

2<sup>nd</sup> March 2017

# The most underestimated factor of tremendous success

## The importance of workplace happiness

Talking about business success means, first of all, talking about profit, returns, cash flow, customer satisfaction or new marketing measures to gain a higher competitive advantage. To realize all these important objectives, employees are chosen very carefully. The number of decisive characteristics is endless: an excellent education, various internships abroad, being fluent in more than one language, several years of work experience and countless skills.

When it comes to business, the term “Happiness” is rarely used. Happiness is not the first thing you’ll mention when talking about strategies for successful businesses.

However, happiness seems to drive great passion and energy to the activities where it’s involved. A good example are personal leisure time activities. Why do we these activities? Usually, it is because they make us feel happy, relaxed and limitless. They are executed with great passion and willingness.

There are various studies about the importance of happiness at work, stating that employees’ happiness is the most powerful productivity booster. Confident employees work harder, are more creative, motivated, optimistic, learn faster, and make better decisions. A visible increase of up to 31% in productivity and an increase of 37% in sales can be achieved if employees are happy.

Oliver Haas, one of the proponents of the theory that happiness leads directly to better performance and higher profits, subsumes this under the term “Corporate Happiness”. His theory combines neuropsychological approaches with behavioural researches and describes how everybody can learn personal happiness and transfer it into Corporate Happiness as a tool for business leaders.

## Corporate Happiness as a leadership tool

To analyze how leadership influences groups of employees, we must distinguish between leadership and management. Often these terms are used equally, irrespective of the fact that management regards business processes and strategies, and leadership refers to leading human beings. As they influence each other, a positive and motivating leadership has also to be established in the managements' processes to be successful and sustainable. Management principles should also not contradict the leadership practices.

The theory of Corporate Happiness considers the person as the principal agent. Working processes have to be elaborated to support each individual to use their personal ideas to support a work process. Often this theory stays in conflict with the classical view of business administration which lies on hierarchies and efficiency increase through machines. According to Haas, humans and their well-being at work count more than an increase in the innovation of technical devices.

Workplace Happiness as a leadership tool for successful businesses has to take into count also the psychological as well as the physiological circumstances of employees. A stable work-life balance, enough time for interpersonal contact, liberty in recreation management, individual support, and a relationship based on trust are decisive factors to guarantee pleasant workplace surroundings. Furthermore, a system of soft hierarchies stimulates the interaction between the management and the employees.

Unfortunately, many organizations still focus on rigidly ruled approaches as the only and best policy for business success. Making employees' satisfaction a priority isn't always the easiest or the most comfortable task, many leaders, therefore, avoid to face the fact that workplace happiness will have positive effects on profit and sales. Though they may have to forgo some immediate profits to make it happen, on a long-term basis corporate happiness will pay off.

Zulla Consulting & Partners with its strategic foresight and multiple years of experience will support your company by developing tailor-made solutions based on a wide series of methods and best practices identifying the corporate happiness levels related to your business, as well as adapting them to the needs that the digital era brings with it.

For additional information and an initial consultation, feel free to contact Daniele Zulla at [zulla@zulla-consulting.com](mailto:zulla@zulla-consulting.com).

## Sources

- › *Oliver Haas, Corporate Happiness als Führungssystem: Glückliche Menschen leisten gerne mehr, 2014, Erich Schmidt Verlag GmbH & Co.*