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Title:	**Linking Employee Performance Expectations and Employee Work Creativity: Examining the Role of Workplace Fun, and Mental Well-Being**
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Linking Employee Performance Expectations and Employee Work Creativity: Examining the Role of Workplace Fun, and Mental Well-Being

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Abstract

Current study aims to examine the intricate relationships among performance expectations (PE), mental well-being, workplace fun and employees' work creativity (EWC) within the domain of Pakistan's higher education institutions. Using a quantitative research methodology, data was gathered from 38- employees with the help of structured questionnaires administered in 2024. By using SPSS 26.0, we utilized Preacher & Hayes process to analyze the data for the hypothesized relationships among the variables. Result findings indicate that PE has a positive significant relationship with EWC. Moreover, mental well-being mediated the relationship between PE and EWC. Workplace fun also moderated the relationship of PE and EWC when mental well-being mediated these relationships. In addition to the theoretical implications, the current study offers practical implications, particularly for the managers/practitioners who are concerned with the employees' mental well-being and for EWC. This research investigates the relationships between expectation of performance, satisfaction, and enjoyment of the workplace using COR principles. The goal of this study is to provide companies that have efforts aimed at stimulation of creativity with useful information by analyzing the way personal needs and resources and satisfaction interact. After all, it is very important to be able to create and maintain an environment that is supportive and rich with resources that allows employees to cope with difficulties and translate stress into something positive in terms of creativity. Doing so not only helps the individual with his or her well-being and productivity, but also helps the organization cope with a challenging and ever-changing business environment.

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***Keywords*:** employee work creativity, mental well-being, performance expectations, workplace fun

Introduction

In today's fast-paced and competitive organizational landscape, employee creativity has emerged as a vital determinant for organizational effectiveness, adaptability, and long-term success. Innovation and the transformation of ideas into tangible outcomes are essential not only for organizational growth but also for the satisfaction of constantly changing market demands (Zhou et al., 2024). The relevance of creativity extends beyond individual roles, Creativity is not only important at the levels of individual job roles but also forms a basic element for business performance and sustainability. With the current economic situation beset with competition and lack of resources, nurturing creativity is more important than it has been in the past (Ahmetoglu et al., 2015; Anderson et al., 2014; Sohn & Jung, 2010; Zhou et al., 2022; Zhou & Shalley, 2003). Research indicates that the rich future of countries is now dependent on every country's ability to innovate and develop usable ideas into real products and services (Smith-Bingham, 2007). In addition to that, creativity is crucial in HEIs because HEIs are the key institutions that can foster innovation and tackle different global challenges in education, health, work, etc. (Urbano et al., 2024). Faculty in HEIs, as principal actors in knowledge and idea production, have to provide answers to these challenges and thus creativity is part of their responsibilities. The application of novel ideas has emphasized the need for new resources and strategies to speed up creativity because the job responsibilities for teaching staff at HEI's continue to increase (Gou et al., 2024; Jagodics & Szabó, 2023). In order to overcome these obstacles, organizations need to focus on resources that stimulate creativity while at the same time reducing stress and increasing employees' quality of life (Liu et al., 2022; Zhou et al., 2024).

The COR model provides a framework for acquiring, conserving, and managing resources in order to effectively cope with stressors and attain one's goals (Hobfoll, 1989). It proposes that personally held, socially held, and materially held resources are important variables affecting the outcomes of a person in the workplace. The cycle of resource gain of resource loss has a striking impact on employee's level of performance, creativity, and overall mental health. For example, when performance expectations are viewed as challenge stressors, they can encourage

employees to attempt to reach organizational goals with the resources available to them creatively. Yet, when these expectations are set too high relative to the resources that are available to meet them, there can be negative effects on mental health, and at the same time, constrain creativity. It emphasizes the necessity of balancing work demands limits with available resources, as a precondition for stimulating positively and innovatively permeated work conditions. It has been noted that personal challenge stressors like performance expectations can have favorable influences on job performance because of their impact on employee's mental health (Agarwal & Farndale, 2017). Internal motivators to the employees, performance expectations, guides employees to use their creativity when resources are available in the workplace.

Out of these resources, workplace fun is of great essence in establishing an enjoyable and relaxed environment that promotes employee engagement and creativity (Bakker & Demerouti, 2017). Moreover, mental wellbeing mediates the association formed with performance expectations and creativity where stress is changed into a facilitator of problem solving and innovation (Fredrickson, 2001). Additionally, workplace fun acts as a moderating variable, lessening the negative impacts of stress through restoration of psychological resources in accordance with the COR theory which focuses on resource awarded as a buffer against resource loss.

