Workplace Happiness

Happiness may be defined as the experience of frequent positive affect, infrequent negative affect and an overall sense of satisfaction with life as a whole (Myers & Diener, 1995).

To win customers’ hearts, an organization needs engaged employees who actively transmit their enthusiasm to customers. Satisfying customers is crucial to a business—there is a great deal of evidence for a causal link between happy customers and higher profits. And satisfying employees is a worthwhile aim in itself for many reasons. It is important to engage employees by giving them both reasons and ways to please customers; then acknowledge and reward appropriate behavior.

It is a very simple hypothesis: in order to have happy, satisfied and loyal customers, organizations should have happy, satisfied and loyal employees. Southwest Airlines’ Chairman Herb Kelleher has said that he puts employees first, “because if you have happy employees, that will lead to happy customers”. People can make a phenomenal difference if they are tapped into, leading to a highly-committed workforce.

Dr Laurel Edmunds and Jessica Pryce-Jones have researched the issue of happiness at work at length and from their findings have defined Workplace Happiness thus: “Happiness at work is about mindfully making the best use of the resources you have, to overcome the challenges you face. Actively relishing the highs and managing the lows will help you maximize your performance and achieve your potential. And this not only builds your happiness but also that of others – who will be affected and energized by what you do.”

Why is Workplace Happiness Important?

University of Illinois Professor Edward Diener, a pioneering researcher on ‘subjective well-being’ (his term for happiness) points out that nobody can tell a person that he or she is, or should be, happy. Nor is there a set of circumstances that guarantees that the person experiencing them will be happy. Instead, happiness is an entirely subjective feeling of well-being experienced by the person, characterized by the presence of positive emotions and the absence of negative emotions. It is subjective in that the person can report whether or not he or she is happy, but an outside observer will not be able to make that same judgement, because well-being is entirely in the mind of the subject.

1 www.happiestminds.com
The question of whether happy workers matter to firm performance has been asked for nearly a century. Recent work by the University of Nevada’s Tom Wright and the University of Arizona’s Russell Cropanzano makes the case that happy employees — defined broadly using the metrics of subjective well-being — demonstrate superior job performance — that is, happy employees are better employees. In addition, they suggest that happy employees are more sensitive to opportunities in the work environment, more outgoing and helpful to co-workers, and more optimistic and confident — all of which are positive features for the organization.

A study by Northwestern University’s Forum for People Performance Management and Measurement broke ground by focusing on employees who do not have direct contact with customers. It nevertheless showed a direct relationship between how employees feel and customer attitudes, concluding that any company that wants to directly impact its bottom line can measure employee satisfaction and know that improvements to it will drive profitability.

**What Generates Happiness?**

Research into subjective well-being confirms that certain readily-expected features correlate positively with happiness.

*Physical health* generates happiness — although past a basic level of healthiness, more health doesn't generate more happiness.

*Physical safety* generates happiness — although again, more of the same doesn’t generate more happiness after a certain point.

*Wealth* does generate happiness, but for many, only upto a point. Once a person passes the point of being able to afford ‘the normal cost of everyday life’, more wealth can increasingly be accompanied by less happiness, not more. And with high levels of wealth come increased complications and worries, including concerns about losing the level of wealth one once had.

There are *community-related drivers* of happiness. Individuals develop their sense of identity from feeling pride in their place in their relevant community (inside the organization and outside it) and respect for the stature of that community. Positive pride and respect generate positive identification by the individual with the community. The benefit to a firm, of an employee feeling a positive sense of pride from, respect for, and identification with the firm is a happy employee who will willingly go beyond strictly set-out mandatory behaviours to engage in helpful discretionary behaviours.
Community related drivers of happiness are one’s perceived value in the eyes of the relevant community, how much one values the community in question and the degree to which the community is valued by others outside of it. These drivers of happiness are interrelated, and can either reinforce each other or undermine each other. When working in tandem, they can generate the significant happiness a person feels from being a highly-valued member of a community that they value highly and one that is valued more highly by outsiders.

