

Employee Psychological Well-Being: A Systematic Literature Review

T Aysha Shifana¹, V Sathyamoorthi²

¹Research Scholar, Department of Business Administration, Kalasalingam Academy of Research and Education, India

²Assistant Professor, Department of Business Administration, Kalasalingam Academy of Research and Education, India

Abstract

This systematic literature review seeks to make sense of the results of 37 peer-reviewed open-access empirical studies published from 2015-2025 exploring the multivariate determinants of employee psychological well-being. The review classifies main influences into organizational, relational, and individual levels, including leadership types (ethical and transformational leadership (TLS), communication mechanisms, organizational climate, psychological resources, work-family balance, and stressors due to the pandemic. Based on studies sourced exclusively from Google Scholar, this review explores the methodological diversity of previous research and consistently identifies psychological well-being as the mediating element in relation to performance, engagement, and job satisfaction. While methodological variety and small database coverage limited the findings, they underlined the pivotal role of work environments and employer behaviours in determining employee mental health. The review is informative to psychological research and HR (Human Resources) practice in cultivating sustainable mentally healthy workplaces and advances potential research directions in coping workplace challenges on the horizon.

Keywords: Employee psychological well-being, Mental health, Leadership, Workplace, Human Resource, Organizations.

Introduction

Well-being is identified as the individual's perceptions of their state of being in terms of what they have and what they do, including positive functioning, life satisfaction, and emotional health (Ryff & Keyes, 1995). As reported by Daly, Sanders, Dodge, and Huyton (2012), well-being at work includes the presence of positive mood and emotions and the lack of negative ones.

Employee health and well-being have been at the forefront of research on organizations for some time, largely because of the significant impact of employee well-being on individual productivity and overall organizational effectiveness. In order to design interventions to improve employee satisfaction, productivity and organizational effectiveness, it is important to have a wide-ranging interpretation of the underlying elements that influence workforce mental wellness, as well as an understanding of the organizational outcomes associated with such well-being. Well-being in the workplace as a central theme in organisational psychology entails psychological, bodily well-being and interpersonal components (Danna & Griffin, 1999), and it promotes job satisfaction, productivity and retention, which are essential foci in human resources management (Warr, 1990). The literature consistently shows that psychological well-being at employment leads to beneficial results, for instance enhanced motivation and decreased stress (Ryan & Deci, 2001).

A number of strong theoretical models underpin research into psychological well-being of employees. Self-Determination Theory posits that fulfilling basic psychological needs—autonomy, competence, and relatedness—is crucial to facilitate optimal well-being and functioning (Deci & Ryan, 2000). Similarly, employee well-being is thought to be determined by the balance between work demands (e.g., job burden, ambiguous responsibilities) and work resources (e.g., freedom in decision-making, interpersonal guidance), as hypothesized by the Job Demands and Resources framework (Demerouti et al., 2001). As per this framework, high demands—for example—drive strain and burnout; however, given appropriate resources, the detrimental ramifications of these demands are alleviated, and employee engagement and well-being are increased (Bakker & Demerouti, 2007). The Conservation of Resources theory suggests that individuals strive to acquire and maintain resources that are important to them, and that actual or perceived loss of these resources is a key source of stress (Hobfoll, 1989).

Furthermore, the PERMA framework highlights five primary dimensions—positive emotions, engagement, relationships, meaning, and achievement—as key in achieving psychological and hedonic well-being (Seligman, 2011). Flow theory also adds to this knowledge by indicating the importance of deep engagement and intrinsic motivation in fostering positive mental health during work activities (Csikszentmihalyi, 1990).

Need of employee psychological well-being:

Performance, Efficiency, and Engagement: "Employee psychological well-being is crucial to keep up high levels of performance and engagement in today's tough work environments" (Grant Christianson, & Price 2007). "Psychological well-being has a direct link to employees' skill to adjust to change and stay resilient when facing stress at work" (Donald et al., 2005). "Keeping up psychological well-being at work helps create positive emotions that boost decision-making, creativity, and skills to solve problems" (Baron, 2008).

