Greek philosophers such as Aristotle who had long explained that happiness concerns also with pleasure. But what is meant by the pleasure does not have to be understood in a hedonistic sense as if physical pleasure is the sole purpose of human life (Mikhael, 2008: 62). Thus utilitarianism is not synonymous with hedonistic and selfish pleasures.

D. Two Attractions on Utilitarianism

Utilitarian philosophy becomes an interesting philosophy of ethics because utilitarianism does not base its argument on the existence of God. The purpose promoted by utilitarians does not depend on the existence of God, the soul or all other dubious metaphysical entities. The good that promoted utilitarianism, whether it is happiness, well-being or a good life is

something that is always pursued for the good of own self and others (Kymlicka, 2004: 13). Thus utilitarianism is parallel with human nature, which is emphasis to own self priority.

Another attraction is related to the term of *consequentialism*. Consequentialism requires people to examine any action into difference category, whether the action can be recognized as a good consequence or not. Consequentialism asks everyone who denounces something as morally wrong to show who is wrong, and how a person's life becomes bad due to a particular action. Consequentialism is enthralling because this principle is parallel with our intuition of the aspects of morality. For example, if a person considers certain sexual activities which committed on a basis "like each other" is morally wrong and inappropriate to do but can not indicate who suffered because of this activity, then this will not be seen as a moral issue. Because it's judgments only examine on the based on certain norms of decency. (Kymlicka, 2004: 14).

Historically utilitarianism is a very progressive moral ethic, where utilitarianism demands that the habits or and authorities which have oppressed people for centuries should be tested before the standards of human maturity. On it's progress, utilitarianism has made man the standard of all things. So, the two attractions of utilitarianism are compatible with human intuition (Kymlicka, 2004: 15).

E. The Concepts and Models of Utilitarianism

1. Utilitarianism in the Thought of Thomas Malthus

Thomas Robert Malthus was a theological utilitarianism. He laid down the foundation principles which would form the foundation for the works of John Stuart Mill. Malthus is a follower of William Paley, he has similar point of view with Eric Heavener in the idea of self-interest and utility. It had already been endowed with it's logical meaning within the framework of the religiously integrated society of the time (Guilfoyle, 2000: 5).

Malthus combined his utilitarianism natural theology and established normative values originating as the laws of nature which were the laws of God. The law of nature were to be actualized as the greatest happiness of the greatest number. John Stuart Mill, a Benthamite utilitarian, adopted a secularized version of Malthus's laws of nature as binding regularities of nature and the foundation of science (Guilfoyle, 2000: 6).

Malthus also called as latitudinarianism that viewing the worldly happiness of mankind as the will of God. In his theodicy, Malthus attempted to reconcile evil with the goodness of God by presenting the population principle as a means by which God stimulated mankind into activity from his inertness, a condition which result from original sin. (Guilfoyle, 2000: 5-6).

In Malthusian, there are not only was the Christian God the creator of evil, but they assumed that God was limited in his capacity to overcome the process of nature (Guilfoyle, 2000: 8). This is called natural theology. Natural theology assumes that God will not work against the laws of nature and social. Thus the work of God will always appear in natural and social events.

For Malthus the one of the body such as hunger stimulate the natural inertia of men arousing him to activity through the care of a beneficence God (Guilfoyle, 2000: 8). Within such an understanding the advance of men's intellectual powers become more urgent, as the means of perfecting his higher nature, lifting him above and beyond the repugnance of his animality. (Guilfoyle, 2000: 10). Theological utilitarians not only saw the advocacy of God, but also as the proper criterion of morality thereby establishing utility as the foundation of morals both in the religious and the secular world.

2. Utilitarianism in the Thought of Jeremy Bentham

Bentham was the leader of a radical group aim to reforming English law and institutions according to the line of utilitarianism. The central question for Bentham and the utilitarians was: "Who are the savages and how can they be civilized?" The utilitarian answer was the creation of the welfare state that would set up a series of rewards and punishments to regulate human behavior (Martin, Lawrence L, 1997: 2)

Briefly, for Bentham, the standard of right and wrong ever determined by the governance of two sovereign masters, pain and pleasure (Guilfoyle, 2000: 141). Human naturally persue pleasures and reject pain.

