



RESEARCH PAPER

Impact of Workplace Friendship on Employee Flourishing: A Moderated Mediation Model

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ABSTRACT

This study examines the impact of workplace friendship on employee flourishing, with the direct effect of work engagement, while positive humor strengthens the relationship between workplace friendship and employee flourishing. This study uses regression analysis incorporating mediation and moderation to validate the hypotheses. Workplace friendships significantly influence employee flourishing, while work engagement has a small impact. This study has many implications for bankers, managers, and other service organizations. It has a sample size of 255 respondents from 5 banks, and convenience sampling has been used to collect the data. This research focuses on the questionnaire used to gather information from 255 employees working in Pakistan's banks. As mentioned above, the results show that our hypothesis is accepted, which means a significant positive relationship exists between workplace friendships (WF) and employee flourishing (EF). The findings confirm the presence of mediation, while no moderation is present. This study analysis the workplace friendship on employee flourishing

KEYWORDS Workplace Friendship, Employee Flourishing, Work Engagement, Positive Humor

Introduction

In the ever-changing workplace of nowadays, companies look for creative methods to improve worker performance and well-being. A significant component affecting employee well-being is workplace friendship, characterized by informal, trust-based interactions among colleagues. Studies indicate that camaraderie in the workplace enhances employee engagement, job happiness, and general well-being (Prasanth&Janani, 2023). This research examines the influence of workplace camaraderie on employee flourishing, utilizing job engagement as a mediating variable and positive humor as a moderating factor.

Workplace friendships promote a friendly and inclusive environment, resulting in improved employee well-being and organizational commitment (Gupta, 2020). Research demonstrates that robust workplace friendships enhance job performance, increase job satisfaction, and reduce turnover intentions (Chen, Wang, & Chu, 2024). Workplace friendships foster a sense of belonging and emotional support, enabling employees to manage work-related stress and obstacles, so enhancing their psychological and emotional well-being. Work engagement, defined by vigor, dedication, and immersion in tasks, is a crucial element in employee thriving (Ahmad, et al., 2021; Ahmad, 2018).

Employees who cultivate professional friendships exhibit heightened engagement and commitment to their roles (Khaleel et al., 2016). Research in industrial settings indicates that workplace friendships substantially enhance work engagement (Wyandini, Kokasih, &Faridah, 2023). Engaged employees are generally more productive, resilient, and content in their roles, hence promoting overall thriving. Humor in the workplace is

acknowledged as a social instrument that fosters collaboration, alleviates stress, and fortifies professional connections. Constructive and inclusive humor has been shown to influence the association between workplace friendship and engagement (Chen et al., 2022). Studies in the hospitality sector indicate that positive humor enhances employee engagement by cultivating a pleasurable and enjoyable work environment (Müceldili&Erdil, 2016). Organizations that promote humor and social interactions foster a psychologically secure workplace, enabling employees to express themselves comfortably, so boosting their engagement and well-being (Shah, et al., 2024; Ali, et al., 2024; Kayani, et al., 2023).

Research from developed countries has found that a congenial environment for employees in the workplace increases productivity (Almaamari, 2023). While this environment has certain contributing factors like fun or cheerful humor increase employees' work engagement (Mohamad et al., 2022). This environment drove the workforce to achieve the set targets of the organization (Ibrahim &Akkaya., 2022. On the contrary, fights and opposing arguments at the workplace affect the mental health of the employees. As a result, productivity and work engagement diminish (Hsiao et al., 2024).

Moreover, a substantial positive correlation exists between jovial humor and workplace camaraderie, even if the findings indicate that such companionship is confined to a professional context (Edosomwan, 2022). This concept is extensively examined in psychology about the interplay between human psychology, workplace camaraderie, and positive humor (Junca&Rueff, 2023).

This study provides a platform to understand better how workplace dynamics can make a difference in people's lives. It also focuses on how workplace friendship affects employee flourishing and how friendship and positive humor can contribute to organizational success. Furthermore, figuring out how to cultivate healthier workplace friendships and better manage stress leads to happier, more productive employees. This study also suggests that Pakistani banks must improve workplace friendship by developing better policies to encourage positive relationships among employees and management to flourish employees.

A relatively recent concept in organizational psychology is "workplace friendship and positive humor," mainly termed "fun at work" in research. Thus, some studies on workplace enjoyment have linked various forms, such as organized, managed, and organic, to a limited set of organizational factors, such as job satisfaction, work engagement, and turnover intentions (Fluegge, 2014).

Examining different definitions of "workplace friendship, positive humor (Oosthuizen, 2021), and employee flourishing" reveals that the researchers have conceptualized these constructs in a positive connection. A pleasant work environment, for instance, is one that "intentionally encourages, initiates, and supports a variety of enjoyable and pleasurable activities that positively impact the attitude and productivity of employees (Mir, Rana, & Waqas, 2021). McDowell (2004) defined a fun atmosphere includes celebrating at work, interacting socially with coworkers, and having personal freedoms (Shah, et al., 2025; Azhar, Iqbal & Imran 2025).