The goal of this study is to add to the existing literature related to employee creativity and well-being within resource constrained settings by examining the interaction of performance expectations, mental well-being, and workplace fun. By integrating these elements, the study intends to demonstrate the need for building an engaging and nurturing organizational culture that boosts institutional creativity and enables success in a competitive world. It attempts to understand the need personal demands, like internally driven performance expectations, play in helping employees perform positively (Chen & Fellenz, 2020). Most studies focus on external job demands, within scope of workload and deadlines. This research fills that gap by focusing on the impact of internal demands stemming from one's goals, values, and self-imposed standards.

Research Objectives

- To investigate how performance expectations influence creativity of employees.

- To investigate the intermediary role of mental health in the relationship between performance expectations and employee creativity.
- Workplace fun moderates the relationship between performance expectations and employee's work creativity when mental well-being mediates between these relationships.

Problem Statement

Organizations usually have high expectations from employees regarding their performance in order to increase productivity. These expectations can have unintended consequences for creativity of employees. Performance pressures can enhance performance, but it may also undermine creative thinking of employees by increasing stress. This whole situation creates uncertainty regarding how performance expectations influence creativity Furthermore, employees' mental health may serve as a mediating factor in this relationship, as high expectations can either improve or deteriorate well-being, which in turn influences creative outcomes. Little is known about this relationship as how mental health mediates the relationship between performance expectations and creativity. Moreover, workplace fun may play a moderating role by buffering the negative effects of performance pressure and fostering a positive environment that enhances creativity. Despite the significance of these dynamics, research has yet to thoroughly investigate how performance expectations, mental health, and workplace fun interact to shape employee creativity.

The unit of analysis for our research is individuals (faculty members) working in private sector universities of Pakistan. Universities are under immense pressure to maintain the academic standards along with enrolling students and maintaining good reputation. To achieve these goals management usually set high performance expectation for faculty members, requiring them to deliver academic excellence, research output, along with performing administrative task. Although these demands aim to improve institutional performance, they may inadvertently increase faculty stress, negatively impacting their mental well-being and reducing their ability to think creatively and contribute innovatively.

Literature Review

Conservation of Resource Theory (COR)

The Conservation of Resources (COR) theory, proposed by Hobfoll (1989) explains that individuals are always motivated to protect, conserve, and acquire resources that they value because these resources are essential for achieving goals and mitigating stress. Resources can be defined as objects, personal characteristics, conditions and energies that hold significance for individuals. A central antecedent of the theory is the resource loss and resource investment**,** which suggests that, resource loss has a more adverse psychological impact than equivalent resource gains. Additionally, the principle of resource investment indicates that individuals use their existing resources to shield against further losses and recover from setbacks. This theory highlights that resources are dynamic in nature, and abundance of resources is better located to invest and acquire more, which develops a resource gain spiral; however, organizations with less resources face depletion through resource loss spirals (Halbesleben et al., 2014; Hobfoll, 1989). Such understanding is important in organizations to address stress, to build resilience, and to boost performance.

Performance Expectations and Employees Work Creativity

Generally, Conversation of resource theory (COR) explains that individuals are always motivated to protect, conserve, and acquire resources that they value because these resources are essential for achieving goals and mitigating stress. Workers in an organization have job pressures based on both external and internal factors. The job pressures from the environment can be explained based on the expectations and the demand elicited from the surrounding environment (Hall & Lawler, 1970). Generally, personal demands are the particular individual factors deterring one's work environment (Chen & Fellenz, 2020). The central premise of this study is that personal demand acts as an internal challenge stressor, stimulating the worker to input more effort to enhance employees work creativity. Researchers have recently created a model aimed at confronting these challenges, explaining the effects of the stressors, and they argue that there has to be a comprehension of the substance of those stressors to realize their after-effects (Bakker & Costa, 2014; Tetrick & Winslow, 2015; Tongchaiprasit & Ariyabuddhiphongs, 2016). Many stressors are like employee perceptions of work environment covering a wide range of demands, for example, conflicts in role, ambiguity in role, politics, bureaucracy, and job insecurity (Garg & Dhar, 2014; Wang et al., 2018). Lamb and Kwok (2016) discovered that environmental stress contributes to

lower ability of employees in clear thinking while working. Therefore, individual needs are now considered as "the standards that individuals formulate in regard to their performance and behavior that requires them to employ effort in their work and is therefore associated with It entails "Physical and psychological costs" and positive job outcomes (Chen & Fellenz, 2020; Schaufeli et al., 2002). According to Mackay and Cooper (1987), "internally generated demands" (p. 172), can be defined as those which rely upon the values and needs to be held or required by the individual. They help shape our goals and aspirations, translating into readiness and motivation to perform continuous tasks; therefore, they could improve employee performance and innovation. We expect that performance expectations will positively influence employee creativity for three reasons. First, the enhancement of workplace enjoyment as a job resource, combined with mental well-being as an attitude, gives individuals better access to a variety of resources and exchange opportunities to process knowledge and information (Tims et al., 2012). As a result, they can successfully integrate different knowledge and information, thus strengthening their creative self-efficacy (Tims et al., 2012). The central question of our study is whether personal demands positively contribute to and employee creativity.