Organizational Commitment, Retention, and Burnout Prevention: High psychological well-being among employees is linked to increased commitment to the organization and lower levels of burnout—factors that are vital for sustaining the workforce over time. "Employees with poor psychological well-being tend to be less satisfied with their jobs causing organizations to face higher costs from absenteeism and turnover" (Krekel, Ward, & De Neve 2019). "When job demands are high, psychological well-being acts as a shield that boosts health and productivity" (Taris & Schaufeli, 2015).

Workplace relationships and the organizational climate (OC): "Employees with high psychological well-being build stronger interpersonal relationships and work better in teams, which leads to a healthier organizational climate" (Kelloway & Barling, 2010). "Organizations that put money into employee well-being often see better organizational citizenship behaviour and fewer counterproductive work behaviours" (Brunetto et al., 2012).

Strategic Human Capital Management: "Companies now see psychological well-being as a key asset in managing human capital crucial to attract and keep top talent" (Zheng et al., 2015). "Boosting psychological well-being helps not just individual mental health but also drives company innovation and competitiveness" (Abubakar et al., 2019).

Researchers have increasingly focused on worker psychological wellness, recognizing its critical role in enhancing organizational performance, supporting employee retention, and promoting overall mental health. However, the so far studies on this subject lack cohesion.

Different theories and findings have resulted in conflicting definitions and inconsistent outcomes. This shows there's a real need to bring everything together to clear things up, spot trends, and find out what's missing from the research.

The current paper tries to address this underdeveloped area of research by adopting the PRISMA model to provide the transparent and extensive overlook. The scope of this current review is to contribute a 360-degree coverage of psychological well-being of the employees. It achieves this by reviewing 37 peer-reviewed articles from 2015–2025 on the basis of identification, screening and analysis. This review adopts a strict screening criterion to preserve the pertinence, rigor, and empirical basis of the reviewed evaluations. By systematically presenting and evaluating study objectives and findings, we can gain insight into the methodological trends, thematic emphasis, and developing patterns in research on employee psychological well-being. In contrast to the search for a specific gap in the STREAM research, the paper sets out to map the intellectual terrain of the STREAM research on employee psychological well-being in the past decade, providing a synoptic reference sources for academicians and practitioners that captures the full most of the theoretical and empirical.

Methodology

Empirical studies on employee psychological well-being were searched systematically. Publications released between 2015 and 2025 were included based on criteria that explored different antecedents and outcomes of employee psychological well-being across diverse workplace contexts. Descriptive design was adopted to systematically find out the factors that have an impact on worker's psychological health. Since this scholarly work used specific eligibility standards to select the articles, Purposive sampling which is known as the one of the types of non-probability sampling method had been employed in this study.

A) Search Strategy

This systematically conducted literature review follows the PRISMA 2020 framework guidelines to develop a structured and transparent research. Google Scholar, one of the widely used academic databases has been used to conduct the literature search. Amongst this, studies published between 2015 and 2025 were primarily on the Employee Psychological Well-being. A keyword was applied to eliminate all articles that were not relevant to the research. The keyword applied in this study was "Employee Psychological Well-Being." Further evaluation was done for only studies that met those predefined criteria.

B) Eligibility Criteria

Articles eligibility standards were applied to maintain the quality and keep up the review.

- Inclusion Criteria:

- a) Research papers in peer-reviewed publications
- b) Studies available in English
- c) Focuses on the research of [Employee Psychological Well - Being]
- d) Empirical studies presenting measurable data

- Exclusion Criteria:

- a) Articles without full-text access
- b) Non-English publications
- c) Inappropriate studies with not much relevance keywords in the title
- d) Non-peer-reviewed sources such as conference proceedings, book chapters and dissertations
- e) Studies published before 2015

C) Study Selection Process

The selection process followed the four stages outlined in the PRISMA 2020 flow diagram (adapted from PRISMA, 2020).

1. Retrieved 24,40,000 articles from Google Scholar. No duplicate records were found.
2. 23,40,000 records were excluded after application of language and keyword-based filters as they did not conform to the selection criteria.
3. The remaining 88 full text articles underwent an Eligibility Assessment; 23 were removed due to the unavailability of the full text article, 15 were removed because the articles that were not peer-reviewed and 13 studies that lacked empirical data were excluded.
4. Ultimately, only 37 studies met the final inclusion criteria and were selected for the systematic review.