We hypothesize that the employer needs to create workplace enjoyment that may serve as a safeguard or preventative mechanism to flourish employees (Jyoti, 2022). In particular, outcome significantly influences modern workplace friendship, but this process is not straightforward. Since work engagement is a complicated process that explains why enjoyment and desired results are related, we also hypothesize that work engagement will be crucial in this connection (Tews et al., 2012. This study anticipates that this will validate that positive humor can be protective and be explained via work engagement (Jalilianhasanpour et al., 2021).

Thus, the employees intentionally use humor rituals like fun, joke telling, and nicknaming to create a fun work environment. They have labelled these behaviors as organic fun to distinguish them from organized or managed fun associated with events like competitions, social gatherings, celebrations, and community involvement (Tan et al., 2020). Furthermore, cheerful humor refers to enjoyable activities started by the organization's management, whereas organic fun refers to enjoyable behaviors and activities carried out by the staff. These activities develop workplace friendships that jointly flourish employees and increase productivity along with a healthy environment in an organization (Zhang, 2020).

Additionally, managed enjoyment may be broken down into smaller groups since research has been done on managed fun as recreational activities like travel and leisure and activities honoring occasions and milestones (Kashive&Raina, 2024). Chan (2010) asserts that numerous activities possess diverse objectives about anticipated outcomes, such as cultivating a sense of belonging or promoting positive relationships with colleagues and management. Furthermore, research advocates for a more thorough quantification of employee thriving, encompassing the organization's culture of workplace camaraderie (Elfi& Rahmat, 2023). Consequently, previous studies have employed metrics of managerial support to enhance employee autonomy, investigating organizational attitudes towards a culture of positive humor and job engagement (Braha & Karabulut, 2023).

Nonetheless, empirical research indicates that various types of occupational happiness provide disparate outcomes (Georganta & Montgomery, 2022). The current study aimed to develop and implement a multidimensional measure of workplace enjoyment, as no comprehensive assessment exists to evaluate all aspects of this experience (Elfi & Rahmat, 2023). Numerous researches in this field define positive humor as a job resource to examine the relationship between workplace camaraderie and favorable outcomes in employee productivity (Alam et al, 2020).

Three primary theories of humor are found in the literature on humor: superiority theory, humor relief theory, and theory of incongruity. However, we have utilized Relief theory to provide banks' context for our data (Hatzithomas et al., 2021). According to theory, humor encourages happiness and laughing, which lowers stress and tension and fosters positivity (Rooh, et al., 2025; Naseer, et al., 2024). According to Fedakar (2020), fun at the workplace helps release destructive emotions related to humor. Creating and sharing humor among team members creates a good perception and environment (Mohamed &Bnini, 2020). In other words, a sense of group identity that encompasses our identities, behaviors, and methods is reinforced by well-chosen social humor.

Literature Review

This research examines the relationship between workplace friendship and employee flourishing using humor relief theory and the mediating roles of work engagement and moderating role of positive humor. Utilization of Relief Theory about workplace friendship, work engagement, and employee flourishing, workplace and positive humor, camaraderie as a litigator of stress. Workplace friendships foster psychological safety, mutual trust, and emotional support, according to the tenets of relief theory. Employees who cultivate robust friendships are more inclined to partake in funny exchanges that mitigate work-related stress (Gupta, 2020). This emotional release mechanism allows employees to enhance their task focus and sustain elevated engagement levels (Chen et al., 2022). Workplace friendships reduce individuals' anxiety around job pressures, resulting in heightened work engagement (Wyandini et al., 2023). Engaged employees are less prone to burnout and more inclined to demonstrate proactive work habits, hence fostering employee thriving. Positive Humor as a mediator augmenting the impact of professional camaraderie (Oad, Zaidi, & Phulpoto, 2023).

Positive humor, along with relief theory, facilitates the release of accumulated tension among employees and fosters a comfortable and amicable work environment (Müceldili&Erdil, 2016). Studies indicate that companies that promote humor exhibit reduced stress levels and increased employee engagement (Chen et al., 2022). When employees engage in humor and laughter with colleagues, workplace camaraderie intensifies, and the stress-mitigating benefits of comedy further enhance well-being. The pinnacle of employee happiness is achieved through less stress, robust workplace relationships, and heightened engagement Ahmed, & Imran, 2024; Imran, Zaidi, & Khanzada, 2023). Relief theory posits that laughing and comedy serve as a release for emotional strain, resulting in enhanced mental well-being and social cohesion (Suneera et al., 2024). Organizations that incorporate humor into their culture not only alleviate workplace stress but also cultivate an environment in which people feel valued, engaged, and encouraged to perform at their best.

