



Why Happiness Matters in Your Workforce and Beyond

Introduction

Happiness is a vague expression that is an umbrella term for many different types of positive emotional responses within an organization. But the science of happiness¹ is not vague. Empirical research finds that employees who report that they are happy at work are able to be more creative, adapt better to change initiatives, solve problems faster, receive faster promotions and better feedback and earn more money over the course of their careers.

By making employee happiness...a priority, leaders are better able to meet the needs of their employees while enjoying numerous critical benefits.

Employers who understand their company culture and have resources and strategies in place to track the essential components for success are able to implement the solutions that promote happiness at work. This helps them avoid the mistakes² that undermine an effective culture. By making employee happiness within the organization a priority, leaders are better able to meet the needs of their employees while enjoying numerous critical benefits.



1 <http://blogs.wsj.com/source/2011/09/18/the-five-drivers-of-happiness-at-work/>

2 <http://3bigmistakes.corevalues.com/>



Problem

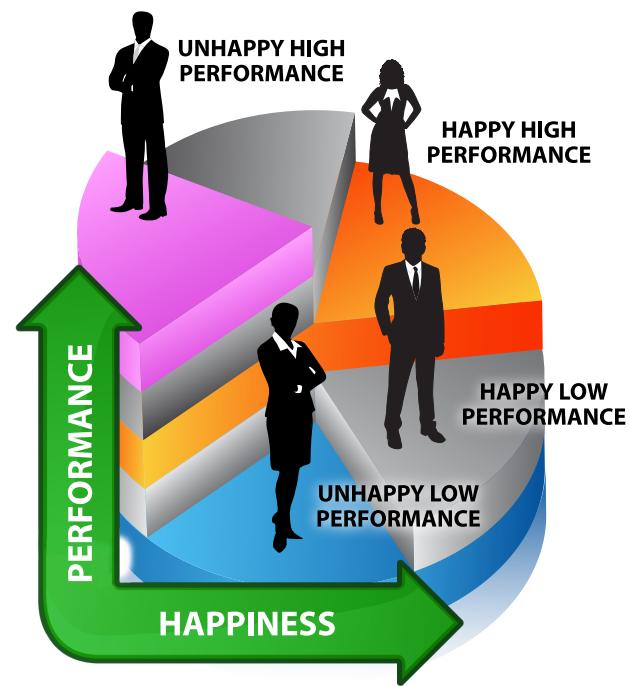
Unhappiness in the workplace may seem like minuscule problem when compared to other, more pressing problems. Unhappy and disengaged employees, however, actually cost U.S. businesses \$450 billion to \$550 billion a year because of lost productivity, according to a Gallup report³. These numbers are staggering. As a result, leaders who take note and begin assessing the levels of unhappiness within their workplaces will reap productivity rewards among several other benefits.

According to research performed by the iOpener Institute for People and Performance⁴, out of the 9,000 employees surveyed around the world, the happiest employees:

- Stay in their current positions twice as long;
- Take up to 10 times less sick leave;
- Are twice as likely to believe that they are reaching their potential; and,
- Focus on their work twice as much.

But according to an article⁵ in the *Graziadio Business Review*, workplaces are filled with a combination of employees in all four quadrants of the Performance - Happiness matrix:

- Happy Low Performers
- Unhappy Low Performers
- Unhappy High Performers
- Happy High Performers



This matrix is an effective tool at predicting whether organizations are able to sustain success. The goal is to have as many happy high performers within the organization as possible. These team members are more likely to be engaged in their tasks, grateful for their experiences and optimistic about their positions. These individuals also present a positive outlook that reaps helpful interactions and experiences at work. All of these characteristics lead to happier, more productive employees who are best able to achieve goals and reap personal satisfaction at the same time.