Other Drivers of Workplace Happiness

Fairness
“I’m happy when I am treated fairly”

Being valued
“I’m happy as long as I feel the organization values me and is committed to me as an employee”

Trust
“I have to feel trusted by my boss and have a good working relationship with him/her”

Meaning
“I understand the aims of my organization and the role I play in helping achieve this”

Utilization
“Happiness for me means being able to develop my full potential at work”

Autonomy
“I need to feel empowered and have a sense of autonomy in my job, in order to be happy in it”

Positive Emotion
“I experience positive feelings at work”

Work Engagement
“I like work that engages my attention”

Rewarding Relationships
“I feel a sense of fulfilment when I have a good relationship with colleagues and supervisors at work”

Challenge of Work
“I am involved with my task and time seems to fly”

Sense of Purpose
“My work offers exciting challenges; I believe I am doing something worthwhile at work”

Leader Influence
“My supervisor’s influence determines whether I like my work or not”

Work Life Balance
“I am happy at work as long as it does not intrude into my personal life”

Holistic Approach
“My work gives me a sense of being, becoming and belonging”
Creativity

“My work provides me with creative opportunities, complex problems and challenging tasks”

Role of Leadership in Workplace Happiness

A leader who aims to nurture employee happiness must develop operating systems and a culture that reinforce the role of the individual within the context of the community. If each individual employee is unaware of what community they are a part, and how that community measures their value as a member, the firm will be incapable of being a positive force in helping the individual be happy as a member of the firm. He or she may be happy, but their happiness will derive from sources outside of the firm, and he or she will not give the firm any credit for their sense of well-being.
In order for individuals to relate to communities within a firm, there have to be communities to relate to. Leaders should view their firm as a nested set of communities, with individuals as the key components of each. Hence, the nurturing of communities — both sub-segments of the firm such as work-groups or divisions and the overall community of the firm — is a key task for business leaders.

The drivers of happiness explain why social events such as staff picnics, employee fundraising initiatives, holiday parties, award banquets and intra-firm sports tournaments are not trivial, but rather essential. They define and enhance communities, providing a vehicle for generating the value of individuals and representing an important component of their happiness.

In order to create a community that members respect and with which members identify, community members must feel four things: that they are able to participate in problem resolution in their community; that authority figures in their community demonstrate neutrality in decision-making; that authority figures in the community are trustworthy; and that as members, they are treated with dignity and respect.²

**Research Findings and Implications**

**Emotional Intelligence and Workplace Happiness**

Daniel Goleman’s analysis of 181 jobs in 121 organizations found that emotional competencies were the best differentiator between star performers and typical performers. While IQ accounts for only about 10% of the variance in job performance, the biggest difference is made by abilities such as being able to handle frustrations, identifying others’ emotions, controlling own emotions and getting along with other people (Rosenthal, 1977; Snarey and Vaillant, 1985; Sternberg, 1996). Hay McBer’s study of hundreds of executives at 15 global organizations, including Pepsi, IBM and Volvo found that two thirds of the competencies deemed essential to success were emotional competencies. Findings suggest a direct relationship between Emotional Intelligence (the ability to become aware of even subtle changes in one’s and others’ emotional tones and to control them, to keep calm in the midst of pressure, to initiate and maintain healthy relationships with others, and to maintain an optimistic outlook towards life) and Happiness, with the former leading to a greater experience of the latter (Mayer, 1990; Goleman, 1995; Saarni, 1999; Salovey and Salovey et al., 1995; Schutte et al., 2002).

Happiness is dispositional in nature, rather than being circumstantial (Myers & Diener, 1995). Four traits consistently found to mark happy people are actually components of Emotional Intelligence: Self esteem, a sense of control, optimism and extraversion. (Myers and Diener, 1995). Building social bonds have been found to be especially contributive towards long term Happiness (Burt, 1986; Cohen, 1988; House, Landis, & Umberson, 1988; Pavot et al., 1990).

