


The pursuit of happiness in workplace

Corporates worldwide are prioritising human sustainability to ensure employee well-being and instill a sense of belonging in them, writes Reji Varghese.

 **Reji Varghese**

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Every year on March 20, the world commemorates the International Day of Happiness. Recognising the importance of happiness in people's lives worldwide, on July 12, 2012, the United Nations passed a resolution to celebrate this.

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Corporations worldwide recognise that employee well-being, happiness and mental health are critical to a productive workforce. Deloitte's 2024 Global Human Capital Trends research surveyed over 14,000 respondents from 95 countries and found that the more boundaryless work is, the more critical it is to prioritise human sustainability.

Prioritising human sustainability

Deloitte's research points to the idea that prioritising human sustainability – ensuring employees are empowered with better skills, more opportunities for advancement, enhanced health and well-being and a more profound sense of purpose and belonging—can drive not only better human outcomes but better business outcomes, too, in a mutually reinforcing cycle.

Mohammed Hidayath, Director of Trumpf India, says, "Increasingly, humans, more than physical assets, drive business performance today. Organisations need this more than ever to shape and adapt to the ever-evolving future of work."

Deloitte's global skills-based organisation research finds that executives are on board with human sustainability, and 79% say their organisation is responsible for creating value for workers as human beings and for society. 81% of the leaders surveyed say that human sustainability is essential.

Just 12% of executives surveyed say they're leading in this area, while 17% say they have yet to progress. Even more concerning is that an overwhelming 73% of employees say their employer is not making progress in creating value for them. Only 43% of workers say their organisations are better than when they started.

Employee concerns

Many external and internal developments are causing serious concerns for employees worldwide.

Fast-changing skill needs: With old skills gradually becoming obsolete and new skill needs advancing quickly, only 5% of executives think that their organisation is investing enough in helping people learn new skills to keep up with the changing needs of a new world.

The report says approximately 2 billion contract workers work in the informal sector. They often do the same work as their hired colleagues but may earn less and receive fewer benefits, perks or protections.

Worries about AI eliminating jobs: The World Economic Forum estimates that generative AI could result in 83 million job losses globally over the next five years. Men outnumber women in the workforce, but women are more likely than men to be exposed to the impact of AI, the report says.

"We are at a crossroads where the potential for AI to enhance job performance and create efficiencies must be balanced with the imperative to address the displacement concerns and ensure a future where technology and human labour coexist harmoniously. The journey ahead requires a concerted effort to navigate the challenges and opportunities presented by AI," says Marcus Taylor, Chief Operating Officer of Planet Computers, UK.

Widespread burnout: Overwork and the need to constantly adapt to change are taxing employees. Worldwide, employee stress hit a record high for the second year in 2022, with about half of workers "always" or "often" feeling exhausted or stressed. Most workers say their well-being either worsened or stayed the same last year. Burnout is common, with 48% of workers and 53% of managers saying they are burned out at work and nearly half of millennial and Gen Z workers saying they feel stressed most of the time. The 2023 Gallup State of the Global Workplace study reveals that 59% of the global workforce is "quite quitting."

Lack of visible progress on DEI: Although 97% of HR leaders say their organizations have made changes that improve Diversity, Equity, and Inclusion outcomes, only 37% of employees agree that they are progressing.

Effects of climate change: The Deloitte Economics Institute estimates that 25% of the workforce—more than 800 million jobs worldwide—are highly vulnerable to climate extremes that affect access to clean air and water and the economic effects of the transition.

The happiness experiment

The Japanese tech company Hitachi conducted an unconventional experiment several years ago to track employee happiness. Using wearables and an accompanying mobile app, Hitachi offered participating workers AI-based suggestions for increasing their happiness throughout the day.

The results were mind-blowing. Workers' psychological capital (resilience, hope, optimism, and confidence) rose by 33%—a particularly meaningful improvement, given that increased psychological capital results in increased worker engagement, greater job satisfaction, and lower turnover and burnout. Profits increased by 10%, sales per hour at call centres increased by 34%, and retail sales increased by 15%.

Extensive research conducted over six months at British telecom firm BT by Jan-Emmanuel De Neve (Oxford University), George Ward (MIT), and Clement Bellet (Erasmus University, Rotterdam) found that employees are 13% more productive when happy. The study found that when employees are happier, they work faster by making more calls per hour and converting more calls to sales.

In India, sportswear company Puma uses surveys and chatbots to measure employee happiness and create a culture of ongoing communication. The company has found that when employees feel heard, there is a culture of trust and transparency, positively impacting employee engagement and attrition percentage.

Myntra, an online fashion company in Bengaluru, reaches out to workers using a combination of biannual feedback surveys, extensive data analysis of employee responses, and a chatbot. It identifies unhappy employees who need more individual attention.

The pursuit of happiness

The Greek philosopher Aristotle once said, "Happiness is the only thing humans seek in and of itself—all other wants and desires contribute to that happiness." At this time of uncertainty and conflict, this year's 'Happier together' theme reminds us that lasting happiness comes from feeling connected to others and being part of something bigger. What better place to start spreading happiness than at the workplace?

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