Workplace Friendship

Workplace Friendship is defined as aspects or attributes of the work environment capable of fostering positive emotional reactions such as happiness, laughter, and lighthearted fun in individuals. In one of the earliest papers, workplace fun was a work environment that intentionally encouraged, initiated and supported various enjoyable and pleasurable activities (Kazlauskaitė et al., 2023). Martin et al. (2023) claim that workplace fun is unrelated to enjoyable, friendly, or humorous work. According to Fowler (2023), any task-related, social, or interpersonal actions at work that are light-hearted or playful and give one delight, pleasure, or satisfaction are considered workplace friendships.

Work Engagement

Work engagement is the state of having a positive, gratifying work-related mindset that is marked by enthusiasm, commitment, and absorption (Tugade&Arcinas., 2023). Instead of a specific transient condition, this describes a more permanent and omnipresent active-cognitive state (Gong & Li., 2023) independent of any object, person, event, or action. Significantly, motivated employees understand the company's objectives, the actions required to reach those objectives, and how those objectives might be reached (Bhattacharya & Neureiter, 2023). According to George et al. (2023), there is a widespread intuitive belief that individuals, particularly leaders in organizations, are motivated at work. Like these connotations, work engagement is one of positivity, organizational intent, participation, fervor, excitement, concentrated effort, and energy. As such, it combines behavioral and attitudinal elements.

Positive Humor

Every interaction that is perceived as hilarious is considered humorous. Liao et al. (2023) assert that a good listener's cognitive or active reaction is produced by positive humor. The researchers' notion of organizational humor—holds that humor fosters humorous interactions that produce positive feelings and thoughts inside an individual, group, or organization and behave as moderators (Junça&Rueff, 2023)

Flourishing the Employees

"Task performance" refers to an individual's performance on a particular activity. For instance, response time—the time it takes a person to react to a given, timed, or untimed stimulus—or precision, etc., are sometimes used to measure mission efficiency (Mendoza et al., 2023). According to Borman et al. (2023), employee flourishing refers to the concept of employees being motivated by the purpose of obtaining, preserving, and protecting resources that they centrally value (Naim&Ozyilmaz, 2023). Conditions (like social support), individual traits (like self-efficacy), and energies (like effort) are examples

of crucial resources (Hossain et al., 2024). When resources are in danger of exhaustion, stress levels rise, restricting the employees from flourishing (De et al., 2023). A fundamental tenet is that to avoid unfavorable consequences and accomplish desired objectives; employees must follow the rules and meet the requirements of an organization without increasing their stress levels (Yazdanmehr & Wang, 2023). Furthermore, to learn how to effectively handle and cope with stressful events. Another essential way to make the employees is to create workplace friendship and positive humor other than providing them with monetary benefits. The favorable environment also increases employee engagement (Sypniewska et al., 2023).

Impact Workplace Friendship on Employee Flourishing

The argument is that enjoyment at work matters to the employees and increases their productivity. Numerous studies have demonstrated the favorable relationship between workplace friendship and employee flourishing and the impact of workplace friendship on performance-related outcomes (Sypniewska et al., 2023). According to Zhai et al. (2023), a leader should make the workplace more enjoyable. A relaxed and enjoyable environment will attract highly skilled individuals more readily, form effective teams, and provide better outcomes. Different companies can draw in different talents by fostering a lively atmosphere. According to the notion of active events, employees encounter items at work that are the closest triggers of their active reactions to these things (Al et al., 2023). Those events influence employees' reactions to events they face at work. They may experience emotional strength when having friendships at work (Alamri, 2023).

H1: Workplace friendship positively and significantly impacts employee flourishing.

Workplace friendships improve work engagement by creating a friendly environment, boosting job satisfaction, and lowering burnout. To fully reap the benefits, businesses must address potential problems, such as retaining professionalism in friendships. Workplace friendships can boost employee engagement by encouraging collaboration, trust, and emotional support. The existing literature explores this relationship as, workplace friendships boost employee engagement by offering emotional support, lowering stress, and instilling a sense of belonging (Yan et al., 2021).

Moreover, employees who have good workplace connections are more productive, loyal, and creative, while also having reduced turnover rates (Mazzetti et al., 2023). While, workplace friendships serve as a resource for increasing job embeddedness, which is linked to employee engagement and satisfaction (Khaleel et al., 2016). Furthermore, psychological safety has a significant contribution to workplace friendship and work engagement, because employees feel more comfortable expressing ideas and taking risks when they are surrounded by friendly colleagues (Xu et al., 2023). However, workplace connections can assist less job burnout, especially in high-stress environments, by building camaraderie and emotional resilience (Kalra, 2014). While friendships generally increase participation, there are certain downsides, such as emotional tiredness when friendships cross professional boundaries. While, friendships enhance engagement by fostering psychological safety, which allows employees to express concerns and share ideas openly. Moreover, workplace friendships assist employees in navigating unclear job responsibilities, thereby enhancing their engagement. (Methot et al. 2016).

