

The Business Benefits Of Employee Happiness

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Woohoo inc.

H A P P I N E S S A T W O R K

Topics

Exactly why happy workplaces are more successful

Some seriously cool studies


How to use this to inspire a workplace to focus on happiness



ASK
me anything
in the comments

Why
does
this
matter



A man with short dark hair, wearing a light blue dress shirt and a dark blue tie, is pointing his right index finger directly at the camera. He has a serious, almost angry expression on his face, with his mouth slightly open as if speaking or shouting. The background is a plain, dark grey wall.

**“If my employees are happy,
they’re not working
hard enough!”**

“There is a significant amount of research that organizations with high personal well-being will get better results.”

- Cary Cooper

Well-Being – Productivity and Happiness at Work
Ivan Robertson and Cary Cooper



The background is a dark teal color with a blurred image of a person's face on the right side and a white line graph on the left side. The line graph shows an upward trend, starting from the bottom left and ending at the top right.

Happy workplaces
make more money!

Articles

Well-being in the workplace and its relationship to business outcomes

James K Harter, Frank L Schmidt & Corey L M Keyes

The Benefits of Frequent Positive Affect: Does Happiness Lead to Success?

Sonja Lyubomirsky, Laura King & Ed Diener
(American Psychological Association, 2005)

Books

Well-being: Productivity and Happiness at Work

Ivan Robertson, Cary Cooper

Palgrave Macmillan, 2011

The Service Profit Chain

James L. Heskett, W. Earl Sasser Jnr, Leonard A. Schlesinger

Simon & Schuster, 1997



The background is a dark teal color with a blurred image of a person's face and a line graph. The person's face is on the right side, looking towards the left. A line graph with several peaks and valleys is overlaid on the left side of the image.

Individual benefits

Organizational benefits

“In the workplace we know that happiness **causes** more-productive and more-creative workers.”

- Ed Diener

Beyond Money - Toward an Economy of Well-Being
Ed Diener and Martin E.P. Seligman



Happiness and Productivity

Andrew J. Oswald, *University of Warwick and IZA*

Eugenio Proto, *University of Warwick and IZA*

Daniel Sgroi, *University of Warwick*

Some firms say they care about the well-being and “happiness” of their employees. But are such claims hype or scientific good sense? We provide evidence, for a classic piece rate setting, that happiness makes people more productive. In three different styles of experiment, randomly selected individuals are made happier. The treated individuals have approximately 12% greater productivity. A fourth experiment studies major real-world shocks (bereavement and family illness). Lower happiness is systematically associated with lower productivity. These different forms of evidence, with complementary strengths and weaknesses, are consistent with the existence of a causal link between human well-being and human performance.

“We address a question that is of special interest to economists: Does happiness make people **more productive** in a paid task?

The paper finds that it does.”



BASED ON THE #1 BREAKTHROUGH IDEA FROM HARVARD BUSINESS REVIEW

THE PROGRESS PRINCIPLE

USING SMALL WINS TO
IGNITE JOY, ENGAGEMENT, AND
CREATIVITY AT WORK



TERESA AMABILE
STEVEN KRAMER

HARVARD BUSINESS REVIEW PRESS

THE PROGRESS PRINCIPLE

“People perform better when their workday experiences **include more positive emotions**, stronger intrinsic motivation (passion for the work), and more favorable perceptions of their work, their team, their leaders, and their organization.”



Happy employees work better

More productive

More creative

More helpful

Better customer service

More focused on quality

Better team-players

More open

More likeable

Show more empathy

More resilient

More persistent

Better physical and mental health

More optimistic

More motivated

More engaged

More energetic

Learn faster

Better leaders









- 1: Employees
- 2: Customers
- 3: Bottom line

7,939 business units.

198,514 respondents.

Well-being in the workplace and its
relationship to business outcomes

A review of the Gallup studies

James K. Harter, Frank L. Schmidt,
and Corey L. M. Keyes



Advantages of happy workplaces

- Higher productivity
- More creativity and innovation
- Better sales
- Lower employee turnover
- Lower recruitment and training costs
- Attract the best talent
- Lower absenteeism
- Fewer workplace accidents
- Higher growth
- Higher stock price
- Higher profits
- Higher customer loyalty
- Higher discretionary effort from employees



A close-up photograph of a person's hands using a black calculator on a wooden desk. The calculator's LCD screen displays the number 1234.5. The person's left hand is positioned over the calculator, with the index finger resting on the '+' key. The right hand is also visible, with the index finger resting on the desk. A U.S. Individual Income Tax Form 1040 is partially visible in the background, showing the title '1040 U.S. Individual Income Tax' and various sections for filing status and income. The scene is set on a wooden desk, and the person is wearing a light-colored, ribbed sweater.

