The Impact of Current Work-Life Balance on the Future Balance Between Financial Pension and Happiness Pension

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Abstract

This study explores the long-term trade-off between financial pension and well-being pension shaped by current work-life balance (WLB). While extensive research on WLB emphasizes its immediate effects on job satisfaction, well-being, and health, particularly post-COVID-19, few studies address its future implications. We introduce a novel framework highlighting how intensive work enhances financial savings for retirement but often undermines investments in hedonic and eudaimonic capital, which collectively form a well-being pension (WBP). Drawing on economic and psychological perspectives, we present a theoretical model formalizing a resource allocation problem, where scarce inputs (time, effort, attention, and money) are modulated by WLB determinants: stress, flexibility, and boundaries. Three scenarios illustrate the trade-off: overwork skews toward financial security at the expense of WBP; balanced WLB minimizes the trade-off through synergistic investments; and non-work prioritization favours WBP but risks financial inadequacy. Our contribution extends WLB discourse to proactive life-course planning, with practical implications for individuals, organizations, policymakers, and educators.

Keywords: Well-being; Work-Life Balance; Pension; Hedonic Capital; Eudaimonic Capital

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