³ <http://www.gallup.com/businessjournal/162953/tackle-employees-stagnating-engagement.aspx>

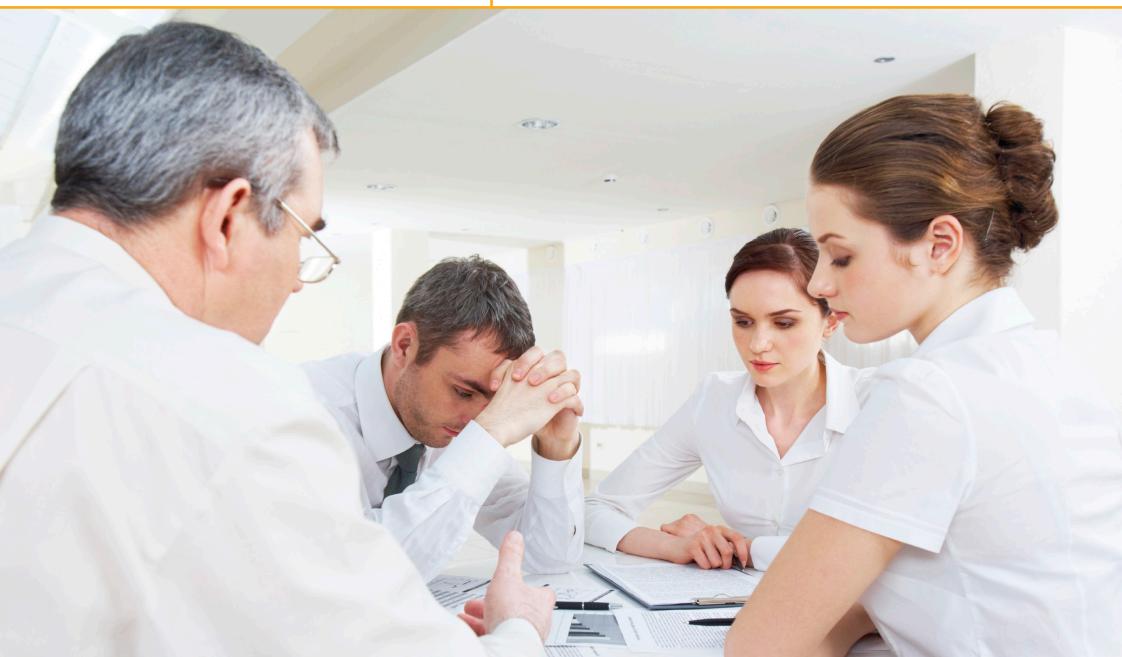
⁴ <http://blogs.wsj.com/source/2011/09/18/the-five-drivers-of-happiness-at-work/>

⁵ http://gbr.pepperdine.edu/2010/08/putting-performance-and-happiness-together-in-the-workplace/#_edn1

To compound the issue, a lack of happiness can be a direct result of leadership⁶ and how employees are being treated. A recent study⁷ published in the Journal of Occupational and Organizational Psychology found that leaders who are abusive are more likely to direct that behavior toward those individuals who are least likely to defend themselves. In hostile work environments, employees who are victims of leadership abuse are likely the least happy. They are never given the opportunity to increase their satisfaction and are actually prevented from doing so.

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Negativity in the workplace affects people differently. However, an organization with a negative culture will likely find that in a competitive economic climate, recruitment and retention efforts, as well as employee engagement and productivity, will all be negatively affected. This costs the organization bottom line profit and talent retention in the long run⁸.



⁶ <http://www.corevalues.com/best-places-to-work/how-to-change-and-improve-behavior-in-the-workplace/>

⁷ <http://onlinelibrary.wiley.com/doi/10.1111/joop.12061/abstract>

⁸ <https://www.psychologytoday.com/blog/wired-success/201007/how-workplace-happiness-can-boost-productivity>



Solution

The first step to an effective change initiative is assessing the current work climate. One way that leaders can do this is through a reliable and valid survey⁹ that identifies specific behavior areas within the organization that require support. From the results, training and organizational development strategies can be put into place to improve behavior and achieve results. Other ways that leaders can promote happiness within their organizations include:

1. Creating a path to employee success;
2. Ending abuse;
3. Fostering positive, genuine friendships;
4. Offering desirable benefits; and,
5. Education in effective leadership.

