

When Well-Being Stops Predicting Performance: Organisational Level as a Boundary Condition in the PERMA Model

Ruchi*

*Faculty of Management Studies
University of Delhi, Delhi, India*

Abstract: Organisational level is routinely entered into models of employee well-being as a control variable. This study tests it instead as a boundary condition on the relationships linking positive psychology (PERMA), employee well-being and employee performance. Survey data from 419 employees working under hybrid, remote and office-based arrangements were analysed using PLS-SEM, with MICOM-verified, permutation-based multi-group analysis across individual contributors, middle managers and senior managers. Entered as a control, organisational level added a negligible increment in explained variance. Entered as a boundary condition, it changed which mechanism operated: the well-being-to-performance path was robust for individual contributors ($\beta = .537$) and middle managers ($\beta = .576$) but indistinguishable from zero for senior managers ($\beta = -.055$), for whom resilience instead predicted both well-being and performance. All eight confirmatory comparisons survived false-discovery-rate correction. Well-being and resilience may function as substitutable, level-contingent pathways to performance.

Keywords: Positive Psychology, PERMA, Employee Well-Being, Organisational Level, Multi-Group Analysis

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*Research Scholar. Email: ruchi@hrc.du.ac.in. The author is also affiliated to Hansraj College, University of Delhi, Delhi, India