

Developing The Leadership Capabilities For Creating A Happy Workplace To Leverage Human Resource Potential



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Human Resource in any organization is one of the key resources and a critical element in contributing to its performance does not need any reiteration. The overwhelming importance of this people resource is due to the fact that this is the only resource which can produce unlimited results through better engagement and innovative ideas. When motivated to use their potential, employees can accomplish results and create new and better ideas beyond expectations. In the context of this backdrop, one of the major factors that constantly challenges today's business leaders, managers and supervisors is arguable. How to keep their employees happy – and have a positive impact towards enhancing productivity Well, their worry is not unfounded. Gallup studies say that 87% of employees worldwide are not engaged and the interesting thing is that many companies that are experiencing a crisis of engagement aren't aware of it. However, on the other side, Gallup's best clients have an employee engagement rate of more than 21 times the global engagement rate and these companies outperform their peers by 147% in earnings per share.

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Happy Workplace: Insight

What are the root causes that might lead to low employee morale? Is it all about money? Well studies say that increase in salary and bonuses may provide temporary satisfaction, however, consistent raises may actually make employees complacent in a predictable environment where performance means little. The unhappy, disengaged workers are more likely to be absent, more likely to take sick days, less productive and more prone to leaving prematurely. Here in comes the context of Happy Workplace. Interestingly, in this context, when we look at the annual 'World Happiness Report 2017'¹, we see that while objectively measuring happiness around the world, and analyzing the root causes for happiness in general, the report also attributes high marks to income, freedom and trust which are also related to professional happiness context of individuals. Some of the other correlating happiness factors for individuals at workplace are employment, Job security and Type of job. However, it states other aspects that are much stronger predictors of happiness are- Work-life balance, Job variety and skill enhancement, Autonomy and Social capital or getting along with coworkers and engaging in collaborative exercises. As such, in a larger context, where improved

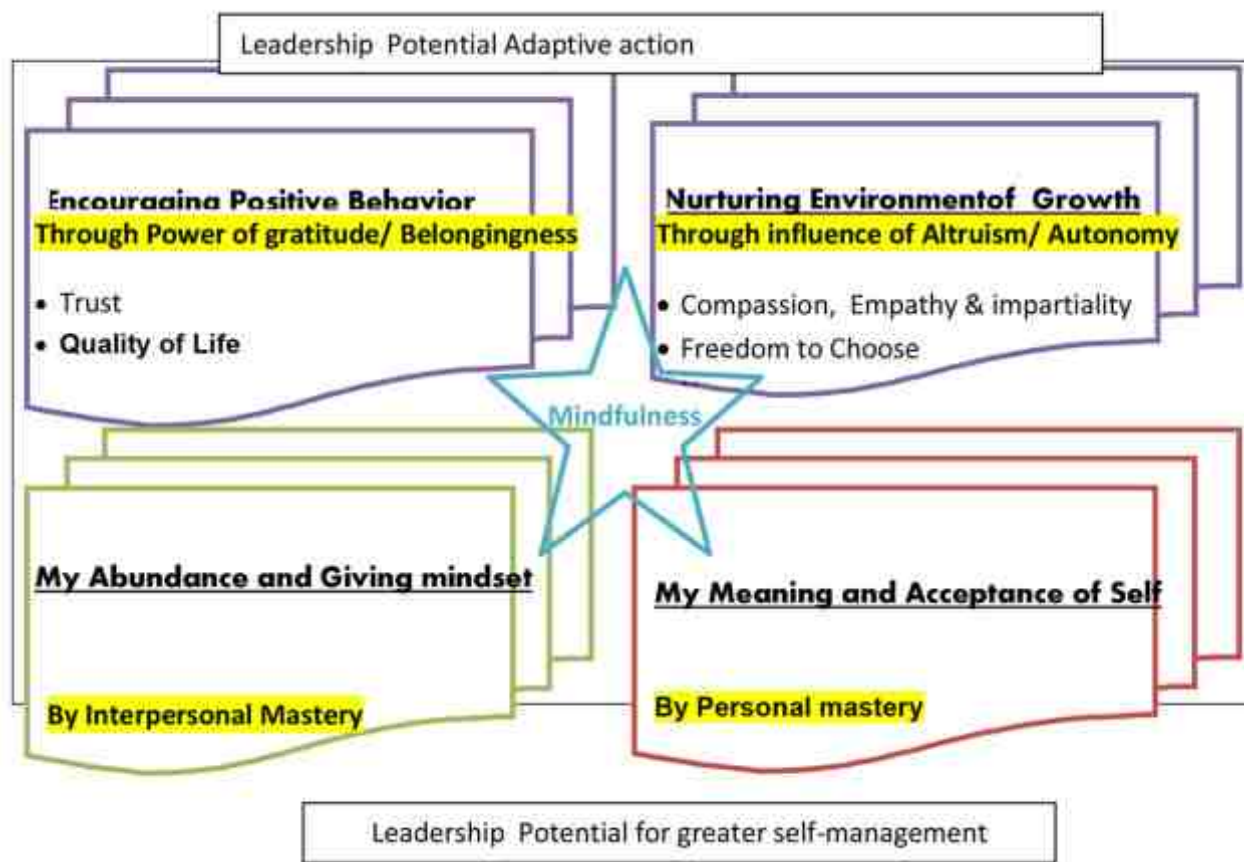
employee performance and well-being and employee happiness, are envisioned as a set of important organizational practices, the influence of leadership is a forgone conclusion. In fact, studies have shown that improved business leadership practices can have significant impact on happiness in the workplace, which in turn can positively impact productivity, sales, and overall workplace performance of employees.