Create a Path to Success

Inviting all team members into the fourth quadrant as happy high performers requires leaders to create the path to success. This means that leaders should focus on influencing their team members by:

- Creating a clear focus of big picture goals and expectations that team members can work toward.
- Moving in a motivating direction that team members can understand and follow.
- Surrounding team members with influential and happy role models to promote happiness within the organization.
- Coordinating resources by ensuring team members understand expectations and teaching them how to access and utilize the available resources.

Leaders can increase happiness among employees by focusing on one-

⁹ <http://www.tigerssuccessseries.com/>



on-one and personalized coaching sessions to slowly improve morale over time. This allows leaders to assess each employee's happiness and productivity levels and to offer suggestions for improvement. Leaders should focus on each team members' strengths and give each member the opportunity to utilize those strengths to reach goals and complete tasks.

Employees who are least likely to stand up and speak up about abusive behavior are the targets for this type of abuse.

Other strategies include:

- Providing a sense of purpose;
- Offering challenging tasks that push employees to reach their goals;
- Showing employees how their accomplishments are affecting others; and,
- Promoting a positive working environment, free of hostility.

End the Abuse

If abuse is present within the organization, it can have an extremely detrimental effect on happiness and productivity. The before-mentioned study¹⁰ found that the employees who are least likely to stand up and speak up about abusive behavior are the targets for this type of abuse. This is a disturbing finding. Not only does this type of behavior (from all parties) allow the abuse to continue, it also suggests that the cycle of abuse will continue. To end this dangerous cycle within the workplace, behavior must change and if it doesn't those individuals who perpetuate abuse must be let go or removed from contact with others.

The best course of action is to work with your legal and human resource departments to design and then uphold a grievance policy that insulates those who feel abused from the abuser.

Witnesses to these types of situations also play an important role in the teams' dynamic. Victims often feel that they lack support from leaders and coworkers alike. Speak up about wrongdoings and let those around you know that this type of behavior is unacceptable in the workplace.



10 <http://onlinelibrary.wiley.com/doi/10.1111/joop.12061/abstract>



The extent of the abuse can vary, so it is important to identify when the workplace culture is negative and nonconductive to positive relationships and progress.

Foster Genuine Friendships

The workplace culture is an important consideration for happiness among team members, and one critical aspect is friendships. While a large percentage of employees may be unhappy in their current positions, employees who have friendships with coworkers are more satisfied with their positions and experience less stress¹¹. Some of the benefits of workplace friendships according to respondents of a Randstad Work Watch Survey¹² include:

- A friendlier and more supportive workplace;
- Increased teamwork and morale;
- Open communication and shared knowledge;
- Greater job satisfaction;
- Higher employee motivation;
- Reduced turnover rates;
- Stronger company commitments;
- Increased encouragement; and,
- Increased productivity and performance.



¹¹ <http://www.forbes.com/2010/04/21/workplace-happiness-friendship-forbes-woman-well-being-relationship.html/>

¹² <http://us.randstad.com/content/aboutrandstad/news-and-press-releases/press-releases/2010/20100223002.xml>

"With so much at stake with developing friendships at work, employees should weigh all of the pros and cons carefully and find a comfort level that is right for them"

"There is no denying that workplace friendships can contribute to a positive workplace culture, including increased productivity and creativity, heightened morale, enhanced personal performance and stronger team cohesiveness. Many times employees aren't even aware that these small, but positive changes are good for their company's overall business," said Eileen Habelow, senior vice president of organizational development for Randstad. "It's almost hard to not befriend coworkers given the amount of time many people spend at their jobs, whether due to the current economic climate, job responsibilities or one's own personal work style."

The survey also found that there are some risks associated with workplace friendships, including concerns of excess gossiping, favoritism or conflicts of interest and unclear boundaries. While these concerns are valid, the benefits of creating friendships within the workplace seem to outweigh the potential consequences that are correctable with well defined group norms and follow through policies.