Workplace friendships serve as important job resources that improve employees' emotional and psychological well-being, resulting in increased engagement (Yan et al., 2021).

H2: Workplace friendship positively, and significantly impacts work engagement.

Work engagement is a good, fulfilling psychological state associated with work characterized by enthusiasm, commitment, and absorption. Notably, the employees know the tasks, the steps needed to do those tasks accurately, and the potential routes to success (Gong et al., 2020). These attitudes and behaviors are influenced by the settings in which people work (Karatepe et al., 2023), while a positive environment and behaviors increase employees' work engagement. Work engagement is measured by how committed employees are to their projects on an emotional and intellectual level and how eager they are to go above and beyond to ensure their initiatives succeed. Furthermore, work engagement leads to the financial performance of an organization (Teo et al., 2020).

Additionally, those dedicated to their jobs are 20% better and have an 87% lower turnover rate. The company leads to increased employee productivity and employee participation in raising a firm's turnover (Luthans, 2002). According to research, high work engagement is correlated with high employee performance (Neuber et al., 2022). The relationship between workplace friendship and employee flourishing in the context of their current employment to explain work engagement. Psychological techniques can be used to increase work engagement; they simply direct the employees' emotions toward the completion of tasks (Badri& Ramos, 2022). Because of the striking discrepancies between good and low performers, which directly relate to these variations in workplace performance, measuring the level of work engagement has thus become standard practice for several firms (Borst et al., 2020).

H3: Work engagement significantly mediates the relation between workplace friendship and employee flourishing.

The workday seems to move more quickly, benefiting the bottom line. It has been demonstrated that collaboratively laughing employees are more creative, helpful, effective, and efficient. Positive humor has also been demonstrated to boost employees' performance. Executives who include jokes and fun in their work, as long as they are appropriate, get more support for their subordinates, inspire employees, earn more money, and get promotions in their careers more quickly (Brender&Reizer, 2021). Positive humor in the services sector, specifically in banks, is more important as the banks' job is serious and sensitive. It is an important factor in the workplace and helps prevent office monotony (Pham & Bartels, 2021). Interpersonal interactions, a positive and enjoyable work atmosphere, and the quality of relationships among coworkers can all be enhanced by sharing humor. Thus, utilizing humor at work may be a healthy coping mechanism that aids in managing the stress and pressure of the job. It brings more camaraderie and fun to the workplace (Van et al., 2020).

It can reduce status differences between leaders and subordinates, dismantle barriers between individuals, and help organizations become more responsive. It is an essential component of workplace culture (Cheng et al., 2021). Positive humor plays a vital role in providing relaxation and release from stress, anxiety, and tension, which improves performance (Zaheer, et al., 2021; ul Haq, 2017; ul Haq, 2012). If you want to succeed as a manager and positively influence the tasks you work on, you must hone your sense of humor (Bartzik et al., 2021). On the contrary, in a noisy, hostile, poisonous, or even aggressive setting, the employee's performance is likely to be very low. The existing research explored that the team may become disinterested if they don't have a little humor, cease forming connections, and find it difficult to focus on their assigned work (Jalilianhasanpour et al., 2021). A plan carried out by a group of failed people will probably encounter many more difficulties and have a more challenging time overcoming barriers than the task involving a team that gets along well and enjoys themselves (Huber, 2022).

Thus, humor and laughing may not directly aid in learning, but they create an environment conducive to learning (Tam, 2022). Appropriate humor and satire relevant to the course content produce a more comfortable and effective learning environment that

helps create a fun atmosphere and enhances employee productivity by motivating them to perform and carry out their tasks efficiently and deliberately (Gonot et al., 2020). Additionally, humor boosts drive and commitment and lowers anxiety (Yang & Tu., 2021). Based on these arguments, in the context of Pakistani banks, we hypothesize:

H4: Positive humor moderates the relationship between workplace friendship and work engagement and promotes employee flourishing.

Workplace Friendship and Work engagement together improve employee productivity and help create a more successful organization with the support of positive humor. Friendships at the workplace foster a more encouraging atmosphere that lowers stress and enhances employees' mental health (Plester & Hutchison, 2016). As Friedman points out, these interactions enhance psychological safety boost productivity, and consequently help the organizations to grow (Friedman & Dutton, 2018). The employees feel free to express their opinions in a supportive work environment because they know their boss will back them. These workplace friendships foster increased creativity and productivity, resulting in a successful organization (Jyoti, 2022).

H5: Positive humor significantly moderates the relationship between workplace friendship and work engagement and promotes employee flourishing.

