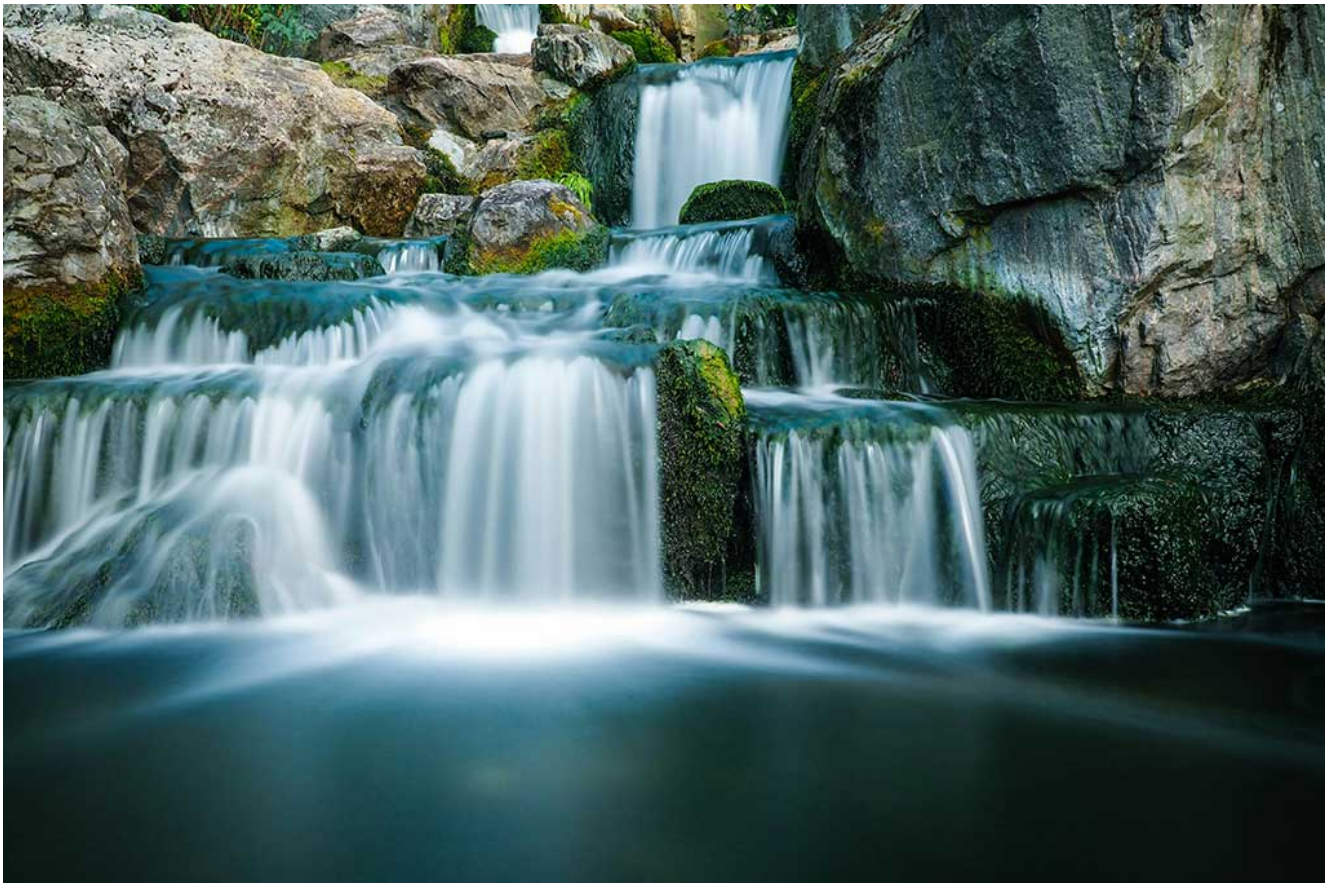
Organizational wellbeing is a top-down project

Employee wellbeing starts with top management and can have significant benefits on performance and commitment.



April 4, 2024

It’s probably news to no one that your boss can affect your mental health. But a leader’s behavior and the example they set can have knock-on wellbeing effects throughout the organization.

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People are imitative by nature. When someone with perceived high status sets an example, it can influence the standards of the entire group (or workplace culture) and have significant effects on behavior.

In the workplace, this means that when middle managers receive respect and backing from their bosses, they often replicate this behavior within their own teams, in a trickle-down effect that can have impact throughout the entire organization.

Research published in the *European Management Review* by IESE's Mireia Las Heras, alongside Yasin Rofcanin, Siqi Wang, Didem Taser, Maria Jose Bosch, Mine Afacan Findikli and Andres Salas Vallina, highlights the impact of support on employees' personal lives, wellbeing and even sleep hygiene.

Their findings suggest that supervisors who feel supported reciprocate in kind with more supportive treatment of their subordinates, which empowers employees psychologically and leads to better performance and increased commitment to the organization.

The power of empowerment

Perceptions of support can go a long way. One example picked up in the research is managers supporting their employees' careers by giving them a sense of autonomy and by letting them set their own work goals. This is strongly associated with psychological empowerment or an individual's intrinsic motivation. This typically manifests in four ways: a sense of purpose, self-determination, task competence and organizational impact.

The authors posit that this psychological empowerment is a key mediator in the trickle-down process of support, and that supervisors at all levels are agents of empowerment, reflecting by example upper management's views on best workplace practices. Effects on psychological wellbeing and job performance are passed down the chain of command, creating a cycle of reciprocity.

What wellbeing really means in employees' daily lives

Wellbeing is a notoriously vague concept and can very much depend on the person. However, there are two concrete and irrefutable signs that can be measured:

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- **Quality of sleep.** Anyone who has faced a night of tossing and turning can attest to its impact on performance.
- **Deep emotional resources**, a superpower when dealing with the unexpected, and a real hindrance when depleted. Employees with emotional resilience can snap back faster after challenging times without becoming frustrated and exhausted.

The research finds that by fostering a supportive work environment, organizations can enhance employees' emotional resilience and even mitigate sleep problems, ultimately contributing to a healthier and more productive workforce.

And the good news is that physical and mental resources do not occur in isolation. They tend to aggregate and sustain each other in mutually reinforcing and enriching ways.

In these times of heightened uncertainty, where burnout and exhaustion are prevalent in many workplaces, improving organizational wellbeing is crucial. The trickle-down effect from top management, and the interconnectedness of work and personal wellbeing, underscore the importance of prioritizing support at all levels of management to create a culture where employees feel valued and appreciated.

About the research

The authors used a weekly diary data set of subordinates and their supervisors in Chile to test the trickle-down effect of perceived supervisor support across three hierarchical levels: upper managers, supervisors and non-managerial employees.



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