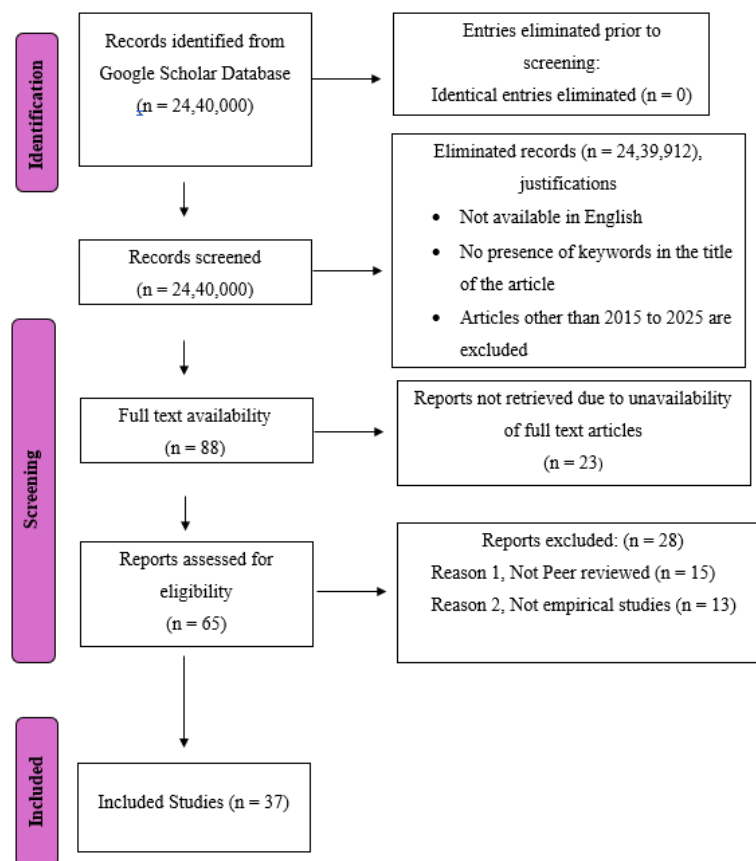


Figure 1 shows the adapted PRISMA 2020 flow diagram depicting the complete selection process, which is used in this study.

D) Data Extraction And Synthesis

Key elements of the chosen articles—namely methodologies, sample characteristics, outcomes, and future recommendations—were extracted systematically from the data of the selected studies. Using the data extracted, recurring patterns were synthesized, methodological trends identified, and research gaps identified.

Results

This table reviews in fullness, 37 empirical works which investigate diverse determinants and outcomes of employee psychological well-being. The paper is summarized to show authorship, publication year, design, population, sampling methods, sample size, key findings, and suggested directions for future research includes the suggestions directly quoted from the original articles and also includes the future research suggestions made by the author. The purpose of this compilation is to provide a compact reference on the various factors that will affect EWB and how these factors impact the organization.

Table 1 represents the summarization of the selected 37 articles

| S.No | Name of Author(s) & Year | Research Design & Population | Sampling Design & Sample Size | Findings | Future Research Directions |
|------|---------------------------|---|---------------------------------|--|--|
| 1 | Xiangdan Piao et. al 2022 | Longitudinal, Employees in Japanese corporations | Not specified, 41,998 | Certain Environment, Social, and Governance (ESG) activities improve well-being, while governance-related activities increase stress | Further research on ESG implementation in different cultural contexts |
| 2 | Nadia Zahoor et. al 2022 | Not specified, Employees in manufacturing small scale businesses | Not specified, 202 | The association between technological innovation and psychological well-being follows a curvilinear pattern, peaking at moderate levels before declining | Industry-specific innovation challenges |
| 3 | Hadi Teimouri et. al 2018 | Descriptive, correlational survey, Employees at Golsar Fars Company, Iran | Stratified random sampling, 148 | Ethical leadership positively impacts employee psychological well-being | Future research should focus on ethical leadership across different industries |