Furthermore, while creating competition and positive humor satisfies the need for autonomy by instilling a sense of volition and ownership, creating humor encourages a sense of relatedness and belongingness (Georganta & Montgomery, 2022). However, creating competition explicitly fosters the experience of efficacy and achievement (i.e., competence). Additionally, the transitory character of humor at the workplace determines if the relationships between work engagement and need satisfaction apply to the current and subsequent workday (Jalilianhasanpour et al., 2021). The increased work engagement and friendly environment not only flourish the employees but also lead to the success of an organization (Bowen et al., 2020).

Theoretical Framework and Hypotheses development

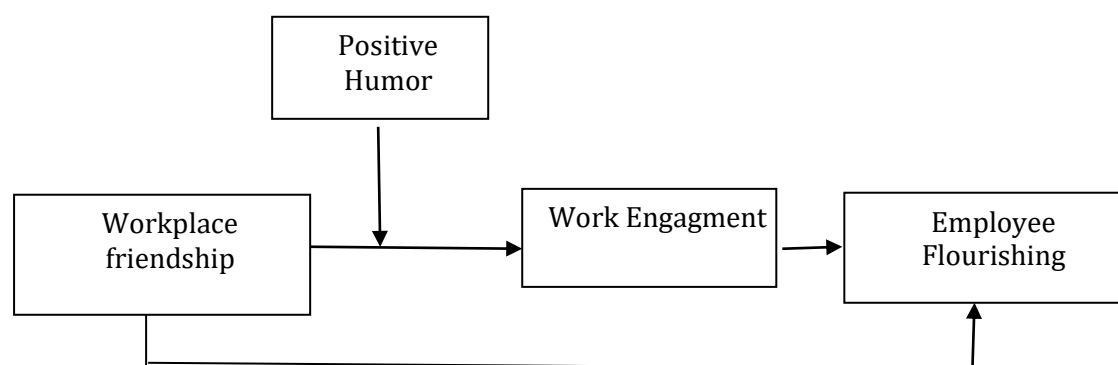


Figure 1: Research Model

Material and Methods

According to Rubin (1987), a key tactic for putting the hypothesis to the test is the research design. The primary goal is to plan and set up the research study to maximize validity (Mouton & Marais, 1996). It is an organized framework that handles the research process and test the hypothesis. The research process and its associated facets are managed within this methodical framework. The framework for the research's action plan is called the research design. As a researcher's plan that outlines the process and the methods for obtaining and evaluating the necessary data, Zikmund (2003) defines

research design and its widely used types. The following components of research design are involved: the unit of study, the time horizon, and the form setting. A hypothetic-deductive technique is used in research. Using this approach, the first step is identifying the issue and the gap that needs to be filled in the population's contextual situation. This provides a clear explanation for this query, and problems are identified. What is the population's inadequate research gap? Where the research is being conducted. Then, many researchers gathered earlier information and literary writing through research, even offering a hypothesis supporting our model. A hypothesis is created to assess by applying a statistical model. Data is gathered from study samples and the population to calculate statistics. The analysis's length, goal, intention, and description all have a role in choosing the analytical unit. An individual, a group, or an organization can serve as an analytical unit. In micro-level research, the unit of study is the individual, but it focuses on groups on a larger scale. The macro-level study focuses on social structure, social practices, and the linkages between these.

The variables and research methodology used to determine which unit of analysis is carefully defined. Every person has a different perspective on every given variable; therefore, finding the right people is especially important to find accurate data. As we investigated the influence of workplace friendships on employee flourishing, the unit of analysis was staff from banks for this study. The study's unit consisted of individuals who were employed by the top five banks of Pakistan situated in Rawalpindi and Islamabad. In this research methodology, the managers and employees provide information regarding workplace friendships and employee flourishing: work engagement and positive humor. In research, a population is defined as a collection of individuals or items with comparable attributes (Castillo, 2009). The 255 employees of the five banks in Islamabad and Rawalpindi, two Pakistani cities, comprised the research population. Since the study is confined to Rawalpindi and Islamabad, only banks with branches in the city are considered. The study is also limited to public and private sector banks with branches in Rawalpindi and Islamabad. These banks are given first preference. Rawalpindi and Islamabad have a variety of public and private banks operating within the city. For this study, a selection of public and private banks has been selected to ensure a diverse sample.

The present study employed the convenience sampling technique to collect data, whereby five were selected from banks located in Islamabad and Rawalpindi. While there are several ways to gather data, the questionnaire approach is the most suitable. A variety of sources and modified questionnaires were used to collect the data. This sampling technique is popular in social science research projects since it is efficient in terms of time and energy consumption and yields few errors in the data and information collected. We assume that the information gathered by the community accurately represents the Pakistani employees of the banks. Survey questionnaires for data gathering have been given to workers at banks in Rawalpindi and Islamabad. Several sources were utilized to customize the questionnaire for every element and collect data from the respondents. Questionnaires were delivered to various persons from banks using the convenience sample methodology. A Likert scale with multiple points was utilized to gather data for each variable. Employees responded to the questionnaire on all criteria, including workplace friendship, work engagement, positive humor, and employee flourishing. The questionnaire comprised six demographic variables related to respondent gender, age, qualification, experience, marital status, and employment status. Responses were gathered using a five-point Likert scale with options for strongly disagree, disagree, neutral, agree, and strongly agree.