H1: Performance expectations have a positive significant relationship with employee's work creativity

Employee Mental Well-being, Performance Expectation and Employee Creativity

Personal demands are those personal factors that interfere with a person's work environment (Chen & Fellenz, 2020). The fundamental premise of this research is that personal demand serves as an internal challenge stressor that challenges employees to exert their best efforts. In that regard, the definition of personal demands at hand is described as the demands individuals place on their performance and conduct that force them to exert effort into work incurring both somatic and psychological costs (Chen & Fellenz, 2020; Schaufeli et al., 2002). Psychological well-being and worker performance can simply be defined as the condition of having good mental health (Darbanhosseiniamirkhiz & Ismail, 2012). According to Farrington et al. (2017), work defines MWB as the "awareness of engagement with the challenges that life presents-both actual and potential". In contrast, Winefield et al. (2012) describe the term as a balance

of positive and affective states-characterized by optimum effectiveness and comfort in both individual and social group experiences. Thus, optimal levels of psychological well-being would probably depend not only on the external conditions in which an individual finds themselves, but also upon the internal struggles they might encounter (Farrington et al., 2017). The concept of psychological well-being was already probed in different organizational contexts, including aspects like employee well-being (Žižek et al., 2015), job satisfaction (Jones et al., 2015), commitment (Kanten & Yesıltas, 2015), and even in the complex relations between work and family life. The several research conducted revealed that MWB is associated with positive outcomes of a person's performance among the employees. For instance, Wright and Cropanzano (2000) outline that the benefits of MWB not only involve the improvement of a person's cognitive abilities and general well-being but also contribute to the development of a much happier society. Another largely attractive idea postulated by Ryan and Deci (2001) states that psychological well-being is held to be highly significant for the proper functioning of human thoughts and attitudes, hence, effecting employee work creativity positively.

H2: Mental wellbeing mediates the relationship between performance expectations and employee's work creativity.

Moderated–Mediated Model of Performance Expectations and Employee Creativity

Performance expectations refer to the demands placed on employee to achieve organizational goals and they affect employee creativity. These expectations are capable of functioning as stressors or motivators depending on the circumstances, having complex impacts on creativity. According to Zhou and Shalley (2003), when performance expectations are high, they are likely to stimulate efforts aimed at increased creativity as employees will be challenged to meet their targets. Conversely, performance expectations that feel overwhelming may result in stress that reduces cognitive flexibility and therefore, stifles creativity (Baer & Oldham, 2006). Researchers have also pointed out the need to now analyze how performance expectations relate to employee creativity. Mental well-being is key to maintaining creativity and productivity at work. It includes emotional balance, job satisfaction, resilience, and cognitive flexibility that guide employee's interactions to performance pressure (Amabile et al., 1996; Bakker & Demerouti, 2008).

Stress can be better managed when performance expectation are set together with improved mental wellbeing, motivating employees into satisfying creative problems solvings (Amabile et al., 1996; Bakker & Demerouti, 2008). Thus, mental well-being can serve as a mediator between performance expectations and creativity.

This could be because personal demands may sometimes be perceived through the lenses of the COR theory and the JD-R model in a manner that leads to motivational gains or health impairments. Higher self-imposed performance expectations often go along with better mental well-being that allows employees to engage in flexible behaviors promoting creative problem-solving (Fredrickson, 2001; Zhou et al., 2021). In addition, positive mental state acts as a buffer that protects against the detrimental effects of stress, allowing greater resilience and higher creative output chances (Fredrickson, 2001). According to the broaden-and-build theory, positive emotions expand the thought-action repertoire of individuals and make them more creative even when under pressure. However, more longitudinal and cross-cultural research is needed to fully grasp the ways in which mental wellbeing fosters creativity in high-demand environments (Jean-Berluche, 2024). Whereas performance expectations motivate creativity through innovation, excessive pressure and fear of failure can deter creativity (Oldham & Cummings, 1996; Zhou, 2003). Employees who perceive expectations as constructive and attainable are more likely to engage in creative problem-solving. However, excessive stress from high expectations reduces cognitive flexibility, ultimately inhibiting creativity (Janssen & Van Yperen, 2004).