---

² Tom Tyler, New York University
Tenure and Workplace Happiness

Findings from a study by David Sirota, co-author of *The Enthusiastic Employee: How Companies Profit by Giving Workers What They Want* reveal that employee happiness actually starts out pretty high, but it declines significantly, the longer a person works for their employer. Based on a survey of 1.2 million employees between 2001 and 2004, the study showed that employee job satisfaction (on a 100-point scale) averages out as follows: 6 to 8 months – 80; 1 to 5 years – 69; and 6 to 10 years – 68.

Another study found that people who have been with their current employer for two years or less are the happiest, with 82 per cent who are very or fairly happy. However, only 76 per cent of people who have been with their employer for 10 years or more describe themselves as happy.

Why does happiness decline over time and what does this tell us about how effective organizations are at retaining their talent?

Possibly there is a lack of investment in finding out what engages the staff and responding to those needs. There may be a boredom threshold that is reached which leads to a sense of dissatisfaction and a decline in happiness.

It would seem that a large proportion of workers are fundamentally unhappy with their work life, and getting considerably less happy over time. Rather than reaping the rewards of the power of happiness, firms are suffering from employees with low levels of happiness, which is associated with being highly sensitive to perceived threats in their environment, being defensive and cautious with their co-workers, and less optimistic and confident.

Organization Size and Workplace Happiness

It is interesting to note that people are happiest working for smaller organizations with between 20 and 100 employees. Eighty-six per cent of these employees claim to be happy. Organizations with over 1000 staff have slightly fewer employees who describe themselves as happy (Seventy-eight per cent).

Role Tenure and Workplace Happiness

Those who are the least happy have been in the same role for eight years or more (75 per cent), whereas those who have been in their current job for less than a year are much happier (83 per cent). For larger organizations in particular, this may indicate the need to proactively modernise roles or to move people on to new challenges earlier in order to refresh their interest. Proactive career management in organizations is a way to ensure that people are being provided with new and challenging opportunities.
**Sector and Workplace Happiness**

There is little difference between levels of happiness of employees in the private and public sectors. However the voluntary and not-for-profit sector contains both the largest proportion of happy people (26 per cent are very happy) and the largest number of unhappy staff (24 per cent are somewhat or very unhappy). This dichotomy could be due to the vocational and rewarding nature of working in that industry but also the tendency for lack of career development and frequently poor financial reward.

**Work Nature and Workplace Happiness**

People who work part-time are happier than those working full-time. This suggests that those who work part-time feel happier due to a healthy work-life balance and perhaps since their work plays a less significant role in their lives they require less to be happy. At 71 per cent, those on fixed-term contracts are the least happy, further emphasising the importance of a strong work community and a sense of belonging, which many contractors may be denied; or possibly the importance of security in work, another concept described by motivation theorists as a baseline requirement.

**Gender and Workplace Happiness**

Despite a dearth of women at the helm of organizations, women feel more job satisfaction than men. Eighty-two per cent claim to be happy in their jobs compared to 78 per cent of men.

**Age and Workplace Happiness**

At 85 per cent, those aged 55+ are the happiest employees, possibly because they have reached the pinnacle of their career. This resonates with a study conducted by the Employers’ Forum on Age (EFA) in 2005 which found that people in their sixties are the happiest at work. The next happiest age group is the under 25’s at 80 per cent, who are no doubt excited as they start to build a career. Those who are least happy are employees in their 40’s (77%) who face the prospect of working for at least another 20 years.

It has been found that early years’ happiness falls drastically in a person’s 40’s\(^3\). The levels of happiness are higher in a person’s younger and older years, but tends to hit bottom in the mid 40’s regardless of gender or geography. This Happiness Curve, however, can be controlled by taking proactive action that will keep life/work balance tipped toward the upper reaches of the curve.