"With so much at stake with developing friendships at work, employees should weigh all of the pros and cons carefully and find a comfort level that is right for them," Habelow said. "It could be the difference in career success or career suicide."

Offer Desirable Benefits

Benefits packages are in a state of change, and many organizations are struggling to find a balance. Respondents to a Mercer Workplace Survey^{TM13} find less value in traditional benefits of health and retirement plans. This is likely in response to rising health care costs and greater out-of-pocket expenses.

"Year after year, we find our survey respondents ranking benefits as one of the most important components of their employment value proposition," said Kerry Donoghue, Partner, Health and Benefits Business Leader for Mercer's benefits administration business. "We feel strongly, however, that there are some areas of concern that plan sponsors must

take into account as they evaluate and design their benefit plans, particularly as it relates to discontent about rising out-of-pocket expenses and an overall level of relative dissatisfaction among younger employees."

Younger employees, who experience less need for health insurance than their older counterparts, are not seeing the value in the high costs of health care benefits, but they still place great value on the need for these benefits. One way that leaders can respond to these concerns is by offering flexible benefit plans that employees can customize to



13 <http://www.mercer.com/newsroom/mercerc-workplace-survey.html>

“Out-of-pocket expenses for employees are likely to continue to rise”

meet their individual needs. With customized plans, leaders can offer various other benefits, including the highly coveted flextime¹⁴, that many employees are seeking from their benefits packages.

“Out-of-pocket expenses for employees are likely to continue to rise,” said Beth Umland, Director of Research for Mercer’s Health and Benefits business. “We’re seeing more cost-shifting and rapid growth in high-deductible consumer-directed health plans as employers are asked to cover more employees under health reform. So it’s critical for sponsors to explicitly communicate the value of the overall benefits program they provide and consider offering educational resources and tools to help participants better manage their health care spending. Giving employees more choice can also help build perceived value.”



Educate Leaders

Creating a sense of belonging¹⁵ and the type of work culture that fosters happiness for team members starts with educating leaders on the six principles¹⁶ that anchor collaboration and cooperation in the workforce. The six principles emerged from education, psychology and business group dynamic research and are trust, interdependence, genuineness, empathy,

14 <http://www.corevalues.com/uncategorized/team-building-activities-outweigh-the-fading-lure-of-employee-benefits/>

15 Video: https://www.youtube.com/watch?v=quSDI_IPl6A

16 <http://www.corevalues.com/>

“Empathy has an important impact on resolving conflict in the workplace and is the counter measure for workforce bullying and incivility.”

risk and success. These are measurable organizational qualities that impact favorable behavior in the following ways:

- **Trust:** With trust declining¹⁷ within organizations, it is more important than ever for leaders to re-focus their energy toward rebuilding this missing component. Organizations that make trust a priority enjoy higher customer loyalty, higher employee retention rates and increased profits, among several other benefits.
- **Interdependence:** Businesses rely on employees, vendors, stakeholders, customers and many other people in order to work, and shining a spotlight on the importance of interdependence allows key players to cooperate and collaborate with others.
- **Genuineness:** Genuineness means creating authentic connections with others through effective communication skills, critical thinking and problem solving systems, cooperation, honesty and transparency.
- **Empathy:** Empathetic leaders are in a better position to lead because they are better able to recognize others' emotions and create genuine connections that guide employees. Empathy has an important impact on resolving conflict in the workplace and is the counter measure for workforce bullying and incivility.
- **Risk:** Taking risks is the only way that leaders and organizations can achieve goals and grow, and leaders can reduce the fear associated with risk by offering training, implementing root cause problem solving, adopting the mindset that people learn from mistakes, offering support and adopting formal risk resolution processes.
- **Success:** To enjoy success, leaders need to first identify what success means for their organization. When it comes to goal achievement, it is important that employees understand how to accomplish goals, understand how what they do makes a difference to the organizational bottom line and how their efforts impact the success of others around them. Success also requires employee recognition, which leads to improved morale and enhanced levels of employee happiness.