Results and Discussion

The demographic data of the 255 respondents was examined using descriptive statistics. The identities of respondents and organizations were maintained as selections, and these particulars were excluded from the SPSS analysis. The research aims to identify

the relationship between workplace friendship and employee flourishing, emphasizing the moderating effect of positive humor and the mediating role of work engagement. Thus, the names of respondents and organizations were considered irrelevant to the researcher.

Table 1
Descriptive Statistics of Variables

	Min.	Max.	Mean	SD
Workplace Friendship	1.00	5.00	3.74	0.72
Work Engagement	1.00	5.00	4.07	0.61
Positive Humor	1.00	5.00	3.95	0.60
Employee Flourishing	1.00	5.00	3.93	0.73

These mean statistics propose that the majority of respondents chose the 'agree' option for all variables in the survey form.

Reliability

The Cronbach's Alpha method was utilized in SPSS to evaluate the dependability of the data. A pilot study was undertaken to assess the reliability of the research questions included in the survey instrument. The specific Cronbach's alpha values for all four variables are presented in Table 12, indicating their reliability and validity for data gathering.

Reliability and Validity

Variable	N of Items	Composite Reliability Coefficient	Cronbach's Alpha Coefficient
Workplace Friendship	6	0.791	0.874
Work Engagement	9	0.91	0.848
Positive Humor	5	0.877	0.924
Employee Flourishing	8	0.791	0.902

Correlation Analysis of Variables

A correlation analysis was conducted, wherein Workplace Friendship (WF) was treated as the independent variable, Work Engagement (WE) as the mediating variable, and Positive Humor (PH) as the moderating variable. In contrast, Employee Flourishing (EF) was the dependent variable. The variables were generated before conducting bivariate correlation analysis using SPSS-23. All figures demonstrated significance at 0.01 or 99.99%, and ** denoted that all the relationships were significant at 0.01 level (2-tailed).

Table 1
Correlation Analysis of Variables

	Workplace Friendship	Employee Flourishing	Work Engagement	Positive Humor
Workplace Friendship	1			
Employee Flourishing	.652**	1		
Work Engagement	.605**	.759**	1	
Positive Humor	.575**	.641**	.721**	1

Results reveal that when the same variable is correlated with itself twice, the outcome is 1. Therefore, the correlation of all variables with self was 1. The value of workplace friendship (WF) with employee flourishing (EF) was 0.652**, meaning the correlation between the respective variables is significant. The correlation coefficient values for EF and WE were 0.605**, and WF and PH have correlation values of 0.575**.

The two-tailed Pearson's correlation's p-value is significant at the 0.01 level, reflecting 99.99% confidence in the correlations' strength and likelihood of recurrence in future research. All variables show positive and significant relationships with each other.

Relationship between Workplace Friendship and Employee Flourishing

For regression analysis, workplace friendship was treated as the independent variable (IV), and employee flourishing was treated as the dependent variable (DV). For regression analysis, R, R², unstandardized β and significance (p-values) values, and Durbin Watson values were considered. These values were obtained after employing regression analysis in SPSS-23.

Table 2
Regression Analysis of Workplace Friendship and Employee Flourishing

R	R Square	Unstandardized β -value	t-value	Sig.	ANOVA Sig.	Durbin Watson
0.652	0.425	0.550	13.672	0.000	0.000	2.02

For workplace friendship (WF), the correlation coefficient (R) was 0.652, indicating a moderate positive correlation between the independent variable (WF) and the dependent variable (EF). The coefficient of determination (R²) was 0.425, suggesting that 42.50% of the variance in the dependent variable (EF) is explained by the independent variable (WF). The standardized regression coefficient (β) was 0.550, indicating that a one-unit increase in the independent variable (WF) results in a 0.550 unit change in the dependent variable (EF). The t-value was 13.672, and the p-value was 0.000, confirming the model's statistical significance and adequacy. As mentioned above, the results displayed in the table show that our hypothesis is accepted, which means a significant positive relationship exists between workplace friendships (WF) and employee flourishing (EF).

Relationship between Workplace Friendship and Employee Flourishing

For regression analysis, workplace friendship was treated as the independent variable (IV), and employee flourishing was treated as the dependent variable (DV).