**Engagement and Workplace Happiness**

Engagement and happiness can be understood in terms of how much employees care about the success of their organization, and how much they feel they personally contribute to their organization’s success. There is a clear link between happiness at work, and how much people care about the success of the

---

\(^3\) Oswald, Andrew and Blanchflower, David (2010). *Social Science and Medicine*
organization. There is a lesson for leaders here. If the employees are treated fairly and if good lines of communication are ensured, it will help them feel happier, which in turn encourages them to give more discretionary effort. Sadly, it is quite clear that those who are less happy at work care less about the success of the organization.

**Leadership and Workplace Happiness**

The importance of leadership and its criticality to an organization cannot be overemphasized. Workers at every level form impressions regarding whether they are valued and respected, from important cues that emanate from their environment, especially those that come from the leaders that they report into (Gmelch and Miskin, 1993; Fryer and Lovas, 1991). These impressions are translated into feelings, either positive or negative, that become the principal component of a employee’s happiness at the workplace.

Research has found a significant impact of leadership behaviours on Job Satisfaction and Workplace Happiness. A study used regression analysis to estimate the strength of relationships between Happiness at the Workplace and Leadership behaviours. Happiness at the Workplace and Servant-leadership behaviours were found to be highly correlated at .973 with a co-efficient of determination of .946, indicating that 95% of the variance in Happiness at the Workplace could be directly attributed to the characteristics of the leader.

**The Smiles Center for Happiest Minds**

It is imperative that Workplace Happiness is important for every person and every organization. There is, therefore a felt need at Happiest Minds Technologies for a nerve center that would be responsible for generating and sustaining employees’ workplace happiness.

**Motto**


**Purpose**

The purpose of The Smiles Center for Happiest Minds is to help every Happiest Mind find more happiness at work, life satisfaction and meaning.

**Role**

Happiness Evangelist

---

Role Definition

The functions of the Happiness Evangelist are:

• to assimilate the culture of the organization that is built on the key values of Sharing, Mindful, Integrity, Learning, Excellence and Social Responsibility (S.M.I.L.E.S.);
• to ensure that these values are an integral part of the organizational fabric and form the foundation of long-term relationships and lasting partnerships;
• to create a work climate/culture that fosters the values of S.M.I.L.E.S. in every facet of the organization;
• to sustain this culture through the long term, scalable across geographies, businesses and numbers of employees;
• to develop a valid and reliable measurement instrument that measures the Workplace Happiness Quotient of every Happiest Mind, that will be designed to help every employee objectively identify their perceived or self-described frequency of behaviors;
• to support the onset of positive behavioral change at work by offering development strategies to enhance the Workplace Happiness Quotient while dealing with limiting behaviours;
• to enable employer brand building efforts by harnessing the best from employees during their employment;
• to be a role-model and walk the talk; be a Happiness Ambassador and navigator;
• to train and facilitate new Happiness Ambassadors;
• to be a mentor and coach to Happiest Minds through an open, collaborative, ‘employee champion’ approach;
• to cultivate among Happiest Minds a culture of continuous learning and performance;
• to engage in sustained research and provide recommendations for internal and external learning programs that align with the organization’s ethos and employees’ needs; and
• to reinforce the Mission, Vision and Values of the organization by establishing thought leadership, communications and articulations, both within and without.

How to drive Workplace Happiness?

• By creating a community of Happiest Minds, a community where they have a feeling of belonging, a feeling that members matter to one another and to the group and a shared faith that member needs will be met through their commitment to be together.
• By instilling the values of S.M.I.L.E.S that every Happiest Mind understands that all that the organization stands for and all that is being done will revolve around the values espoused.
• By endeaouuring to combine efficient work with a balanced life.
• By encouraging people to connect, communicate and celebrate the essence of life along with work.
• By fostering a culture of expression by open feedback and mechanisms which provide a platform to employees to give continuous feedback (Dipstick surveys, opinion polls, special blogs and chat forums) and suggestions on generic and specific areas.

• By empowering employees to act as change agents and revolutionize ways of operation with fresh perspectives.