Mental well-being is an important factor in balancing performance expectations with creativity, helping employees manage stress and develop resilience. When employees are mentally healthy, they are better able to transform performance pressures into creative results (Amabile et al., 2005; Bakker & Demerouti, 2017). Furthermore, the outcomes of performance expectations can be facilitated by creating enjoyable workplaces, which include fun at work (Zeijen et al., 2021). Teamwork involvement, humor, and celebrations are integral job resources. These reduce employee stress and create more creativity while working (Fluegge-Woolf, 2014). An optimistic and relaxed working atmosphere makes the employees believe that high expectations are feasible, and this

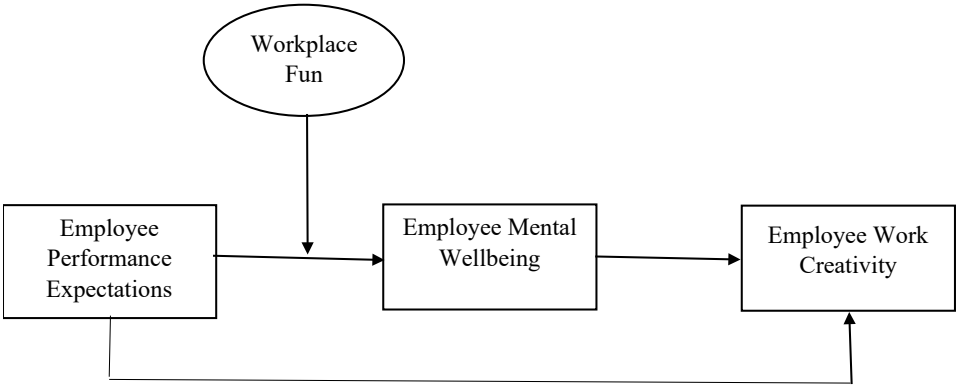
atmosphere is a precursor to creativity (Plester et al., 2015). In addition, workplace fun encourages cognitive flexibility, which is a fundamental element of creative thinking (Karl et al., 2005). When mental well-being mediates the performance expectations-creativity relationship, then workplace fun can act as a moderator that decreases stress and offers emotional support. Employees who have fun at work, to a greater extent, show higher job satisfaction and are able to channel their mental resources towards creative problem-solving. Fun activities at work buffer the negative impact of high expectations on well-being, allowing employees to maintain a positive outlook and approach tasks creatively (Schaufeli & Bakker, 2004).

This framework focuses on the interaction of personal demands with available resources and individual attitudes that foster creativity. Organizations can therefore benefit from integration and promotion of enjoyable activities which enhance mental well-being and creative thinking, particularly in high-performance environments. Fun at work as a valuable resource helps employees adapt to performance expectations transform pressure into opportunities for creative expression.

H3: Workplace fun moderates the relationship between performance expectations and employee's work creativity when mental well-being mediates between these relationships.

Figure 1

Theoretical Framework



Methodology

Positivism research philosophy was used. Current study adopts quantitative approach using survey method for data collection. Unit of analysis for current study was individuals. Current research uses Cross sectional study technique as data was collected onetime. Among the other education industry functioning in Punjab, Lahore and Sargodha, private sector universities were considered to measure creativity at workplace particularly in higher education institutions (HEIs), where faculty members are pivotal in cultivating innovation and addressing diverse global challenges in education, health, and work (Urbano et al., 2024). The sector has these challenges that influence both institutional performance and faculty performance as well. These are the challenges that include constraints of resources, overloads of work as a result of narrow faculty student ratios, pressure to publish and gain accreditations, and in competing in a competitive market economy environment while ensuring quality standards. Faculty members teach, conduct research, and engage in service simultaneously in these institutions, resulting in stress and decreasing well-being. Additionally, insufficient institutional creativity support mechanisms, absence of formal professional development, and job insecurity also complicate the scenario.

Data was collected using a questionnaire that comprising of demographic and different items of construct adapted from literature. The first section focuses on the demographic characteristics of the participants. The second section includes questions that evaluate all constructs of study. All variables were measured on 5-point Likert scale. Anchors used for responses ranging from 1 to 5 as 1= *strongly disagree* to 5=*strongly agree*.

Scale and Items

Employee Work Creativity was measured using fifteen items adapted from Suifan et al. (2018). Employee Work Creativity measuring scale compromised of employee's personal development and growth in his/her institution. The scale of Employee performance expectations comprised of four items was adapted from Ang and Huan (2006). Employee Mental wellbeing of employee was measure with fourteen-item scale adapted from Tennant et al. (2007). A five-item scale adapted from Karl et al. (2005) was used to assess workplace fun. Data was analyzed using SPSS 26. Version.

