

## The Business Case for Happy Companies

There is no doubt that highly motivated employees are critical to business success.

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*“Highly motivated employees multiply in organizations whose visions, missions, leaders and inner workings provide profound meaning and inspiration.”*

*Warren Bennis, Distinguished Professor  
Marshall School of Business, University of Southern California*

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So, why do so many companies have less than inspiring leaders and employees who plod along with little – or the wrong – motivation? Why are corporate decisions still being made for the short term, undermining morale and jeopardizing business success?

The worst cases make for headlines for their ethical misdeeds and corruption, and the damage is much greater than economic: the loss of public trust in the business and its leaders is devastating to both. Consumers, regulators, and business leaders are searching for ways to reduce and/or eliminate this damage.

When business leaders focus strictly on the bottom line, they're more likely to misbehave when attempting to achieve results. And such focused attention on the bottom line results doesn't work for the long term.

A new body of research points to a vital, and often missing, dimension of business that would enable organizations to achieve stellar results. This “new science of happiness”, a name that mean seem frivolous at first, goes far beyond putting on a happy face.

Happiness is not a result of success. It is a cause of success. It's key to fully realizing an organization's 'return on people', which involves bringing out their best talents, strengths, passions, interests, knowledge and skills. From the CEO to a company's minimum-wage employees, individual and team happiness is measured by long-term success.

This new way of gauging organizational health is discussed in depth in:

*What Happy Companies Know: How the New Science of Happiness Can Change Your Company for the Better* (Pearson Prentice Hall, 2006).

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*"Well," said Pooh, "what I like best," and then he had to stop and think. Because although Eating Honey was a very good thing to do, there was a moment just before you began to eat it which was better than when you were, but he didn't know what it was called.*

*A.A. Milne*

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## The Science of Happiness

Several bodies of scientific research have contributed to our understanding of how incorporating the science of happiness can create a corporate culture that breeds success:

- 1. Strengthen Your Strengths** (Positive Psychology)  
The study and application of strengths, best practices, character and virtue in an organizational setting.
  - 2. Understand Stress Reactions** (Neurosciences)  
Gaining new insights into why we react as we do under stress. We pride ourselves on using sophisticated logic, making analytical decisions and judgment capacities. But in reality, we are often times dealing with high levels of stress at an unconscious level that trigger the 'fight or flight' instinct and the negative attitudes and behaviors that follow.
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*You will never be happy if you continue to search for what happiness consists of. You will never live if you are looking for the meaning of life.*

*Albert Camus*

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**3. Know What You Do Better Than Anyone**

(Appreciative Inquiry) A process that delves into the question of what gives life to organizations. Asking the right questions, framed in positive terms, lead to more creativity and energy—a superior approach to traditional problem-solving and beat-the-competition thinking.

**4. Measure & Develop Harmony**

(Emotional Intelligence) Measures an organization's intrinsic emotional intelligence and evaluates how and why people function in organizations, as well as how those with differing motivations can learn to work harmoniously.

**5. Create A Culture of Positive Thinking**

(Cardio-neurology) The coherence generated by positive emotion and thought unleashes creativity and imagination in ways that dramatically improve personal health, corporate productivity and lowers stress - a success factor for healthy organizations.

**Whole-Brain Functioning**

To better understand why these elements of organizational happiness are so critical to the overall success of the organization and the individuals within it, it's important to understand how our brains work.

Human beings have two sets of linked circuitry: the ancient wiring that protects, and the modern wiring that serves. We refer to the "emotional brain" to describe our primitive and reactive parts, and to the "executive brain" to describe the center of conscious thought and logic.

Our emotional brain remains essential to our biological survival. While the danger of being chased and eaten by a tiger is no longer environmentally relevant, our reaction to danger remains the same. Fear is triggered by perceived danger.

Any time we sense a threat (real or perceived), our brain speed-dials a reaction, bypassing its information-processing parts. Usually, the executive brain kicks in a few milliseconds later to determine whether a threat is real and modulate our behaviors and expressions. The rational brain collects more information and sorts things out.

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*Nobody really cares if you're miserable, so you might as well be happy.*

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Cynthia Nelms

But when the emotional brain reacts too strongly and frequently over time, our highly sensitive, survival-based emotions become the brain's preferred response. After a while, the emotional brain hijacks the executive brain.

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*Things done well and with care exempt themselves from fear.*

William Shakespeare

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Unhealthy companies are gripped by fear and stuck in the emotional brain. They cannot adapt, leap forward or ultimately succeed.

Healthy, happy companies have consciously created a culture of people that have learned to balance the emotional and executive brain - and make good decisions based on input from intuition, feelings and logic.

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*When thinking won't cure fear, action will.*

W Clement Stone

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