To assess an organization's application of the Six Principles for Success, leaders benefit from the TIGERS® Success Series Online Team Survey. This online survey allows leaders to gauge current employee behaviors and attitudes. The survey report is a collective response of 8 or more employees that offers suggestions for improvement based on current

17 http://interactionassociates.com/sites/default/files/research_items/Building%20Trust%202013.pdf



employee opinions. Each survey offers three iterations, which give leaders comparison information for team improvement over time¹⁸.

Once leaders understand the current environment, they can focus on harnessing happiness by implementing the five drivers¹⁹ of happiness in the workplace:

- **Contribution:** This area ties in with interdependence because individual contributions matter, but teamwork and creating a positive company culture are important aspects for happiness.
- **Conviction:** This area is the motivation behind the work. All team members need to understand what and why they are doing, even when results may not be quick or risks do not pay off.
- **Culture:** The workplace's culture is one giant area that affects happiness because team members need to feel that they belong. Those who do not feel that they belong are less productive and effective.
- **Commitment:** Leaders and team members alike need to have an underlying reason to continue with their positions, such as the feeling of performing worthwhile or important work.
- **Confidence:** Team members likely will not be happy with their organization if they do not feel confident that they are performing well, and they may be less inclined to take risks as well. Offer teambuilding exercises to build confidence and happiness among employees.

Generating and retaining top performers is an important goal for leaders, and with talent retention comes satisfaction for everyone when the work climate supports happiness.

Another available resource is understanding the factors that cause high performance teamwork and collaboration to fail. TIGERS Success Series, Inc. offers an open enrollment Webinar offering one recertification credit from HRCI. To learn more about this Webinar visit <http://www.corevalues.com/avoid-3-serious-mistakes-that-cause-collaboration-and-high-performance-teamwork-to-fail/>. Generating and retaining top performers is an important goal for leaders, and with talent retention comes satisfaction for everyone when the work climate supports happiness.

18 <http://www.TigersSuccessSeries.com>

19 <http://blogs.wsj.com/source/2011/09/18/the-five-drivers-of-happiness-at-work/>

Summary: Why Happiness Matters in your Workforce and Beyond

Employee unhappiness and disengagement is a huge factor that accounts for a loss of \$450 to \$550 billion annually. Leaders who focus on fostering higher employee satisfaction and happiness not only save money on lost productivity, but they also enjoy lower turnover rates, fewer employee absences, and a larger pool of employees who are better focused and feel that they are performing to their potential. This goes a long way toward more employees falling into the fourth quadrant of the Happiness - Performance matrix, which leads to more optimistic and happy employees.

To better promote a better company culture with happier employees, leaders should focus on the following six goals:

1. Creating a path to employee success

2. Ending abuse

3. Fostering genuine friendships

4. Offering desirable benefits

5. Educating leaders

6. Tracking the 6 principles of trust, interdependence, genuineness, empathy, risk and success in the workforce climate

Create a path to success: This involves one-on-one time with leaders and team members, with leaders providing suggestions for improvement to improve employee morale over time. By opening the dialogue, leaders are able to build employee confidence by focusing on employee strengths and setting attainable goals.

End abuse: Abusers, victims and witnesses all play an important role in stopping the cycle of abuse that can rear its ugly head within organizations. The team members who are least likely to defend themselves are typically the targets of abuse, which only perpetuates the issue. Remove and rectify all sources of abuse to improve the company's culture and promote happiness.





Employees who have genuine friendships at work are more satisfied with their positions and are more likely to remain in the organization.

Foster genuine friendships: Employees who have genuine friendships at work are more satisfied with their positions and are more likely to remain in the organization. Offer teambuilding and other opportunities for genuine interactions to foster these relationships within the organization.

Offer desirable benefits: The culture of benefits and perceived benefits is changing, due in large part to ever-increasing health care costs. To satisfy and attract top talent, offer benefits that are most coveted, and offer employees the opportunity to create their own benefits packages so they can receive the benefits that they perceive as the most beneficial to their current situations.