Results

Respondents Profile

Table 1

The Demographic Characteristics of Respondents (N=299)

Profile	Category	Percentage
Gender	Male	73%
	Female	27%
Age	Less than 25	45%
	25-34	24%
	35-44	23%
	45 and above	8%
Qualifications	Intermediate	7%
	Bachelors	27%
	Masters	57%
	Others	9%
Experience	<1 year	11%
	1-3 years	33%
	3-5 years	38%
	5+ years	18%

Descriptive statistics were used to initially screen the data in SPSS. Further, to test the measurement and structural model, Smart-PLS 4 was used to encode the data. To assess the data normality, skewness and kurtosis were applied. For both skewness and kurtosis, a value between ±2 has been considered acceptable (Hair et al., 2013), and the estimates for both are within the range as reported in table 4.2.

Structural Equation Modelling

After the initial screening of the collected data, structural model was analyzed to test the hypotheses. Smart-PLS has been considered a powerful tool to predict and analyzed the constructs (Hair et al., 2016). Its standard metrics include estimates for both measurement model and structural model, such as factor loadings & cross loadings, path coefficients, correlations, reliability & validity estimates etc. The present study systematically employed an approach to analyze the outer loadings and deleting indicators having the loading values less than .70 (Hair et al.,

2011).

Table 2

Descriptive Statistics of the Items

Latent variable	Items	Mean	S*D*	Kurtosis	Skewness	α
Employee Performance Expectation	EPE1	2.090	1.003	-1.233	0.278	0.960
	EPE2	2.097	0.978	-1.436	0.106	
	EPE3	2.261	1.053	-0.575	0.395	
	EPE4	2.207	1.023	-0.776	0.309	
Employee Work Creativity	EWC1	3.097	1.493	-1.478	-0.070	0.967
	EWC2	3.087	1.556	-1.563	-0.028	
	EWC3	3.234	1.573	-1.602	-0.117	
	EWC4	3.227	1.526	-1.547	-0.088	
	EWC5	3.247	1.547	-1.559	-0.147	
	EWC6	3.207	1.549	-1.599	-0.057	
	EWC7	3.217	1.500	-1.513	-0.124	
	EWC8	3.197	1.547	-1.549	-0.126	
	EWC9	3.077	1.492	-1.494	0.050	
Employee Mental Well-being	EMW1	3.140	1.371	-1.345	-0.005	0.925
	EMW2	3.351	1.359	-1.393	-0.093	
	EMW3	3.308	1.411	-1.431	-0.070	
	EMW4	3.348	1.458	-1.493	-0.132	
	EMW5	3.334	1.466	-1.500	-0.145	
	EMW6	3.415	1.434	-1.418	-0.214	
	EMW7	3.291	1.460	-1.489	-0.120	
	EMW8	3.351	1.447	-1.474	-0.170	
	EMW9	3.278	1.449	-1.485	-0.109	
	EMW10	3.361	1.453	-1.455	-0.206	
Workplace Fun	WF1	2.839	1.400	-1.343	0.024	0.931
	WF2	2.866	1.448	-1.438	0.009	
	WF3	2.783	1.420	-1.419	0.072	
	WF4	2.990	1.325	-1.222	-0.060	
	WF5	3.124	1.403	-1.272	-0.236	

In this process, 6 out of 15 items of Employee Mental well-being and 4 out of 14 items were excluded from the further analysis due to lower factor loadings. The Crobach's Alpha values against each construct ensured the internal consistency of the items with Employee performance expectation (EPE), α=0.960, employee mental well-being (EMW) α=0.925, employee work creativity (EWC) α=0.967, and workplace fun (WF) α= 0.931.

According to Hair et al. (2013) to validate the measurement model in the PLS-SEM, we started with the outer model.

Table 3

Result Summary of the Reflective Measurement Model

Constructs	Items	Outer Loadings	Composite Reliability	AVE
Employee Performance Expectation	EPE1	0.960	0.967	0.892
	EPE2	0.952		
	EPE3	0.925		
	EPE4	0.940		
Employee Mental Well-being	EMW1	0.876	0.971	0.771
	EMW2	0.863		
	EMW3	0.831		
	EMW4	0.879		
	EMW5	0.854		
	EMW6	0.872		
	EMW7	0.894		
	EMW8	0.905		
	EMW9	0.889		
	EMW10	0.915		
Employee Work Creativity	EWC1	0.804	0.937	0.624
	EWC2	0.738		
	EWC3	0.768		
	EWC4	0.770		
	EWC5	0.793		
	EWC6	0.826		
	EWC7	0.806		
	EWC8	0.821		
	EWC9	0.781		
Workplace Fun	WF1	0.914	0.946	0.785
	WF2	0.941		
	WF3	0.925		
	WF4	0.798		
	WF5	0.843		

Measurement Model

This study consists of four variable constructs with reflective

measurement models (EPE, EMW, EWC, WF). After removing the items with lower loadings, the remaining 28 items with factor loading values above 0.70 were used in further analysis.