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| 4 | Rahi, S. (2022) | Cross-sectional, Employees in private organizations | Convenience sampling, 311 | Psychological well-being and enhanced self-efficacy significantly impact labour engagement and employability | Exploring cross-cultural differences in work engagement |
| 5 | Yufan Sunny Qin et. al 2023 | Cross-sectional survey, Employees across various industries in the U.S. | Not specified, 393 | Internal communication positively influences psychological well-being, mediated by organizational trust | Examining long-term effects of internal communication on well-being |
| 6 | Yasir Mansoor Kundi et. al 2021 | Not specified, Employees in cellular companies in Pakistan | Not specified, 280 | Emotional attachment connects the relationship between psychological well-being and work efficiency; employment uncertainty weakens this relationship | Need for longitudinal studies on well-being and job performance |
| 7 | Lalatendu Kesari Jena et. al 2018 | Not specified, Manufacturing executives in India | Not specified, 511 | Worker commitment, psychological well-being, and transformational leadership enhance organizational reliance | Further research on cultural variations in leadership and engagement |
| 8 | Rahi, S. (2023) | Quantitative, Employees in private sector organizations | Convenience sampling, 353 | Human Resources (HR) compensation, training, psychological empowerment enhances work engagement during crises | Further research on HR practices and crisis management |

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|----|--|--|---|---|---|
| 9 | Chen Ma, Yasir Latif 2022 | Longitudinal, Employees in China | Not specified, 543 | Internal Corporate Social Responsibility (CSR) enhances well-being, while external CSR impact varies based on ethics | Investigate role of CSR in different industries |
| 10 | Ewa Chomać Pierzecka, et. al 2024 | Not specified, Employees in pharmaceutical companies in Poland | Purposive sampling, 182 | Psychological well-being strongly influences business performance | Need for more industry-specific studies on sustainable HR |
| 11 | Meyer, Zill, Dilba, Gerlach & Schumann (2021) | Longitudinal - a 3-wave study, German participants who work | Convenience sample, 789 respondents | Women's mental functioning was deeply strongly impacted by the widespread outbreak than men's | Upcoming study should explore that the mentioned association is linked to reinforcement of classic gender norms or alternative contributing factors |
| 12 | Prasad & Mangipudi (2021) | Survey research, Employees working in Information Technology (IT) industry | The sample was drawn from secondary data originating from a study informed by Prasad et al., (2018; unpublished thesis; Prasad et al., 2020), 756 | The findings of the multivariate evaluation reveal that all the independent parameters (task involvement, employment fulfilment, virtual work) and their corresponding sub-scales are statistically significant and have a notable effect on psychological well-being | The researchers can carry out studies on occupational stress, coping, and study the effect on psychological well-being |

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| 13 | Annuar et al. (2023) | This cross-sectional study involved 100 employees, including harvesters, daily-rated workers, and line leaders. | A convenience sampling method, 100 | The results also confirmed that while the perceived degree of leadership style was average, employee psychological well-being was reported to be at a high level | Future implications should emphasize the value of leaders serving as exemplars by demonstrating key leadership style aspects in their interactions with employees |
| 14 | Liu et al. (2024) | Quantitative cross-sectional survey design, targeting educators in Chinese higher education institutions. | Simple random sampling, 690 | The findings revealed a positive significant effect of organizational commitment (OC) and psychological well-being on job satisfaction (JoS). Moreover, the research conclude that psychological well-being has an effect on JoS and serves as conduit between OC and JoS | Furthermore, technological integration (TI) was found to positively moderate the OC-JoS relationship. These findings highlight the strategic potential of leveraging technology to enhance job satisfaction by fostering a improved collaborative and fulfilling workplace |

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| 15 | Walbeek et al. (2022) | Empirical cross-sectional research, Workforce of high-end hotels in the Netherlands | Snowball sampling, 133 | Flourishing at work and employee involvement completely link the relationship between transformational leadership and hedonic well-being | Further research is needed on types of leadership and emotional processes throughout and following the COVID-19 crisis in the Netherlands |
| 16 | Abolnasser et al. (2023) | This quantitative study employed PLS-SEM and focused on customer-facing staff working in luxury hotels in Saudi Arabia | Convenience sampling, 403 | The findings revealed that employee engagement (EEG) and job satisfaction (JS) both independently and sequentially exert a significant partial mediating effect on the connection between transformational leadership (TLS) and psychological well-being | Notably, no prior research has empirically analysed the potential serial mediation of employee engagement (EEG) and job satisfaction (JS) within the context of the hospitality industry. |