The principle of utility, consists of four components. The first, *communal consequentialism*, set the unquestioned horizon of Bentham's thinking about morality and politics. Morality is, at bottom, the business of promoting the overall good of the community. This is the lesson Bentham took from Hume. All virtue is founded on utility, he learned. He understood utility, at a first approximation, in terms of social welfare. Thus, according to this second component, *social welfarism*, the good of the community is to be understood in terms of its welfare or well-being. But, third, for Bentham the fundamental moral concern is the well-being or welfare of individuals. *Individual welfarism* insists that all other concerns, when viewed from the perspective of morality, must be rooted in the welfare of individuals. The fourth component, *compositionalism*, unites the two parts of his welfarist understanding of communal consequentialism: the welfare of the community is strictly a composite of the welfare of its individual members. (Postema, 2006: 111).

Bentham accepted the principle of utility in the specific form of an artificial identification of Interest. A principal later opposed by John Mill. According to this theory of calculus, pressures and pain could be quantitatively measured by intensity, duration, certainty or uncertainty, and propinquity or distance (Guilfoyle, 2000: 141). The element of

calculus were assumed to provide a scientific formula for the greatest happiness of the greatest number as Newtonian analogy (Guilfoyle, 2000: 142) Bentham was perhaps overly concerned with quantification and measurement, causing John Stuart Mill to comment that the value of Bentham's accomplishments lies "not in his opinions but in his method" (Martin, Lawrence L, 1997: 2).

Bentham utilitarianism was characterized by both pessimism and practicality, the means he choose were in accord with his practical objective of attainability. This sense of *attainability* would later appear in John Mill's modification of his work through his understanding of practicability. (Guilfoyle, 2000:142)

3. Utilitarianism in the Thought of John Stuart Mill

In utilitarianism theory, every action must be tested on the ultimate purpose of the action. All action is for the sake of some end; and it seems natural to suppose that rules of action must take their whole character and color from the end at which action aim. (Mill, 2008: 1). If an action does not produce a good consequence, then the action is not recommended to do.

Society has the ability or standard to test a moral or immoral act. But the standards used are often not in accordance with the intended purpose. The standard should be the standard that can indicate which actions are correct and which actions are wrong. One whould think that a

test or criterion of right and wrong must be the means of discovering what is right or wrong and not a consequence of having already discovered this. (Mill, 2008: 1).

Utilitarianism uses reason to determine moral judgment. When someone makes a moral judgment for no reason whatsoever, the result is an abstract doctrine that is difficult to implement.

Our moral faculty according to all those of its friends who are entitled to count as thinkers, supply us only with the general principles of moral judgment; it belong with reason and not with sense-perception; what we can expect from it are the abstract doctrines of morality, and not the perception of morality in particular concrete situations. (Mill, 2008: 2).

Thus John Mill builds the ultimate standard as the basis of actions. Ultimate standards must be clear, because if not, it will make a person's actions become absurd.

The lack of any clear recognition of an ultimate standard may have corrupted the moral beliefs of mankind or made them uncertain; on the other hand, the bad effects of this deficiency may have been moderated in practice. (Mill, 2008: 2).

This ultimate standards were expressed in a simple way although it also raised critical argument on it, "*Greatest happiness to the greatest number*". This terminology is so important in utilitarian thinking. Happiness is a driving force for someone to act. Happiness also affects a person's perspective on decision making.

Men's views both for and against are greatly influenced by what effects on their happiness they suppose things to have; and so the

principle of utility or as Bentham eventually called it ‘the greatest happiness principle’ (Mill, 2008: 2)

John Mill uses the word "Utility", "happiness" and "pleasure" alternately to express the same purpose of the ultimate standard. By happiness is meant pleasure and absence of pain; by unhappiness is meant pain and the lack of pleasure (Mill, 2008: 5). The doctrine that the basis of moral is utility, or the greatest happiness principle, holds that actions are right in proportion as they tend to promote happiness, wrong in proportion as they tend to produce the reverse of happiness. If the greatest happiness of all is the end of human action, it must also be the standard of morality (Mill, 2008: 8). The theory of life namely the thesis that: pleasure and freedom from pain are the only things that are desirable as ends. John Mill's major inheritance from Bentham, the greatest happiness of the greatest number which remains consistent throughout his work (Guilfoyle, 2000: 146).

F. Employees as Most Important Resource

Employees are a great resource in the company. They need to be treated personally as human on management's policies. The use of Human Resource Management's terminology should take serious attention. Because in the term of “resources” there are passive objects to be utilized by superior agents (Inkson, 2008:270). That it is not the person that is the real resource, but the knowledge and expertise the person possesses. It is knowledge, skills, and capabilities that are the real resources (Inkson, 2008: 271). If it is not that

individuals are resources, so the employees may or may not choose to share with the organization and develop within it (Inkson, 2008: 274). In this case, employees have a freedom to share and develop his capacity to the organization. The changing formulation suggests some rapid reconsideration of the issue of who should be in charge of the career. If organizations insist on considering employees primarily as resources rather than as partners, then they cannot complain if employees take the same approach to them. It is the employee who must bend his or her career to match the corporation's superior plans (Inkson, 2008: 275).