The composite reliability value of EPE is 0.967, EMW is 0.971, EWC value is 0.937, and WF composite reliability value is 0.946 that indicate the internal consistency and reliability of all the constructs. To evaluate the convergent validity, an AVE value is employed and the results revealed that the values of AVE in EPE is 0.892, EMW is 0.771, EWC value is 0.624, and WE value is 0.785. All the results are fulfilling the significance criteria of >0.50 (Hair et al., 2013). Therefore, convergence validity of the latent variables has emerged. Table 4.3 presents the findings of the model.

Finally, to confirm the discriminant validity the HTMT and Fornell-Larcker criterion were applied. The HTMT ratio designates correlation estimate of factors. An HTMT value less than one demonstrates that two components are discriminant. Table 4.4 establishes the discriminant validity of all the variables of the study.

Table 4
HTMT Ratio

	EMW	EPE	EWC	WF	WF X EPE
EPE	0.146				
EWC	0.201	0.210			
WF	0.207	0.031	0.244		
WF X EPE	0.096	0.058	0.067	0.074	-

Note. EMW=employee mental well-being, EPE= employee performance expectation, EWC=employee work creativity, WF=workplace fun

Further, the Fornell-Larcker test designate a greater value of square root of average variance extracted against each variable in comparison to the underlying correlational values of the other latent variables (Ab Hamid et al., 2017). Table 5 shows the findings of this test indicating square root of AVE against each latent variables at the diagonal with the correlation among latent constructs at the lower-left triangle.

Table 5
Fornell-Larcker Criterion

	EMW	EPE	EWC	WF
EMW	0.878			

EPE	0.141	0.945		
EWC	0.200	0.205	0.790	
WF	-0.201	0.005	-0.231	0.886

Note. EMW=employee mental well-being, EPE= employee performance expectation, EWC=employee work creativity, WF=workplace fun

Structural Model

Before examining the structural model, the collinearity concerns were addressed before interpreting the findings. For this purpose, latent variable scores were employed. The VIF (variance inflation factor) against each predictor should be less than 5 (Hair et al., 2011). The results of the study data met the criteria indicating no issue of collinearity. Table 4.6 summarizes the findings.

Table 6

Collinearity Assessment (Employee Work Creativity: Dependent Variable)

Constructs	VIF
Employee Performance Expectation	1.003
Employee Mental Well-being	1.020
Workplace Fun	1.006

The result indicates that the VIF in all cases is up to the threshold value (< 5), proving the absence of collinearity among the latent variables in the SEM, allowing to determine the path coefficients.

The path coefficients enable to understand the association between the variables. Table 4.7 exhibited that EPE has significant and direct interaction with EWC, i.e., $\beta = 0.180$, $p < 0.050$. Also, EPE has significant and direct interaction with EMW, i.e., $\beta = 0.137$, $p < 0.05$. EMW has a significant and direct relationship with EWC, i.e., $\beta = 0.1.4$, $p < 0.000$. Hair et al. (2013) described that the value of path coefficients higher than 0.10 is considered as significant.

This study further employed a modern technique of bootstrapping to assess the significance of path coefficients. For which, the significance of path coefficients was determined by using the 500 bootstrap subsamples. SmartPLS reported the t-values after running the bootstrap. In this investigation, the criterion was chosen for a significance level is 0.05.