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| 17 | Wang et al. (2022) | Fuzzy-set qualitative comparative analysis (fsQCA), Project workers involved in 27 AEC projects across China | Not specified, 265 | Furthermore, in the domain of AEC projects, Self-Determination Theory was found to offer a more relevant framework than Conservation of Resources (COR) theory for interpreting psychological well-being. Overextension of roles and disputes can be positive when psychological needs are fulfilled; vagueness in role definition is always harmful | Further study needed on causal asymmetry and multi-context application of fsQCA results |
| 18 | Anwar et al. (2021) | Cross sectional study, Employees in Pakistan and Malaysia | Not specified, 285 | Psychological well-being bridges the link between COVID-19 social media news and employee behaviour | Researchers may consider investigating intervention-based studies for improving psychological well-being under information overload contexts |

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| 19 | Soomro et al. (2024) | Quantitative, Employees in 3 microfinance banks in Sindh | Convenience sampling, 208 | The findings revealed that destructive leadership had a favourable influence on both employees' work engagement and their psychological well-being | Study may consider equal responses from males and females and consider job satisfaction and cynicism as future mediators |
| 20 | Pudjiati, Saida Zainurrossalami a ZA, Dirga Lestari A.S (2023) | Quantitative, University employees in Balikpapan | Not specified, 36 | Job satisfaction and psychological well-being play a crucial role in shaping employee performance | Further studies are encouraged to investigate additional variables that may explain the unexplored 19.5% of employee efficiency |
| 21 | Jahroni & Didit Darmawan (2024) | Quantitative, The study was conducted among employees of Islamic banks in Sidoarjo, examining factors influencing their workplace well-being and organizational outcomes | Purposive sampling, 100 | Psychological well-being is proven to strengthen the impact of compensation on worker efficiency | This article provides an important contribution for management in designing a fair compensation system and effective welfare programs to improve employee performance |

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|----|---|--|------------------------------|---|---|
| 22 | Praptini Yulianti & Noorlaily Fitdiarini (2023) | Cross-sectional research, Blue-collar workforce based in Surabaya | Simple random sampling, 289 | Job insecurity negatively affects psychological wellbeing which in turn impacts performance | One remaining drawback lies in the reliance on a cross-sectional approach; subsequent research may validate the framework by utilizing a longitudinal methodology with multiple data collection intervals |
| 23 | Nitisha Sharma (2024) | Mixed-methods (quantitative and qualitative), Remote workers from various industries | Not specified, Not specified | Telecommuting may produce both beneficial and adverse impacts on mental health | Focus on efficient methods for overseeing remote employees that boost employee wellness, job contentment, and work-life harmony |
| 24 | Rantika & Yustina (2017) | Auditors from 11 public accounting firms in Jakarta participated in the study | Not specified, 219 | Ethical leadership promotes psychological empowerment, thereby increasing work engagement and reducing emotional exhaustion | Future research should explore additional mediating variables that may link ethical leadership to employee well-being |

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|----|----------------------------|---|---------------------------------|--|---|
| 25 | Taryana et al. (2023) | Not specified, Employees of PT. Ciputra Residence | Simple random, 50 | There is a strong direct effect of transformational leadership on both job satisfaction and psychological well-being | The results can guide strategic actions designed to foster healthier and more fulfilling workplace environments |
| 26 | Kara & Çetinel (2023) | Survey, Employees in textile sector in Usak | Convenience sampling, 524 | Psychological well-being plays an intermediary role in the influence of supervisor assistance on worker productivity | Prompts policymakers to adopt stronger steps to boost employees' psychological wellness |
| 27 | Puspaningrum et al. (2023) | Correlational, The study involved employees from PT Anugerah Pharmindo Lestari, providing insights into workplace dynamics within the organization. | Simple random sampling, 50 | The psychological well-being aspect exhibits a significant negative effect on job stress, with a p-value of 0.038, which is less than 0.05 | Future research can consider other mediators like coping strategies or burnout |
| 28 | Bartolome (2023) | Correlational, Non-teaching personnel in private and public schools | Stratified random sampling, 105 | These subscales have a relationship to the psychological well-being of non-teaching employees at work | The organization must be open to change and responsive to the proposed management program |