Creating a Happy workplace: The Architecture for Leaders

Leaders can influence happiness in their workplaces through unique leadership strategies. In today's VUCA times- of Volatile Uncertain Complex and Ambiguous business environment and of organization structures that are no less complex than a labyrinth, one of the prerequisites of being a successful leader is engaging the workforce that has diversity in all scales and range – from gender, region, religion to generation, technology and competence to name a few. In that scenario, creating a work climate conducive to high performance and developing teams of employees who are both happy and healthy will require a Leadership that Creates and mirrors A. Potential for greater self-management and B. Potential Adaptive action.

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The Spokes of Mindfulness

Mindfulness, as we use the term can be traced to the teachings of Buddha as a way of solving the problem of human suffering, travelling to a wide variety of contexts including Businesses and organizations. Mindfulness is the basis of balance required by the leaders of today who grapple with increasingly testing realities. They need tools to support them, and one critical skill for them is **the capacity to be mindful**--to be present in here & now and be aware of themselves, others' and the environment, to recognize in real-time their own perceptions and potential biases, their emotional reactions and the actions they need to take to address current realities more effectively. Michael Chaskalson says that Mindfulness is a way of attending to yourself, others and the world around you that allows one to adopt more productive and positive ways of acting and being. Kabat-Zinn says that Mindful attention is rooted in the here-and-now and is not biased by the preconceptions inherent in everyday preferences.⁸

As such, mindfulness has the inherent power arising from systematically developing attention so one can recognize in the moment how one identifies with ones

implicit, habitual and automated patterns of thinking, feeling and acting and the results they bring about.

Mindfulness and Leadership

Mindfulness helps leaders better understand and transform their own mind through the internal shift that changes both how a leader sees the world, how he potentially acts and the results those actions bring about.

Human history has many examples of the best and brightest, who succumbed to their own perceptual blinders and biases. Journalist David Halberstam in *The Best and the Brightest* (1972) accounts of the origins of the Vietnam War wherein he shares how the intellectuals, some of them Harvard-trained leaders, led America into disastrous conflict with Vietnam as they were unwilling to challenge their own presumptions and world views in the face of facts. Pearson & Porath, (2003) share that leader's stress-driven, uncivil reactions undermine team effort and weaken commitment to an organization. Furthermore, Porath & Erez, (2007) share that antisocial behaviour decreases helpfulness, creativity and performance of routine tasks.