Table 7

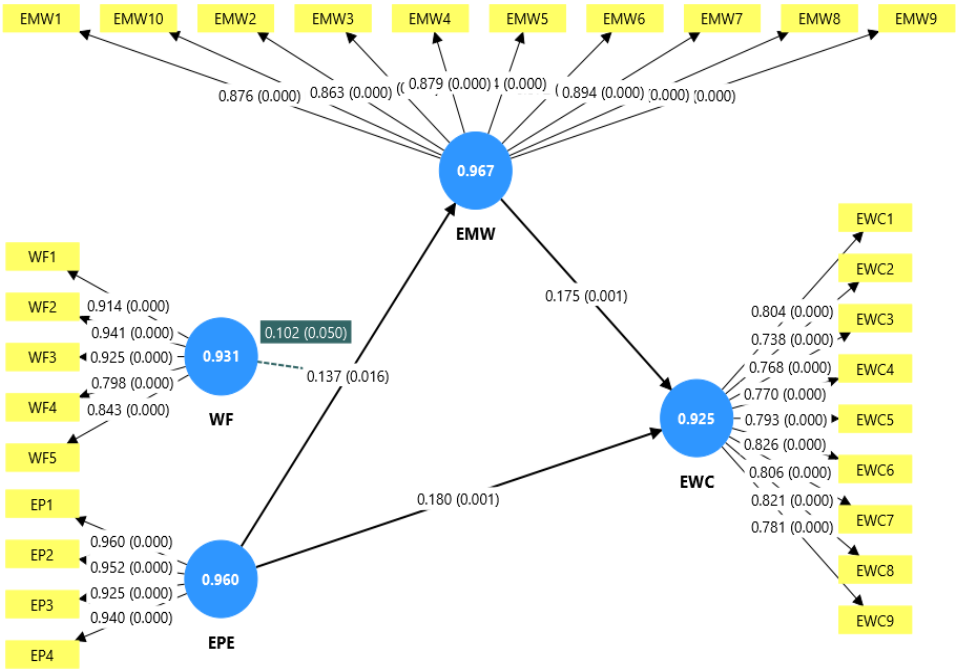
Direct Path Coefficients

	Relationship	β-Value	*t*-value	*p*-value
1	EPE→EWC	0.180	3.833	0.000
2	EPE→EMW	0.137	2.410	0.016
3	EMW→EWC	0.175	3.247	0.001
4	WF→WMW	0.209	3.879	0.000
5	WF X EPE→EMW	0.102	1.966	0.050
6	EPE→EMW→EWC	0.026	1.748	0.081

To investigate the influence of a mediating variable for Hypothesis 2, whether EMW mediates the link between EPE and EWC. The association between EPE and EMW is = 0.137, and the significance of the relationship between EMW and EWC is = 0.175. The indirect effect size through mediation is 0.026 with $p > 0.50$ indicating that the mediation of EMW does not exists between EPE and EWC, rejecting hypothesis 2. The relationships among constructs are also explained in the following figure.

Figure 1

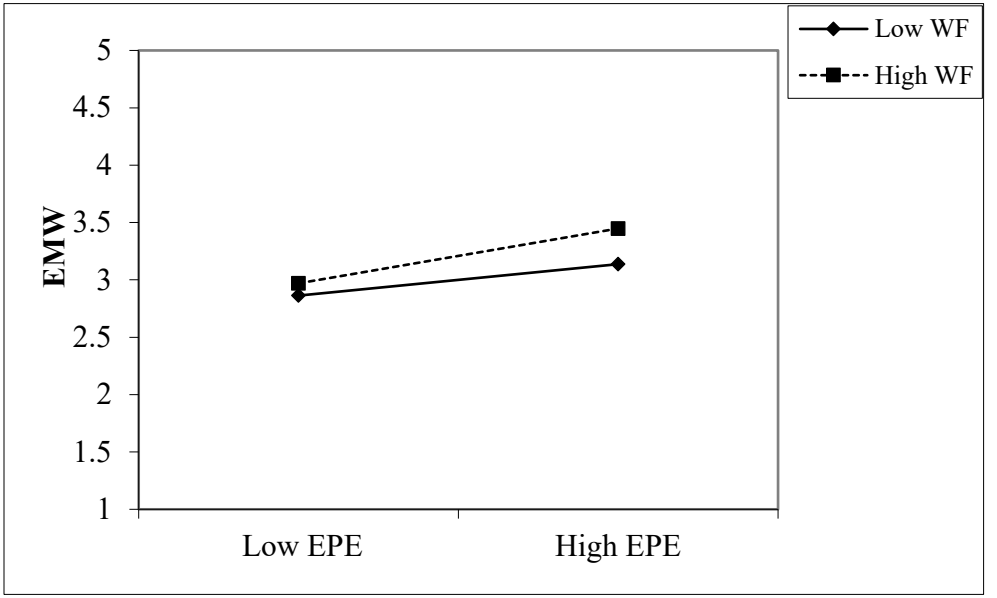
Path Coefficients' Model



To assess the moderation effect, the interaction of WF with EPE had a positive effect on EMW, with a value of 0.102. These findings suggests that the moderator variable has significant association between EPE and EMW but the direct effect seems to be more efficient in order to enhance the mental well-being of employees. Therefore, the moderating effect somehow strengthens the relationship of EPE and EMW. A moderating effect of WF can also be seen in the following slope analysis, that explains that a higher WF strengths the relationship of EPE and EMW.

