

Happy Climate

Can happiness = profit?



by Cathy L. Greenberg and Johanna Dillon

ANY COMPANY CAN PROFIT FROM A natural resource it already has—happiness. The secret is to engage your best talent through whole-brain function to overcome fear with appreciation. It's teachable and transferable. Use happiness to improve performance—and deliver profit-providing useable insights.

Whole-Brain Function

Think of something that makes you smile—for example, praise from a trusted mentor. Now, think of something that makes you frown—for example, your mentor goes away from your life tomorrow. She is your favorite co-worker, the one who believes in you and pushes you to be your best, but she's dying and leaving work today. Hold a visual of your time together and the threat of her leaving forever, both at the same time. Can you balance joy and fear in your mind?

If you say *yes*, I won't believe you. It's impossible to feel fear and appreciation simultaneously. You can't feel hope or appreciation while experiencing sorrow, guilt, or anger. You can't experience positive and negative emotions simultaneously. Whole-brain function is required to make decisions, but first you must engage your emotional state before taking action. Unfortunately, you will only use that portion of your brain that is available; in many cases, that state is fear, anxiety, or grief. In the best of all worlds, it's appreciation—an attitude of gratitude.

As a behavioral scientist, executive coach, and business consultant, I want everyone to know that being a happy company is the single greatest transformation a company can take to retain talent, improve its competitive position and top-line revenue.

Let's start with five HAPIE principles:

H - Heartfelt, humble, inclusive, inspirational, innovative leadership
A - Adaptive, enthusiastic, emotion-

ally intelligent employees

P - Profit for all who contribute to return on people (ROP), in addition to ROI

I - Invigorated stakeholders, vendors, and clients who market the company

E - Engaged, constructive, community partners who share their success

From these five traits emerge a set of behaviors that create a positive,

transformational climate of inspiration and happiness.

When applied together, they pave the way for a culture of appreciation or a Happy Company Climate.

Happy Organizations

Few leaders understand the importance of engaging energy like "happiness". In a hard-nosed, numbers-based business, they misinterpret *happiness* to be a time-waster that doesn't support bottom-line results. Cynics imagine everyone singing "Kumbaya."

Here's the truth.

- Corporate happiness is a deep commitment felt when people engage their sense of purpose while contributing to a fulfilling corporate mission.
- Happy companies see reality through a positive mindset, even in adversity.
- It perceives the market as a place of abundance with many opportunities.
- Great leaders choose optimism over pessimism because a positive culture inspires creative, pragmatic approaches and draws out the best in people.
- Honesty pervades a happy company, infusing it with personal respect, appreciation, and trust and contributing to business success.
- Every stakeholder and community respects and appreciates happy companies because of their constructive force that enhances the quality of life.

Happy companies create optimal conditions that enable the ultimate engagement of our mission at work. They are best prepared to succeed long term. Everyone wants to work in a profitable, happy company.

The Truth Really Hurts

Why do few companies apply these principles and achieve "happiness = profit"? They focus on reacting to problems and fear, which blocks their ability to engage happiness factors.

Most companies are only vaguely aware of their fear-based state because they spend more time trying to focus their energy on solving problems rather than building on the success of their strengths. Management does not know how unhappiness severely hurts performance. Why? Because they lack skills to perceive, measure or change behaviors known as happiness factors to bolster success, or how unhappiness causes failure. Leaders of unhappy companies know they are struggling and get stuck. Despite their best efforts, they can't match their competitors. Employees work harder, even though

they try to work smarter—"the faster I work, the behinder I get!" Unhappy companies only sustain positive energy for short bursts (during a crisis) but fear poisons productivity with politics.

The best leaders know you can't run a successful, dynamic business based on fear. Fear prevents people from contributing their best and hurts profits through increased absenteeism, turnover, and redundancy.

In many organizations, fear is a dominant management technique.

• We fear missing a deadline, losing a sale, or receiving unfair treatment (even if we make the numbers).

• We induce fear based on unknowns in business; we fear many things—our competitors, their high-quality or low-price alternative, missing profit projections, even successful growth that may be too much to handle.

• We have financing fears: of interest rates, bond rates, exchange rates or a downturn in the capital markets.

• We have conflicting fears: management fears spiraling wages, healthcare, and possible strikes; labor fears abusive management and low raises.

• We even fear weather that might disrupt our production, our delivery, or our customers' buying patterns.

• And some fears haunt us all: terrorism and the cost of war.

Fear has many immeasurable costs—talent, wellness, and energy. Yet, fear is everywhere. It so saturates our spirit and cultures that we accept it as "normal." But does fear motivate us to perform better? No. Fear is a limited motivator because it triggers a state of activated stress which results in a limited set of responses: freeze, flight, or fight. These old-brain behaviors limit whole-brain function. Often the reaction is fear-based hostility, a



primal, reactive reflex. Fear is great for split-second survival, but it thwarts long-term prosperity because it “short-circuits” higher thought, shutting down the part of the brain that enables us to see possibility. Fear drains both the individual and the franchise of energy and imagination. Instead of motivating us, fear depresses our spirit of innovation and can even kill us physically through stress-related illnesses like high blood pressure, heart disease, alcoholism and diabetes.

What’s the good news? We can beat our wiring, even though fear and imagination still operate in different parts of our brain. Fear-based management behaviors mimic our caveman ancestors; biologically the behaviors are identical. Our primal emotions are the same, since fear trumps reason.

Try this exercise. When we see a lion about to pounce is our fear-based reaction healthy? Are we dreaming of a peaceful coexistence with nature? Think again. Those in the past who pondered such crises often died.

But if fear wins every time it is activated, then in today’s world, where wild animals wear suits, live at desks with access to unlimited information, commute on planes, and join boards and committees, how can we overcome our biology?

Happy people and healthy companies think before they react and apply enabling coaching techniques to explore and engage the best in everyone. They learn to recognize fear and apply HAPIE principles of positive psychology. Primal emotions, while required for survival, short-circuit the higher emotions needed for performance as a competitive weapon in the war for talent. Emotions and thought are closely entwined. While fear can drive us down, optimism can elevate us because it reshapes behavior and enables us to bond, find strength in numbers, feel appreciation, achieve creativity, and create a sum greater than our parts.

Happy companies succeed because people engage using positive, reinforcing emotions that maximize their diverse strengths. Their people constructively work together, find meaning and satisfaction in their work, and deliver high-quality service and products that positively contribute to their franchise and society. Profits follow naturally. Now, you can see now how Happiness = Profit!

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Cathy Greenberg is a coach, speaker and author of *What Happy Companies Know* with co-authors Dan Baker and Collins Hemmingway. Visit www.h2cleadership.com.

ACTION: Apply the HAPIE principles.