People have a right to proper treatment as dignified human beings while at work, and they are only effective as employees when their job-related personal needs are met. This view namely The soft version HRM models. The soft model therefore views employees as ends in themselves, rather than objects, and through using HRM to foster employee motivation, commitment and development, organizational goals can be achieved, but more importantly employee well-being is enhanced (Edgar, 2003: 231). One school of thought defends the "mutual-gains" alternative: employers and employees equally benefit from the introduction of innovative HR practices, their assumption being that these practices boost employee well-being (particularly in terms of satisfaction). In turn, employees perform better, creating a win-win relationship with the organisation (Canibano, 2013: 644).

G. Ethical Framework on Organization

HRM is ethically fraught, its precarious nature tied to the very humanness of the humans being managed and managing. (Gavin Jack, Michelle Greenwood, and Jan Schapper, 2012: 11). Ethics arises not when HRM tries to enforce its own ethical systems but when HRM is brought into question through dissent and resistance from the outside (Carl Rhodes and Geraint Harvey, 2012: 56). The ethics of HRM is dominated by two approaches. The first focuses on making assessments of the normative systems of HRM at a macro level. The second approach works at a micro level so as to evaluate particular HRM practices as they can be related to ethics (Carl Rhodes and Geraint Harvey, 2012: 50).

Ethics is a set of rules and principles, a code of behavior considered correct, right or fair by a certain group, or organization. It is important to be noted that these rules are part of the culture of the organization (SOMESAN, 2011: 57). Ioan SOMESAN described ethics as:

Basically the rules of common sense in almost any human collectivity, no matter the race, religion or level of education. Some of the most important of them are the honesty, the integrity, the loyalty, the accountability, the fairness, the love and respect for human fellows and nature, the respect for truth, the respect of real value, of age, of diversity, etc., and promise keeping. (SOMESAN, 2011: 57).

The lack of ethics may result in direct and indirect losses, examples costly or useless acquisitions; hiring unqualified personnel; waste of resources; abuses of any kind; faked quality controls; misuse of resources;

failure to meet deadlines; failure to meet the quality standards (SOMESAN, 2011: 58). The lack of ethics would lead the business into the death. However the bad effects are much more painful in the developing and poor countries, where each penny wasted or stolen is resulting in hunger, lack of medical assistance and death.

Today most of the big companies are making public their internal code of ethics trying this way to increase the trust of the customers in their company and why not to attract ethical employees. implementing ethical principles are a guarantee for a strong organization and healthy work environment. It is at the hand of the managers to implement the ethical policies the compliance rules and more than that to practice everyday an ethical leadership style. The best way to promote an ethical behavior is by promoting the positive examples showing the good outcomes of a certain ethical attitude or action (SOMESAN, 2011: 60). The future of our organizations – public and private, in manufacturing, finance, energy, construction and services, small and large – depends on engaging all the people who are capable of making a contribution. (Altman, 2009: 4). Business ethics implementation can be of essential meaning for its long-term existence, success, growth, and development (Jernej Belak and Mateja Pevec Rozman, 2012: 1607).

H. Happiness, Well Being, and Humanity

In the psychological literature, happiness is understood primarily as subjective well-being characterized as:

an inner, affective, subjective state, constituted by two major components: Global positive affect or sanguine mood, and, a certain level of contentment with life generally, but also in specific domains, such as work, family, health, and good feeling for a group or community (Liszka, 2005: 325).

Sanguine mood is a mood that is usually associated with a feeling of comfort, pleasantness, enthusiasm vigor, and placidity. if we experience a predominance of unpleasant affect, such as anxiety, sadness, boredom, anger, depression, and tiredness, well-being is absent from our lives (Liszka, 2005: 326).

One of the earliest researchers on well-being, Warner Wilson suggested that there are basic human needs, and if circumstances allow people to fulfill the needs, they will be happy. Wilson proposed that:

the typical happy person is “young, healthy, well educated, well-paid, extroverted, optimistic, worry-free, religious, married person with high self-esteem, job morale, modest aspirations, of either sex and of a wide range of intelligence. (Liszka, 2005: 327).

Dicipline of economic take the wrong measures of happiness. Robert Lane argues that the true source of happiness is family and close relations, factors which market economies have contributed to weakening. In some ways, this coincides with Michael Argyle’s argument that having families and close relations are some of the stronger causal correlates of happiness (Liszka, 2005: 329).