• By building a network of transparent lasting relationships within the organization that exhibit integrity and mutual trust.

• By embracing and respecting diversity while working together as One.

• By believing that the organization is a melting pot of cultures.
  • Dialogue and Development for Diversity that highlights the importance of diversity and inclusivity at the workplace. The workplace should recognize the unique skills of professionals irrespective of gender, religion or nationality.
  • Creating a Common awareness among employees about the languages and cultures of the geographies in which the organization operates.

• By nurturing a learning environment and innovative thinking.

• By striving to be an eco-friendly organization and inculcate good corporate citizenship.

• By establishing a corporate social responsibility plan that will give each Happiest Mind the opportunity to work together on projects that benefit the community outside.

Conclusion

Individuals who find their lives (inside and outside of work) rewarding and fulfilling are generally more successful in the workplace. People with happy dispositions are likely to be more proactive and resilient to adverse conditions and less prone to stress symptoms. They also show a passion for their work and take great pride in a job well done.

Employees who employ a happy disposition in their workplace are generally seen by their co-workers as likeable and fun to be around. This positive attitude generally proliferates around the office and affects others working around them. Showing high levels of happiness helps to empower and motivate co-workers, especially when they are faced with difficult situations. The positive emotions associated with happiness are beneficial to overcoming obstacles since positive emotions expand the selection of potential thoughts and actions that come to mind when trying to solve problems. Positive emotions foster the desire to explore, to take on new information and to think outside the box.

Nic Marks\(^5\) suggests that happy employees are crucial to the future success of a business and that building on what makes people happy at work is more effective that just fixing what makes them unhappy. Thus,

---

employees who enjoy good working relationships, receive proactive career development, feel valued by the organization and well treated in times of change are likely to be contributing the most to a business. Furthermore, they will be ambassadors for the organization, sending out positive messages to the outside community and enhancing the employer brand.

It is perceived wisdom that happy employees are likely to be more motivated, engaged, committed, and loyal to their employers. They also tend to go the extra mile for customers and are favourable about their organization – they are advocates for their employer. This would have a positive effect on productivity and therefore profitability. If this wisdom is borne out, then keeping employees happy while they are at work is a fundamental challenge for employers.

Mother Teresa said that one of the greatest diseases was ‘to be nobody to anybody.’ All of us strive to make our mark on the world and want to feel that our lives are worthwhile — and the work we do is a critical component of our legacy. If we believe that our work has meaning and that we are valued for what we do, this encourages us to remain involved and to seek the next level of achievement.

Three components that contribute to our overall happiness are: who we are – our Being; our context – our Belonging; and our perception of our future – our Becoming (Dutton and Edmunds, 2007). Being happy has far reaching business benefits. While it is dependent largely on the leadership style, happiness restores humanity to the workplace so that everyone thrives in every way.

Leaders create institutions and communities and transform the quality of relationships within organizations. Our profession, our communities and our world desperately need individuals with passion, warmth, discipline, compassion, and humility. Our organizations need leaders who create satisfied and happy employees who can help create resilient companies – ones that can withstand the challenges of an ever changing, increasingly competitive marketplace.

Leaders need to harness the power of happiness. If the employees are happy, chances are they will stay — physically and psychologically — with the job and with the organization, leading to improved performance and service, and more loyal customers.

And that is powerful.

---

6 Martin Seligman, "Positive Psychology"
References

- Albano, J. F., Jr. (2010). Developing a measure and an understanding of the individual experience of happiness at work. Retrieved from ProQuest Dissertations and Theses database. (AAT 3371929)
- Dasgupta, Mallika (2010). Emotional Intelligence emerging as a significant tool for Female Information Technology professionals in managing role conflict and enhancing quality of WorkLife and Happiness, Asian Journal Of Management Research, pp 558 – 565


• Pryce Jones, J. (Forthcoming) Happiness 9-5


For more information write business@happiestminds.com or visit us at www.happiestminds.com