JAMES L. HESKETT, W. EARL SASSER, JR.
LEONARD A. SCHLESINGER

THE SERVICE PROFIT CHAIN

How Leading Companies Link
Profit and Growth to
Loyalty, Satisfaction, and Value

Happy employees



Great service



Happy customers



Loyal customers



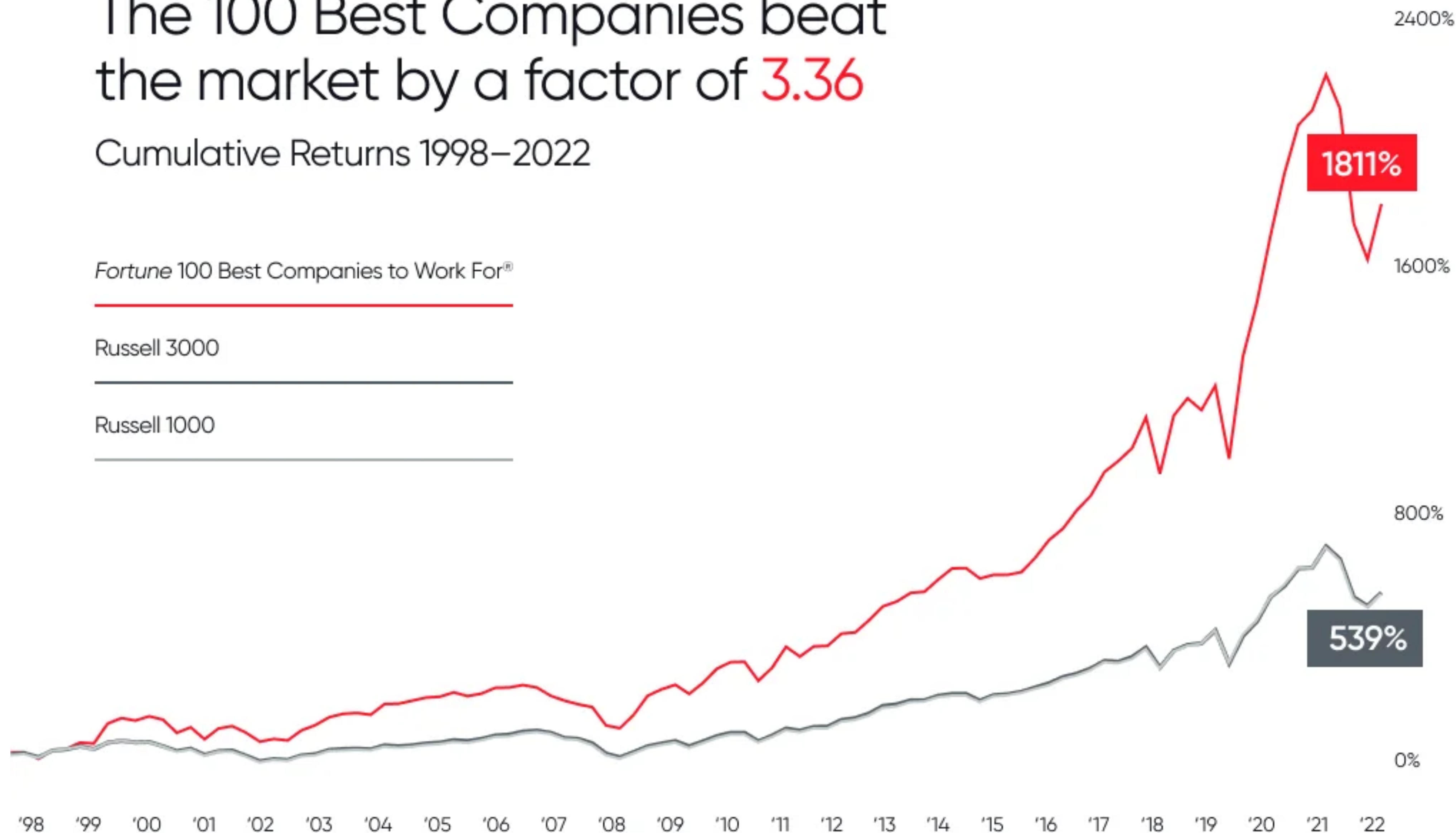
Profits and growth

Source: The Service Profit Chain
James L. Heskett, W. Earl Sasser, Jr Leonard A. Schleisinger