Table 3
Regression Analysis of Workplace Friendship and Employee Flourishing

R	R Square	Unstandardized β -value	t-value	Sig.	ANOVA Sig.	Durbin Watson
0.605	0.365	0.508	12.071	0.000	0.000	1.92

For workplace friendship (WF), the correlation coefficient (R) was 0.605, indicating a moderate positive correlation between the independent variable (WF) and the dependent variable (EF). The coefficient of determination (R²) was 0.365, suggesting that 36.50% of the variance in the dependent variable (EF) is explained by the independent variable (WF). The standardized regression coefficient (β) was 0.508, indicating that a one-unit increase in the independent variable (WF) results in a 0.508-unit change in the dependent variable (EF). The t-value was 12.071, and the p-value was 0.000, confirming the model's statistical significance and adequacy. As mentioned above, the results in the table show that our hypothesis is accepted, which means a significant positive relationship exists between workplace friendship (WF) and work engagement (WE), being our mediator.

Relationship between Work Engagement and Employee Flourishing

For regression analysis, workplace friendship was treated as the independent variable (IV), and employee flourishing was treated as the dependent variable (DV), while it is a mediator in our study.

Table 4
Regression Analysis of Work Engagement and Employee Flourishing

R	R Square	Unstandardized β -value	t-value	Sig.	ANOVA Sig.	Durbin Watson
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0.759	0.576	0.762	18.535	0.000	0.000	1.96
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For work engagement (WE), the correlation coefficient (R) was 0.759, indicating a moderate positive correlation between the independent variable (WE) and the dependent variable (EF). The coefficient of determination (R^2) was 0.576, suggesting that 57.60% of the variance in the dependent variable (EF) is explained by the independent variable (WE). The standardized regression coefficient (β) was 0.762, indicating that a one-unit increase in the independent variable (WF) results in a 0.762 unit change in the dependent variable (EF). The t-value was 18.071, and the p-value was 0.000, confirming the model's statistical significance and adequacy. As mentioned above, the results displayed in the table show that our hypothesis is accepted, which means a significant positive relationship exists between work engagement (WE) and employee flourishing (EF).

Mediation Analysis

Multiple regression analysis was conducted using SPSS to validate the mediating variable's role in work engagement. Workplace friendship (WF) serves as an independent variable, work engagement (WE) acts as a mediating variable, and employee flourishing (EF) is a dependent variable.

Table 6
Mediation Analysis (WF, WE and EF)

Variable	R	R ²	F	Sig.	β	T	Sig.
WF					0.2568	6.365	0.000
WE	.7966 ^a	0.6346	218.873	.000	0.577	12.028	0.000

a. Dependent Variable: Employee Flourishing

b. Predictors: (Constant), Workplace Friendship, Work Engagement

Results showed that for both variables treated under the category independent variable, R was 0.7966, R^2 was 0.6346, and its significance was 0.000 or close to 100%. For WF, the unstandardized β was 0.2568, t was 6.3658, and its significance was 0.000 or close to 100%. For WE, the unstandardized β was 0.5770, t was 12.0281, and its significance was 0.0000 or 100%. WF substantially impacted employee flourishing, whereas work engagement has a mediating effect on employee flourishing. This confirms the presence of mediation.

Table 7
Regression Analysis (WF, WE and EF)

Variable	R	R ²	F	Sig.	B	T	Sig.
WF	0.605	0.364	145.74	0.00	0.5083	12.0708	0.000

Moderation Analysis

Moderation analysis was performed using Prof. Andrew F. Hayes' PROCESS Macro (Model 1) within SPSS. In this model, the moderator variable serves as a catalyst, modulating the strength of the relationship between independent and dependent variables. Specifically, Hypothesis () posits that Positive Humor moderates the relationship between Workplace friendship (WF) and employee flourishing (EF).

Table 8
Moderation effects of Positive Humor on the relationship of WF and EF

	B	SE	T	P	LLCI	ULCI
CONSTANT	0.6862	0.4591	1.4946	0.1363	-0.2180	1.5904
Workplace Friendship (WF)	0.5824	0.1371	4.2489	0.0000	0.3125	0.8524
Positive Humor (PH)	0.5317	0.1246	4.2658	0.0000	0.2862	0.7772
Int_1	-0.0594	0.0342	-1.7363	0.0837	-0.01267	0.0080

Table 8 mentioned above, displays the relationship between IV and DV in the presence of a moderating variable. The p -value of WF is 0.000, which indicates a significant relationship between WF and EF. The p -value of PH (moderating variable) is 0.000, which also shows a substantial relationship between PH and EF. The p -value of interaction is 0.0837, which reveals that the moderator's relationship with IV is insignificant. The value of the coefficient is -0.0594. It is in a negative direction, which demonstrates that the moderating variable (PH) has a negative effect. Moreover, the LLCI value is -0.0126, and the ULCI value is 0.0080. Both values are in different directions. Hence, the hypothesis of moderation is rejected because the p -value is insignificant. Moreover, LLCI and ULCI both have different directions, which indicates that there is no moderation present.

