

ENHANCING EMPLOYEE WELL BEING THROUGH A BALANCED SCORECARD FRAMEWORK: PROPOSING AN INTERNAL PROCESS PERSPECTIVE

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ABSTRACT

This paper explores how to adapt the Balanced Scorecard (BSC) framework to assess and improve employee well-being (EWB) within organizations. Building on the BSC model proposed by Cignitas et al. (2022), which incorporates EWB across four perspectives—financial security, intellectual and occupational, social and environmental, and physical and emotional—we suggest adding an internal process perspective. This new perspective aims to enhance internal operations to support well-being initiatives more effectively, promoting better structure, transparency, and alignment with HR strategies. The paper also discusses the pros and cons of this adaptation, referencing studies that demonstrate the positive impact of well-defined internal HR processes on employee satisfaction and well-being. However, introducing additional perspectives could complicate implementation and divert attention from core well-being initiatives. This proposed model provides a more systematic, process-oriented approach to integrating EWB into organizational strategy.

Keywords: Employee Well-Being (EWB), Balanced Scorecard (BSC), Internal Process Perspective, HR Strategy Alignment

1. INTRODUCTION

In recent years, employee well-being has emerged as a central focus in organizational strategy, reflecting a growing awareness of its impact on individual fulfillment and overall organizational performance. Traditional workplace well-being approaches have often been confined to human resources or wellness programs, treating employee welfare as a supplementary rather than a core element of business success. However, as research continues to underscore the direct links between employee satisfaction, engagement, and productivity, there is an increasing need to integrate well-being as a strategic objective within performance management frameworks.

This article proposes adapting Cignitas et al.'s model to more effectively encompass employee well-being as a fundamental component of organizational success. Building upon the Cignitas et al. BSC model, this approach introduces the additional internal process perspective tailored to employee well-being (EWB). The following literature review will explore current perspectives on employee well-being and its integration into performance management frameworks, laying the groundwork for the proposed model's theoretical and practical implications.

2. LITERATURE REVIEW

EWB has become a vital focus in modern organizations, reflecting a growing awareness of its impact on individual fulfillment and overall organizational success. EWB includes factors such as job satisfaction, engagement, and a sense of security, which are essential for maintaining a productive and resilient workforce. Today's work environments introduce new challenges, such as increased stress and job instability, making proactive support for EWB a strategic priority. Effectively managing EWB helps reduce issues like burnout and turnover, which can adversely affect both employees and employers.

As organizations recognize the complexity of EWB, there is a growing need for a structured measurement tool, such as the BSC, specifically adapted for well-being metrics. Implementing a robust measurement