Studies show that impact of mindfulness training on leadership helps taking care of stress, emotional reactivity, attention and working memory, perception and cognition, empathy, decision making and innovation. As other works of mindfulness training show, people who are trained in mindfulness are better able to exercise crucial attentional elements – cognitive control and emotional regulation – in high stress conditions.

Mindfulness thus helps enhance the well-being and the efficacy of leaders in stressful and challenging conditions. It manifests changes in the brain, helping become more present, less emotionally reactive and more deliberate and purposeful in thoughts and actions. The leaders can choose to opt for and learn to step out of the innate tendency to run on auto-pilot, by deliberately creating new options for action that can lead them through turbulent times.

As such Mindfulness provides practical methods for enhancing attention and awareness which in turn can significantly enhance the following in the Leaders –

- A. Potential for greater self-management – personal mastery, abundance mindset and
- B. Potential Adaptive action – Encouraging Positive Behavior in others and Nurturing Environment of Growth. In this context, Mindfulness adds a potent perspective for understanding human action and, it has the capacity to radically – and practically – reshape human action. Both the above aspects are discussed in the following points.

These two aspects Leadership in the context of Happiness are discussed below in detail.

A. Potential for greater self-management

The aspect of Personal Mastery

“Every person I have known who has been truly happy, has learned how to serve others.” – Albert Schweitzer

Let me share the famous Native American story, of a Native American Grandfather and his grandson.

*“One evening, the old Cherokee tells his grandson that inside all people, a battle goes on between two wolves. **One wolf is negativity:** anger, sadness, stress, contempt, disgust, fear, embarrassment, guilt, shame and hate. **The other is positivity:** joy, gratitude, serenity, hope, pride, amusement, inspiration, awe and love.*

The grandson thinks about this for a moment and then asks his grandfather: “Which wolf wins?” The grandfather replies, “The one you feed.”

So as a leader the question to ponder is: “Which wolf are the Leaders feeding? The positivity would invariably lead the leader to lead by example by –

- Having a clear vision for what a successful life means for them
- Have clarity on their goals
- Understanding their priorities and what is important
- Taking complete responsibility for their life and mind-set
- Knowing when things are out of balance within any aspect or phase of life
- Acknowledging that the individual is the only person who can change things
- Choosing their frame of reference: Being a leader there is the constant pressure to perform in a constantly changing environment. In that context, it is important to accept that one can't control what happens, but one can choose the response to what happens by being clear about how one thinks, where to focus attention and what to pay attention to – is the focus on upside or the downside, thus consciously choosing their frame of reference.

We all have a set notion of happiness and every person has a happiness level they typically operate at. However, a Mindful person acknowledges that here are things that will temporarily adjust it. For example, a new job, or buying a new car will temporarily make a person happier but these are only short-term activators. They don't last.

As Aristotle said: *“Happiness is the meaning and the purpose of life, the whole aim and end of human existence”*. In that context, Mindfulness, in the journey of personal mastery, helps in balancing our Internal and external world by helping us master our mind and feelings through meditation, yoga and regular practice of conscious awareness of the choices we make in the present. The mastery in the present moment of our emotions, feeling and our cognitive understanding and interpretation of the world around us helps in cutting out the perceptions and presumptions.

The aspect of Abundance and Giving mindset

According to Adam Grant, author of “Give and Take – Why helping others drives our success”, there are two extremes in how we relate to one another. On the one end of the spectrum is the Taker. Takers like to get more than they give; being self-focused, as they expect others to act selfish, too. They believe that “the pie” is fixed and therefore they want to get its largest piece.

He further adds that, on the other end of the relationship spectrum are the Givers. Givers like to give more than they get as they simply want to help

others. They are other-focused and trust people up front, assuming the best of them. They believe that people are good and that there is abundance – there will be enough for everyone.

And then, somewhere in between these extremes are the Matchers. They prefer balance. They value fairness, reciprocity, and equality. They have a norm of quid pro quo. If they give, they'll expect some favor in return, sooner or later. In the workplace, most of us become matchers – may be because we get cautious. Giving to a taker can be risky – it may cost energy and time and prevent you from getting your own work done – while you get nothing in return.