The 100 Best Companies beat the market by a factor of 3.36

Cumulative Returns 1998–2022



How to convince leadership

Connect happiness to business results

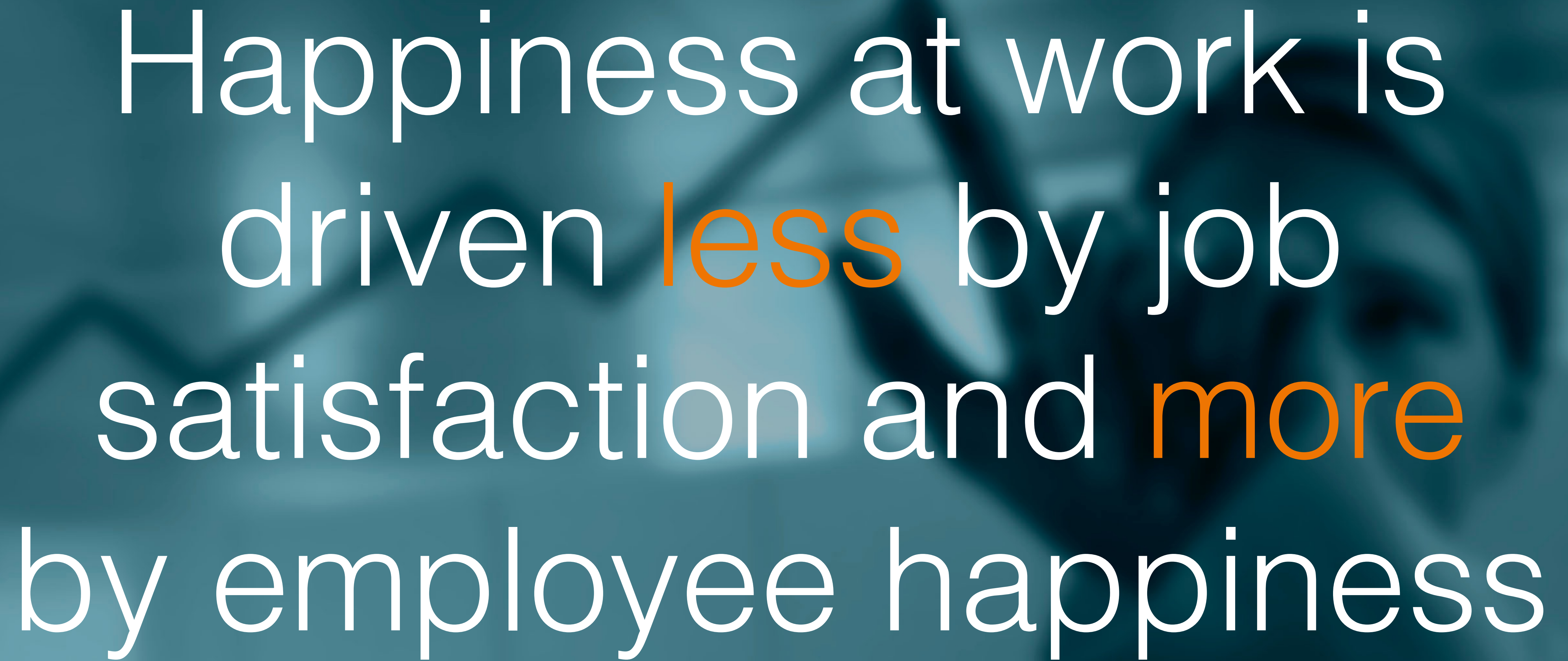
Find leadership's pain points and show how happiness can address them

Maybe focus more on what unhappiness is costing the business than on what happiness could earn the business.

Lower the bar: Show it's cheap and is not about perfect happiness.

Measure the results.




A blurred background image of a person's face, showing a smile, with a teal-blue color scheme.

Happiness at work is
driven **less** by job
satisfaction and **more**
by employee happiness



Job satisfaction
is what you **think**
about your job



Happiness at
work is what
you **feel** about
your job



Happiness at work is a
good thing in itself

The research is clear: Happy companies are more successful.

This can be a main driver that helps a workplace take happiness seriously.

Figure out what your workplace specifically has to gain.



More information



woohooinc.com / positivesharing.com



[linkedin.com/in/chiefhappinessofficer/](https://www.linkedin.com/in/chiefhappinessofficer/)



[youtube.com/@WoohooInc](https://www.youtube.com/@WoohooInc)



get our newsletter

ANYONE

can be happy at work

Bookme

woohooinc.com/booking

Thanks

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[linkedin.com/in/chiefhappinessofficer/](https://www.linkedin.com/in/chiefhappinessofficer/)