A happy person is also not selfish, but expresses care, fellow-feeling, and interest in others. Indeed Mill's prudential advice that he expresses in his Autobiography is that a person should not make his or her own happiness an immediate aim. The aim ought to be the general improvement of humankind, from which might flow our own happiness (Liszka, 2005: 338).

I. Employee Well Being and Human Resource Management

Employee well-being consists of subjective well-being (life satisfaction plus dispositional affect), workplace well-being (job satisfaction plus work-related affect) and psychological well-being (self acceptance, positive relations with others, environmental mastery, autonomy, purpose in life and personal growth) (Kathryn M. Page & Dianne A. Vella-Brodrick, 2008: 454).

There are two main streams of psychological research in understanding subjective well-being — hedonic and eudaimonic. The hedonic stream of subjective well-being is rooted in the Greek philosopher Aristippus, who considered that life's ideal is to maximize the amount of pleasure and happiness. In contrast, eudaimonic subjective well-being proposes that true happiness is not just following human felt desire, but sooner “found in the expression of virtues – that is, in doing what is worth doing” (Fisher, 2013: 309). Compared to SWB, which specifically focuses on subjectivity, PWB is a person's potential to realize a meaningful life and to meet real life challenges.

The view that well-being consists of pleasure and happiness, is labelled hedonism. According to the second perspective, eudaimonism, well-being is not just about happiness, instead it is found in the actualization of human potentials. Eudaimonia refers to the feelings present when an individual is moving toward self-realization in terms of the development of one's unique individual potentials and furthering one's purpose in living (Petra Anić, Marko Tončić, 2013: 136). The eudaimonic approach is orientated to personal growth and living to one's fullest potential.

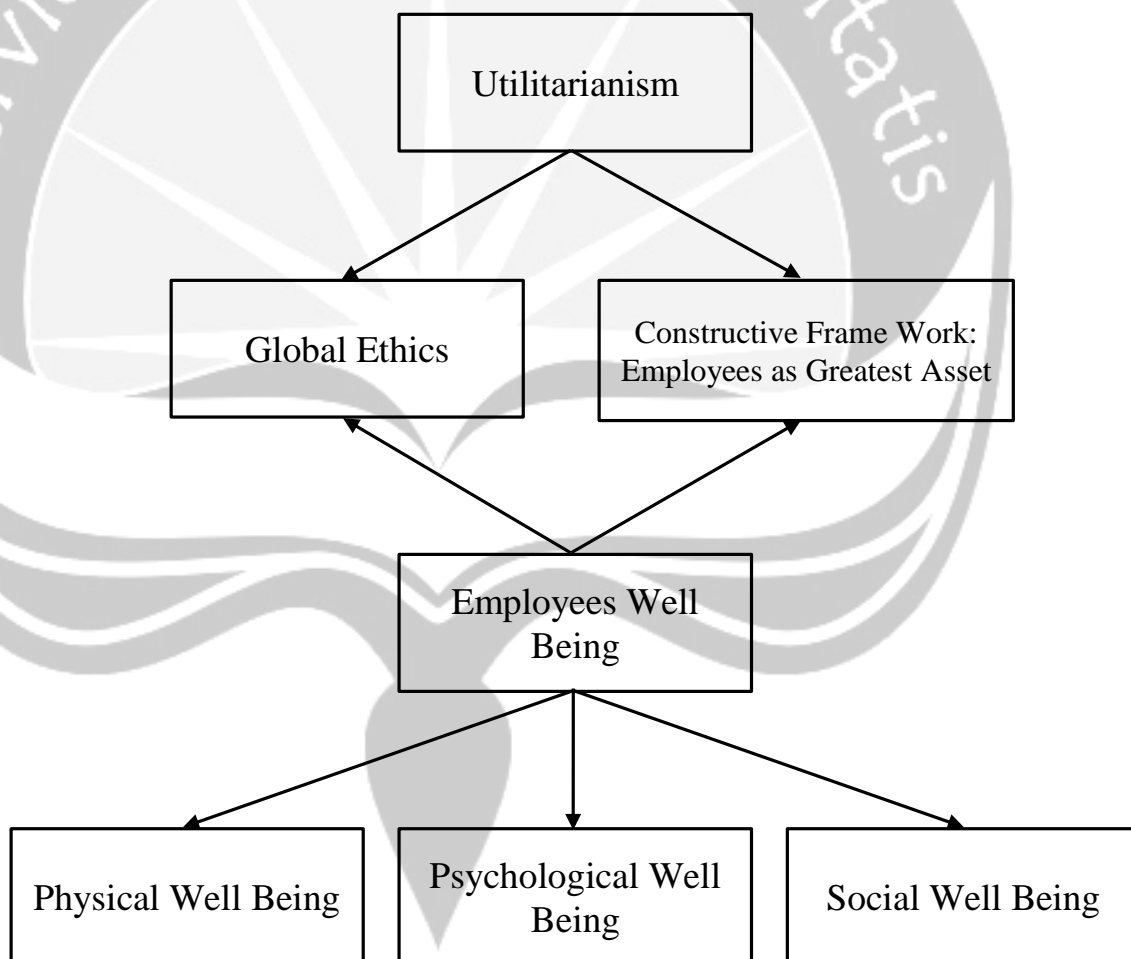
The distinction between eudaimonic and hedonic theories of happiness is the most common division in well-being research. the best way to live our lives is to combine hedonia and eudaimonia. People who endorse eudaimonia and hedonia equally, take the best out of both: their lives are full of pleasures, engagement and meaning (Petra Anić, Marko Tončić, 2013: 145). Living a eudaimonic life includes engagement in activities that nurture people's talents and skills, cultivate interests. Activities that are a source of meaning and purpose used to define goals that guide people's actions and promote well-being (Petra Anić, Marko Tončić, 2013: 146).