Grant's research shows that successful givers are just as ambitious as takers. Takers score high on the dimension self-interest and low on other-interest. But successful givers also scored high on self-interest, in addition to a high score on other-interest. They give generously and with no strings attached, but they are careful not to overextend. They tend to balance the interests between self and the other. Their motto seems Trust-But-Verify.

The abundance and Giving Mindset can help the leaders believe in the unending opportunities and talents that are there in his people. It can then help him create an environment more conducive to positive interpersonal relations. As Givers, while balancing between self-interests and the interests of others, not only do they help employees to grow, but at the same time they also get the Helper's high triggering a more healthier and positive – Growth mindset.

B. Potential Adaptive action

The aspect of Gratitude and Belongingness

Building the sense of belongingness amongst employees is one of the biggest challenges any leader faces. By building Trust and giving space for work life balance to the employees can help build the sense of belongingness. In the process of building Trust, the employees expect certain balanced approach from the leaders. Some of the things that helps build Trust and Belongingness are very simple.

Role Clarity - In various surveys on the leadership capacity and culture of organizations, the area of "Role clarity" was identified as one of the biggest gaps. Employees need not only a solid understanding of their personal goals and work preferences, but also must know how their role contributes to the overall success of the company. It helps develop the sense of ownership and belongingness not only towards the task but also towards the team and organization. It also helps the Leaders build a bond of Trust with his employees.

Demonstrate commitment and fairness - Engaged employees are motivated by shared values, trust, mission, and purpose. They want to learn and grow with people they respect, and who respect them in return. A more effective strategy to encourage internal motivation is to create fair and an evolved and compelling culture, and HR systems that demonstrate the commitment to all employees' growth, well-being, and professional advancement.

Give feedback - One of the top frustrations that employees voice is lack of feedback from their managers and Leaders. It's easy to let people know when they have done a good job; however, we tend to shy away from the difficult conversation: constructive criticism. When provided with comprehensive feedback on growth opportunities as well as areas of mastery, employees not only gain more confidence, but have a better chance to learn and grow. Feedback lets employees know that someone is invested in their success, which drives up employee happiness and leads to greater productivity.

Recognize the "Contributions" factor - Taking time to acknowledge the "Contributions" reflected by hard efforts and good work is a big booster to the morale of the employees. Cultivate a culture of appreciation, and Gratitude helps facilitate higher levels of engagement.

Work-Life Balance - Surveys show that organizations that encourage work-life balance are rated higher by prospective 'employees' especially when we consider attracting and retaining millennials. As per Oxford Economic, *Replacing an employee costs on average around £30,000 and it takes up to 28 weeks to get them up to speed.*¹⁰

When employees are given opportunities for having healthy work-life balance, it helps them develop a greater control over focus and ability to concentrate on the task at hand –mindfulness. It definitely is what a leader wants from his team - a team that is fully focused on whatever they are doing, instead of worrying about work/home. For this the leader needs to focus on creating an environment through well-timed time-offs, short breaks, share and care and develop open communication channels. Interestingly, there is a law in France called the "Right to disconnect." It ensures there are limits on the amount of work undertaken outside of office hours.

Above all, the moment the Leaders themselves walk the talk and value 'work-life' balance it automatically percolates down below. A mindful Leader would invariably work towards creating a workplace where the employee feel that they 'Belong', that they are

valued and Trusted. This will improve retention rates, productivity and ultimately profit.

The aspect of Altruism/ Autonomy

Altruism and happiness. According to Buddhism, there is a direct relationship between altruism and happiness. Joy and satisfaction are closely tied to love and affection. Altruistic love and compassion are attuned to reality in so far as they recognize and appreciate the interdependent nature of all beings. This naturally brings more empathic concern for others (Batson 2011) through the recognition that we are all the same in wanting to avoid suffering (Dalai Lama 1999), as they are attuned to reality, altruistic love and compassion which are functional responses. Someone who sees phenomena as interdependent cultivates compassion and then acts accordingly, will feel a sense of harmony. This is a win-win situation.