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|----|--------------------------|---|---------------------------------|---|--|
| 29 | Pradhan et al. (2023) | Cross-sectional survey, Service sector employees | Purposive sampling, 507 | Widespread outbreak burden negatively affects worker efficiency and psychological well-being | Discovering personal strengths might be advantageous for customized interventions |
| 30 | Erakpotobo et al. (2022) | Cross-sectional research design, Broadcast station employees | Non – probability sampling, 173 | Transformational leadership is linked to improved mental wellness and increased psychological well-being | Upcoming study can use longitudinal design to assess causal effects |
| 31 | Bahar & Minga (2019) | Not specified, Employees of International Organization for Standardization (ISO) 500 listed companies | Not specified, 283 | Relational justice serves as a conduit linking moral leadership and employee psychological wellbeing | Future studies may consider the contribution of organizational culture functioning as a buffer |
| 32 | Kiani et al. (2024) | Correlational, University professors in Pakistan | Convenience sampling, 334 | Employee psychological well-being partly serves as an intermediary in the connection between job redesign and work outcomes | Assess the consequences of digital task redesign in different educational systems |
| 33 | Manogna et al. (2024) | Descriptive research design, IT professionals in Chennai | Purposive sampling, 286 | A robust safety climate significantly enhances employees' mental health, reduces stress, and improves job satisfaction | Research can explore longitudinal effects of safety climate changes on mental health |

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|----|----------------------------|---|---------------------------|---|---|
| 34 | Aldabbas & Bettayeb (2023) | Cross-sectional, Personnel operating in diverse service sectors throughout the UAE | Convenience sampling, 197 | Managerial caring is positively associated with enhanced employee mental wellness. Additionally, a workplace atmosphere of empathy and the sense of belonging consecutively serve as mediators in the link between leadership support and employees' psychological well-being | Subsequent investigations utilizing time-based datasets and probabilistic sampling approaches could overcome these challenges |
| 35 | Al Nahyan et al. (2024) | Time-lagged design, Customer-facing personnel in public sector organizations within Saudi Arabia, offering perspectives on their workplace experiences and well-being | Random sampling, 279 | The sense of employment stability had a positive impact on work effectiveness and employee well-being | Subsequent studies may include aspects like occupational pressure, diligence, flexibility |

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|----|------------------------------|---|--------------------|---|--|
| 36 | Muhammad Rafi Dhia (2024) | Quantitative research, Managers in nonprofit organizations | Not specified, 160 | Psychological well-being significantly predicts managerial competence | Future studies could investigate additional factors, such as leadership styles or organizational dynamics |
| 37 | Sonnentag & Schiffrer (2019) | Quantitative field study, 137 employees and their supervisors | Not specified, 137 | Leader mental disengagement was indirectly associated with reduced employee fatigue and a diminished need for recuperation among subordinates | Future studies should examine boundary conditions and additional mediating processes to understand when and how leader detachment influences employee well-being |

Discussion

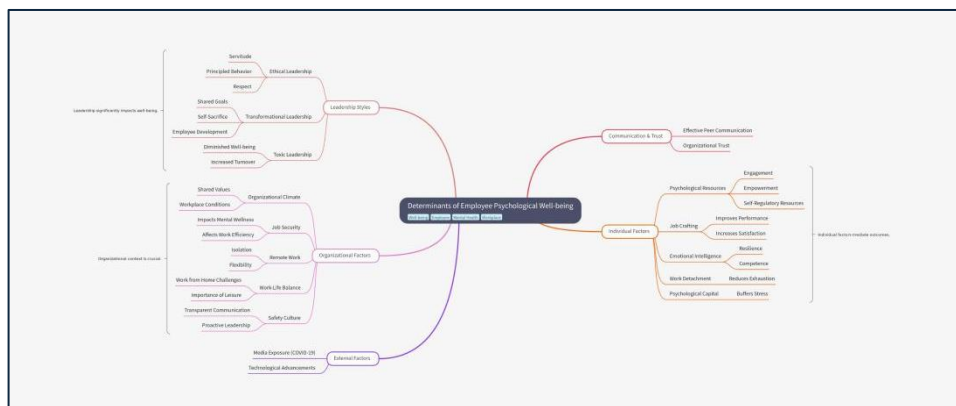


Figure 1. Illustrates a mind map produced through MindMapAI, outlining the determinants of employee psychological well-being.