Discussion

This section pertains to the thorough review of the hypothesis developed considering the theory and empirical data using literature and the interpretation of the results. The chapter is organized into three primary sections: Part one covers the experiment's findings and hypothesis results; Part two addresses the implications for theory and practitioners; and Part three addresses limits and future research. Examining the direct and indirect relationships between workplace friendship and employee flourishing was the goal of this study. The study also investigated how work engagement mediated the relationship between workplace friendship and employee flourishing.

The moderating effect of positive humor workplace engagement in five banks of Pakistan (Rawalpindi and Islamabad) was investigated in the conceptual model study. The findings align with previous studies demonstrating that workplace friendships enhance employee engagement and job satisfaction (Prasanth & Janani, 2023). Robust interpersonal relationships in the workplace foster psychological safety, allowing people to excel in their professional capacities (Gupta, 2020).

This will help them cope with stress and create a laid-back atmosphere they want to be known for, increasing their motivation and enabling them to complete tasks more effectively. Aspects or qualities of the workplace that can encourage favorable emotional responses in people, such as enjoyment, amusement, and light-hearted delight, are referred to as fun (H4 & 5). In one of the first articles on the topic, Ford, McLaughlin, and Newstrom (2003) defined fun in the workplace as a work environment that intentionally promotes, initiates, and supports a range of delightful and enjoyable activities. According to McDowell (2004), having fun at work involves engaging in entertaining, humorous, or playful activities that are not specifically related to the job. To offer a more comprehensive definition of workplace enjoyment, Fluegge (2008) defined it as any task-related, social, or interpersonal activities that are light-hearted or amusing and give someone pleasure, amusement, or delight at work.

Although humor is a universal phenomenon, it is also culturally influenced. The current body of study examines how culture influences how people perceive and use humor as well as the consequences of humor for psychological health. Previous studies have demonstrated that Easterners do not view humor with the same optimism as their Western counterparts. According to Zhang et al., (2021), Easterners are less prone than Westerners to use humor as a coping mechanism because of this understanding. When it comes to humor, Westerners and Easterners have very different perspectives. Westerners emphasize the value of humor in their daily lives, integrate humor with positivism, and consider humor as a desirable quality of an ideal self.

Conversely, Easterners have fewer positive views towards humor (Abe, 1994). In addition to being intercultural, humor is a pan-cultural phenomenon. Previous studies provide strong evidence that cultural differences exist in the definitions of humor, their application, and the connection between humor and psychological health. According to

Chen and Martin (2007), the employees' inability to distinguish between the various types of humor and their perception of positive humor as negative, as well as the fact that Pakistani banks' cultures forbid such a humorous atmosphere at work, are additional reasons why this hypothesis was rejected.

Theoretically this study contributes to body of literature of employee flourishing. It is its kind of study which establishes the link between the workplace friendship and employee flourishing. Further this study explains the underlying mechanism of employee friendship and flourishing. Its adds value in the literature of work engagement that when employee have good friends at workplace, they feel engaged in work and ultimately, they flourish. Finally, this study tries to prove the moderating role of humor. As humor is discussed in both ways positively and negatively in literature. In eastern culture it is proved that humor do not play positive role in employee flourishing. As it is considered negative in eastern culture. This study proves this relation and hypothesis was not accepted contributing to the existing literature.

Conclusion

This study aims to measure the impact of workplace friendship on employees' flourishing. Present research proves that workplace friendship plays a significant role in employees' flourishing. As this study is conducted in the banking sector. As the work in the banking sector is tough, employees feel frustrated. Therefore, it is workplace friendship plays a significant role in employees' flourishing. Further, they feel more engaged in work and their productivity increases. However, this study proves that humor does not play any significant role in employees flourishing. As humor is taken negatively in Pakistani culture, therefore it does not help in employee flourishing and increases their productivity. People generally believe that negative humor, which is hostile and insulting, is bad for leadership and positive humor, which is inclusive, libelous, and tasteful, is good. However, it is revealed that the effects of humor depend on the culture and perception of the employees working in Pakistani banks, so the results show otherwise.

Recommendation

Based on the findings, it is recommended that banks in Pakistan actively promote workplace friendships by creating opportunities for social interaction, such as team-building activities, informal gatherings, and collaborative projects. Management should recognize the value of strong interpersonal relationships and foster a supportive work environment that enhances employee engagement and overall well-being. Since workplace friendship positively influences employee flourishing and productivity, HR policies should be aligned to encourage a culture of mutual support and cooperation. On the other hand, given that humor does not significantly contribute to flourishing in this context, organizations should be cautious in promoting humor as a tool for employee engagement. Instead, they should focus on cultural sensitivities and provide training to distinguish between constructive and inappropriate humor. Understanding cultural perceptions is vital for leadership strategies, and it is crucial to tailor workplace dynamics in a way that respects employees' values and enhances their psychological and professional growth.

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