The twofold accomplishment of the happiness of others and of one's own. An altruistic act is not less altruistic because it also brought happiness as a —bonus to the person who performed that deed. As long as the initial motivation and ultimate goal were to benefit others, it can be deemed to be an altruistic action.

Altruism, and its main components, loving-kindness, empathic concern, and compassion, not only promote other's happiness, but also is an important cause for flourishing for those who cultivate these values in their minds and express them in their behavior. Altruism, thus, appears to be the most direct way to accomplish both the happiness of others and one's own.

Autonomy and Happiness: New researches show that one reasons for employee happiness and well being is feeling of autonomy in daily operations. Giving employees more autonomy comes with benefits beyond simply raising morale, as it enables workers to set their own goals and holds themselves accountable for their own work. The payback is that it helps in reducing unproductive dual roles of management and leadership, saving money and improving efficiency. Plus, if we consider that half of workers who quit do so because of bad bosses, the move towards autonomy may at the same time improve employee retention as well!

One of the leadership tenets, which is important for every leader and manager to practice in their day-to-day interactions with their teams is to offer opportunities for continuous growth through cross-functional experiences, sponsorship to special projects that are visible to senior leaders, presentations during senior level meetings, help them connect with your

network to gain a broader understanding of the business. This will give them tools to help them succeed at their specialties, and offer a less rigid work place environment, facilitating stretch goals and opportunities with new experiences. This in turn ensures increase in self-worth, giving them their happy mind space triggering more positive and productive outcome at workplace.

Researchers from the University of Birmingham studied 2 years' worth of data on 20,000 workers¹¹ to understand the effects of autonomy on employee morale and well-being. The research finding found that generally, the higher the levels of autonomy, higher is the sense of job satisfaction and well being of the employees.

The Nudge : Richard Thaler and Cass Sunstein talk about Nudge in their book *Nudge: Improving Decisions About Health, Wealth, and Happiness*. The concept of Nudge is about how we make choices and how we can make better ones as we are all susceptible to biases that can lead us to make bad decisions. The Nudge concept talks about creating sensible 'Choice Architectures' to nudge people towards best decisions, by knowing how people think. A choice architect has the responsibility for *organizing the context* in which people make decisions.

A nudge, as the author defines, "is any aspect of the choice architecture that alters people's behavior in a predictable way without forbidding any options". Like employers can give employees some helpful nudges towards enhancing performance and productivity, although in general managerial practices it is said that people mainly respond to incentives. The book however says that people are also influenced by nudges. Nudges affect what people choose. For the Leaders, there is an input here that by properly deploying both incentives and nudges, they can improve their people's ability to improve their lives.

In a positive context, the authors - Richard Thaler and Cass Sunstein say that, If people are running risks because of unrealistic optimism, they might be able to benefit from a nudge, as people are, nudge-able. Their choices, even in life's most important decisions, are influenced in ways that would not be anticipated. The authors say that people will need nudges for decisions that are difficult and rare, for which they do not get prompt feedback, and when they have trouble translating aspects of the situation into terms that they can easily understand. When feedback does not work, people may benefit from a nudge.

It can be said that the concept of Nudge also has insight for Leaders in terms of how to effectively take on the mantle of a Mentor or a Coach and help their people enjoy the Autonomy and also exercise the Freedom to Choose. This cannot only help empower their people but also help create a more satisfied and balanced next line of leadership.

In a Nutshell, this Architecture for creating a Happy Workplace gives pointed and crisp inputs to Leaders to take the initiative to engage people in more personal level. With Mindfulness- at the center of Happiness, the architecture provides practical methods for enhancing attention and awareness towards significantly enhancing in the Leaders, **the Potential for greater self-management and enhancing Potential Adaptive action** – Encouraging Positive Behavior in others and nurturing Environment of Growth.