Determinants Of Employee Psychological Well-Being:

Ethical and Transformational Leadership

Studies have demonstrated that ethical leadership—characterized by servitude, principled behaviour, and respect—exerts a strong beneficial impact on employee psychological well-being (Teimouri et al., 2018). It enhances psychological empowerment, which, in turn, boosts

work engagement and reduces emotional exhaustion (Rantika & Yustina, 2017). Ethical leaders foster empowerment by articulating clear moral values, defining roles, and offering recognition (Rantika & Yustina, 2017). Similarly, transformational leadership significantly contributes to psychological well-being by emphasizing shared goals, self-sacrifice, employee prioritization, and development (Erakpotobo et al., 2022; Abolnasser et al., 2023). This leadership style additionally improves job satisfaction (Taryana et al., 2023). Furthermore, ethical leadership is positively linked with interactional justice, which mediates its effect on employee well-being (Bahar & Mingi, 2019).

Communication and Trust

Effective communication among peers enhances mental wellness, while trust within the organization strengthens the positive impact of both corporate and peer communication on employee psychological health (Qin & Men, 2023).

Psychological Resources and Engagement

Psychological well-being moderately influences work engagement Rahi, S. (2022) and, alongside empowerment, explains a significant portion of engagement during crises Rahi, S. (2023). These factors are essential to individual and societal health. Internal corporate social responsibility also supports well-being through self-regulatory resources (Ma & Latif, 2022).

Commitment and Performance

Employees' emotional attachment to their organizations links mental flourishing to task effectiveness (Kundi et al., 2021). Trust in leadership increases when employees perceive meaningful engagement and well-being (Jena et al., 2018).

Organizational Climate

Organizational climate, reflecting shared values and workplace conditions, promotes communication, professional growth, and belonging. It also influences job satisfaction, with psychological well-being playing a mediating role (Yiming et al., 2024).

Toxic Leadership and Turnover

Negative leadership styles diminish engagement and well-being, increasing intentions to leave the organization (Soomro et al., 2024).

Industry-Specific Leadership

In hospitality, transformational leadership enhances well-being through employee engagement and thriving at work (Walbeek & El Hajal, 2022). Psychological well-being here reflects contentment and a sense of achievement (Abolnasser et al., 2023).

Media and Mental Health

COVID-19-related media exposure impacts behaviour via changes in psychological well-being and depression, as excessive negative content induces distress (Anwar et al., 2021).

Relatedness and Role Clarity

Employee well-being depends on their experience and functioning at work. Ambiguous roles and unmet needs for relatedness can harm well-being, particularly in collectivist cultures like China (Wang et al., 2022).

Organizational Determinants

Stress at work is the key factor of corporate performance and continuity. Environmental interventions can attenuate stress, while certain corporate governance practices can impair well-being (Piao et al., 2022). Technological advancements, though beneficial, may increase unrealistic expectations and mental fatigue (Zahoor et al., 2022).

Pandemic Stress and Burnout

COVID-19 intensified demands at work and home, depleting energy and threatening well-being, especially among women. This has resulted in burnout and emotional draining, which can be triggers for mental health disease (Meyer et al., 2021).

Remote Work Adjustments

Remote work, because it can be isolating, is bad for well-being. But some women have found independence and flexibility an antidote to work-life stress. Self-acceptance also has a powerful influence (Prasad & Mangipudi, 2021).

Job Insecurity and Performance

Job insecurity reduces mental wellness and, in turn, work efficiency. Mental health aids in organizational engagement, and stress in the pandemic has disturbed routines at work (Yulianti & Fitdiarini, 2023; Pradhan et al., 2023).

Supportive Organizational Culture

Managerial and organizational support positively influence performance via psychological well-being and empowerment (Kara & Çetinel, 2023). A low-stress, supportive atmosphere enhances performance. Psychological capital is an important resource in coping stress (Pradhan et al., 2023; Sharma, 2024).