Educate leaders: The leaders within the organization will set the tone for the entire company, so if they are not satisfied or do not understand why things are done a certain way, they will not be able to pass a positive attitude to other team members. Focus on tracking and implementing the six principles of trust, interdependence, genuineness, empathy, risk and success in all areas and levels within the organization.

Creating a company culture of happiness that focuses on individual needs has never been more important, especially as top talent is more inclined to seek out organizations that are more in-line with their values and aspirations, rather than stick with their current situations. Focus on retaining top talent and clients by creating a better company culture that cares about and strives to meet the needs of their employees.

Tracking the 6 principles of trust, interdependence, genuineness, empathy, risk and success in the workforce climate: A very affordable on-line survey provides that team's opinion of these indicators of workplace happiness.



About the TIGERS® Webinar

Avoid 3 Serious Performance Management Mistakes that Cause Collaboration and High Performance Teamwork to Fail and 1 HRCI continuing recertification credit.

Problems exist when you have invested considerable time and money developing training and team interventions designed to build more collaboration between departments and improved teamwork among employees but your efforts fail to transfer into improved productivity and employee skills. There are three avoidable reasons for this. If your HR duties include workforce development initiatives that include training and team interventions, this Webinar with Video replay is designed to give you a foundational understanding of how to avoid three pitfalls so your training and change initiatives are successful.

During this Workforce Development Webinar you learn:

What causes collaboration and high performance teamwork to fail

You will be able to identify 3 work culture characteristics that support collaboration over internal competition.

You will be able to name 6 principles that are anchored by behaviors that promote collaboration and also improve group norms.

You will learn how to recognize on-target and just-in-time skills development activities that build on workforce strengths and produce a measurable improvement on profits through cost savings or productivity improvements.

This Webinar requires no software download and will perform well on iPad, iPhone and iPod devices

And much more...

For more information on how your business can benefit from the webinar, visit <http://www.corevalues.com/avoid-3-serious-mistakes-that-cause-collaboration-and-high-performance-teamwork-to-fail/> or call 541-385-7465.



About the TIGERS® Success Series Online Team Survey

Reliable team survey tools are essential for avoiding predictable and unnecessary pitfalls that organizations repeatedly face. The TIGERS® Success Series Online Team Survey is designed to help you gauge your teams' behaviors early and often, so you can address any potential performance issues before they disrupt your goals.

In this way, you can offer training when it is needed and appreciated most so you are able to develop the employee improvement plan with follow-up to ensure that new skills and attitudes transfer.

The TIGERS® online survey utilizes a thorough approach that identifies the team's opinion of its level of trust, interdependence, genuineness, empathy, risk and success and how each relates to the others for effective company teambuilding and timely training. After extensive validation testing for a period of four years, with 257 people in 17 intact teams in the first study, and over 1,000 participants in 30 school buildings in the second, the survey proved to reveal the current status of a team, as well as prescribe training and predict future team behavior.

Each survey serves as a bucket that holds three survey iterations so you can track your team's progress over the course of three years or more. The first online survey acts as a baseline, identifying team strengths, as well as areas for improvement. Two comparison surveys show progress and help you connect this progress to your organization's bottom line. The survey is ideal for teams of eight or more people and for a small company of up to 250 employees. So it is appropriate and cost effective for department review.

For more information about the TIGERS® Success Series Online Team Survey and how it can help your organization, visit <http://www.tigerssuccessseries.com/> or call 541-385-7465.

About the TIGERS® Success Series

For over two decades, TIGERS® Success Series and TIGERS® and Founder Dianne Crampton have helped organizations such as Costco, AT&T, and Boeing realize a workplace culture of team member cooperation with overwhelming, sustainable success. Through innovative leadership teambuilding events and teambuilding activities, TIGERS has given these companies and other organizations the resources to not only thrive, but to be among the elite, preferred employers. TIGERS now licenses HR Executives with organizational development duties and independent consultants in the use of TIGERS proprietary resources.

Learn more at <http://www.corevalues.com/> or call 541-385-7465.

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