Froehlich (2013, 21) argues that well-being is about the combination and interaction of five elements: career, social, financial, physical, and community. Organizations, managers, and employees must work together more effectively to achieve balance in the mutual needs of the organization and employees, including business outcomes and employee health, fulfillment, and balance, when managing change (Froehlich, 2013: 31).

J. Theoretical Framework

Utilitarianism preparing a set of views that contribute to the employees' well-being. The outcome of utilitarianism include one of view which is employees were the greatest asset on organization. So humanizing employees as human being would preparing organization to treat fairly on their well-being.

Figure 2.1 Theoretical Framework



Utilitarianism supply the way to the global ethic so called “universalism ethics”. It’s ethics would construct the terminology of human being not as resource of the company but as a partner in achieving similar goal. This global ethics challenge managers to actualizing good practices. These global ethics supporting employees’ well-being which bring satisfaction to them.

In the employees’ well-being, there are 3 aspects, such as physical well being; psychological well being; and social well being. The three aspects of employee well-being would enhance employees’ satisfaction on the workplace.

In the past, the academic fields of employee relations (ER) and Human Resource Management (HRM) have not shown a marked interest in the issue of moral philosophy (Klikauer, 2012: 1). But in the present day, ER and HRM should nurturing their coverage on moral philosophy. Moral philosophies in the form of utilitarianism, and virtue ethics having conducted a supportive study on the morality of ER and HRM. The link between ER/HRM and ethics concerns ethical philosophy because the behaviour of HRM/ER actors has real consequences and can therefore be judged ethically (Klikauer, 2012: 13). For ER however, the ethical values of society based utilitarianism can move upwards to reflect universalism because it can apply both to society and indeed globally. In the final assessment of ER and HRM, ER corresponds to universal ethics and to utilitarianism (Klikauer, 2012: 14).

At the final stage of morality ER has a closer association with the ultimate ethical goal of supporting life beyond human beings.

HRM practices should not cease to continue for developing. Therefore, research on HRM develop up to the stage of Innovative HRM practices. In this issue, the general belief exist that the positif relationship between HR and performance operates through employees (Canibali, 2013: 645). To better explore the impact of HR on employee well-being, a micro-HRM approach is required, using individual as the unit of analysis. This research uses the World Health Organisation's (1948) definition of well-being as a three dimensional concept, composed of physical, psychological, and social aspects. The three dimensional concept would explain as:

Physical well-being is characterised by the absence of negative symptoms like headaches, muscular soreness, fatigue, eyesight problems, cardiovascular diseases, etc. (Danna and Griffin, 1999, p. 361) as well as the presence of positive feelings such as energy and strength (Macik-Frey et al., 2007). Psychological well-being has an affective nature and refers to people's self-described happiness, including positive states such as enthusiasm or cheerfulness, as well as negative states like depression, distress or anxiety (Warr, 1987). While physical and psychological well-being happen at the individual level, social well-being focuses on social integration (feeling part of the community), social acceptance (trusting other people) and social coherence (understanding social processes) (Keyes, 1998: 121).

Arguments that HR practices positively or negatively affect well-being are both supported by either the "mutual-gains" or "conflicting-outcomes" perspectives (Klikauer, 2012: 646). This research takes an exploratory approach to investigate if and how implementing innovative HRM practices affects employee well-being.