Figure 2

Interaction between EPE and WF



Discussion

This research explored how employee performance expectations relate to employee creativity, highlighting mental well-being as a mediating factor and workplace fun as a moderating factor, specifically within the context of higher education in Pakistan. The results confirm the expectation of performance as a form of internal challenge stressor or challenge based "creativity" spark and "creativity" occurs when there are sufficient psychological resources. This follows the Conservation of Resources (COR) theory (Hobfoll, 1989) that states people want to keep, defend, and acquire resources to effectively manage stress and meet work requirements. Based on the results from mediation analysis, it was found that mental well-being mediates the effects of performance expectations on employee creativity (Bakirci & Özata, 2025). Employees with better psychological well-being are more resilient, adaptive, and cognitively agile, which are vital attributes for creative thinking (Panda & Singh, 2024). These results affirm prior findings suggesting that good mental health is essential for effective functioning, further, it is an antecedent to innovative performance (Chen et al., 2022). In addition, the workplace moderation analysis indicates that workplace fun has a buffering effect within the model. Strikingly, the data suggest that the positive impact of performance expectations on creativity through mental well-being is most pronounced when workplace

fun is lower. This suggests that in resource-constrained or high-pressure contexts, even minimal fun at work can provide an outsized benefit in stress relief, mental wellness, and the stimulation of creativity (Tzioti et al., 2025). While high levels of fun at work continue to provide benefits, the additional 'returns' gained from having even more fun might decrease, indicating that the relationship is optimal, rather than purely linear. This study helps answer how self-driven demands interact with psychological and other contextual resources to influence an employee's behavior. This merging of personal and organizational factors provides a better understanding of what fuels creativity in academic workplace settings. Faculty members who are often positioned with a multitude of teaching, research, and administrative duties tend to benefit immensely when institutions prioritize mental well-being and foster an engaging and fun work environment.

Conclusion

The study particularly emphasizes that when performance expectations are handled as motivational challenges, they enhance creativity in employees, especially in higher educational institutions. From a mental view, the well-being aspect emerges as an important mediating factor in converting internal demands to innovative work solutions. Moreover, fun at work significantly enhances the overall relationship between performance expectations and creativity by supporting psychological recovery from work and aiding cognitive flexibility. Taken together, these results strongly argue for efforts aimed at creating and maintaining a psychologically supportive and fun workplace environment, especially in highly demanding and knowledge-intensive settings like universities.

Recommendations

On the basis of results, a number of pragmatic recommendations are made. First, there should be clarity in communicating performance expectations that are both achievable and aligned with the employees' personal aspirations and values. Alignment is what helps to present such expectations as inspiring rather than daunting. Secondly, institutions need to invest in programs that improve employee mental well-being. This involves providing access to professional counseling, mental health awareness workshops, mindfulness training, and stress management classes. These resources not only increase mental resilience but also allow for increased levels of engagement and creativity. Thirdly, workplace fun

must be designed carefully into the organizational culture. Examples of activities including casual social events, reward programs, humor-friendly workplaces, and creative breaks can greatly enhance morale and induce innovation. Nevertheless, it is important to ensure these activities are all-encompassing, culturally sensitive, and do not disrupt the fundamental work responsibilities.

Fourth, management training must be broadened to cover emotional intelligence, active listening, and psychological safety competencies. Managers who have the ability to recognize and support their workers' mental and emotional requirements are in a better position to develop workplaces in which creative thinking may flourish.

Future Research Directions

Although this research offers insightful findings, it also raises a number of areas for potential future work. One drawback is the comparatively small and sector-specific sample from private HEIs in Punjab, Pakistan. Future research would benefit from larger, more representative samples over various regions and institutions to increase generalizability. Secondly, the cross-sectional design constrains causal inference. Longitudinal studies might examine how performance expectations, mental well-being, and creativity change across time and with different institutional pressures.

Third, future studies may explore other mediating and moderating variables like psychological empowerment, work-life balance, leadership style, or digital work engagement that will further describe the intricacy of creativity in an academic environment. Additionally, the integration of mixed-methods designs, pairing quantitative surveys with qualitative interviews or focus groups, potentially could provide richer information on employees' experience and organizational life.

Last but not least, there is a need for more research into the possible negative impact of unreasonably high performance expectations even in well-resourced contexts. Discussing problems such as burnout, emotional exhaustion, or disengagement can assist institutions in creating more balanced and enduring performance management arrangements.

Author's Contribution

Warda Ejaz: conceptualization, writing – original draft. **Imran Sharif:** visualization, supervision. **Hajra Ahmad:** writing – review & editing. **Adeela Anwar:** formal analysis. **Hassan Imtiaz:** data curation

Conflict of Interest

The authors of the manuscript have no financial or non-financial conflict of interest in the subject matter or materials discussed in this manuscript.

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The data associated with this study will be provided by the corresponding author upon request.

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