Balancing Work and Leisure in Remote Places

Working from home gives you freedom and flexibility, but it can also make you feel lonely and make it a challenge to separate your work life from your personal life. High well-being is related to happiness, low stress, and being healthy; irrespective of gender differences (Bartolome, 2023).

Job Crafting and Productivity

Faculty members who actively shape their work experience perform better and feel more satisfied. Psychological well-being partly explains the link between job crafting and productivity (Kiani et al., 2024).

Managerial Empathy and Belonging

When managers show care, employees feel better and more connected to the organization. This sense of insider status boosts positive outcomes (Aldabbas & Bettayeb, 2023).

Safety Culture and Security

A strong safety culture—marked by transparent communication and proactive leadership—improves mental health and reduces job stress (Manogna et al., 2024).

Security, Capital, and Support

Employees who feel secure and supported perform better, especially when psychological capital buffers stress. Organizational dynamics and external factors both shape well-being (Al Nahyan et al., 2024).

Emotional Intelligence and Leadership

Managers with high well-being show stronger competence and foster a healthier workplace. In non-profits, emotional resilience is vital to prevent burnout (Dhia, 2024).

Work Detachment and Recovery

Taking periodic breaks from work is vital for rejuvenating the mind and sustaining good psychological well-being. Leaders who detach from work encourage their team to do the same, leading to reduced exhaustion (Sonnentag & Schiffner, 2019).

Conclusion

The systematic review synthesizes empirical evidence from 37 open-access peer-reviewed articles from 2015 through 2025 on the various facets of the contributors of workforce well-being. Findings consistently reveal that values-based/ transformational leadership behaviours, strong organizational support, effective communication as well as a positive safety and organizational climate, are related to enhanced psychological well-being. Conversely, toxic leadership, employment insecurity and stress due to the pandemic present major threats to mental health and on-the-job performance. Crucially, several psychological mechanisms – empowerment, emotional intelligence, job crafting and psychological detachment – are revealed to be vital intermediating variables in the connection involving organizational factors and well-being. In addition to the above, the review also reveals emerging themes associated with the rise of remote work, job design flexibility, and sector-focused leadership responses, which have considerable implications for employee experiences in modern workplaces. As a result, employee psychological well-being is multidimensional construct, organizations must adopt comprehensive strategies to enhance worker psychological well-being. Considering these points collectively, these synthesized results underscore the essentiality of the institutions to develop the job environment as a strategic asset to employee's continued performance and organizational resiliency. To ensure that organizations aim to improve employee psychological well-being, holistic approaches that incorporate these elements are suggested, with adaptations made for the organisation's cultural and industrial context.

Implications Of The Study

From a psychological point, this investigation demonstrates the importance of the constructs of mental health (such as emotional control, psychological empowerment, well-being), as key components in determining employee functioning and organisational adjustment. It underscores what kind of mental health interventions for stress management, and psychological support structures are required at the organizational level. From the (Human Resources) HR perspective, the results underscore the strategic contribution of leadership style, organisational culture and job design, and support systems in the promotion of psychological wellbeing of the workforce. With the help of these insights, HR administrators can craft and implement policies, training methods and work environment initiatives that will increase well-being, reduce turnover, and raise employee performance and engagement.

Limitations

The search was limited to open-access, English language articles only from Google Scholar and this may contribute to the omission of related studies listed in other academic engines during the review process. These studies also differed in the methodological designs, cultural contexts, and sample characteristics; therefore, findings could not be easily generalised. Furthermore, the lack of meta-analysis methodology limits the possibility of a quantitative measure of the relationship between variables.

Future Research Recommendations

In the future, broader data sources, beyond that of Google Scholar, might also be considered to further overcome the limitation in providing full coverage of literature. Longitudinal and cross-cultural studies are indispensable for determine the dynamics of worker psychological well-being over time and situational context. Meta-analytical methods should be applied to help with the quantification of our observed effects in different studies. In addition, new concepts such as digital fatigue, mindfulness, and resilience deserve closer attention, especially in the shifting landscape of flexible work arrangements.

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