Case reference - H2O : Happiness Interventions leading 2 Optimistic Impact

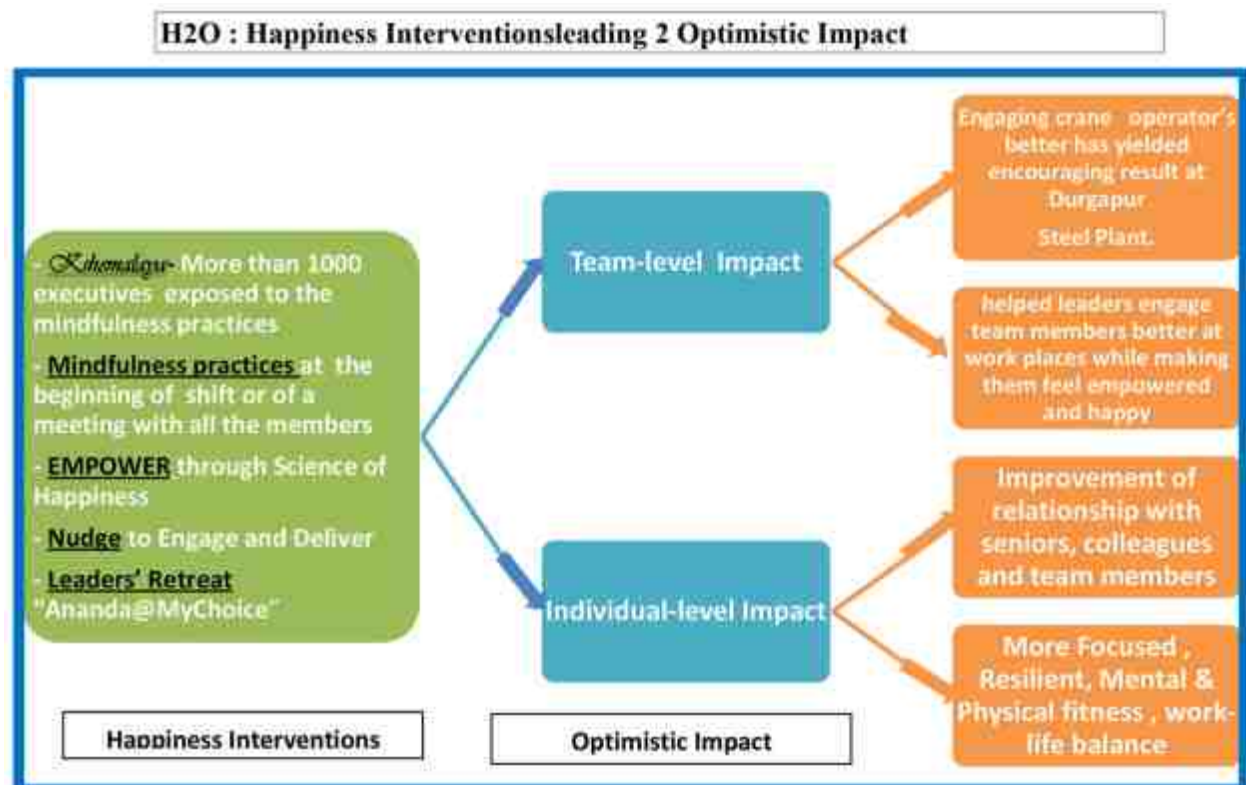
Steel Authority of India Limited-Management Training Institute (SAIL-MTI) is one of the first Corporate Training Institutes in the country to establish a Happiness Centre “Kshemalaya...an Abode of Wellbeing and Prosperity...” and has been conducting training programs and workshops based on the Science

H2O Journey of SAIL:

of Happiness for executives of SAIL and other corporates. SAIL has trained resource persons who were trained at IITKharagpur as part of collaborative initiative. *The various Happiness Interventions that have been evolving based on Science of Happiness have two broad objectives -*

- One objective is to enable the leaders at various levels to develop inner happiness (Eudemonic Happiness) by application of concepts like Mindfulness, Self-Awareness and Self-Empowerment. These practices enhance resilience and keep one motivated, positive and optimistic in spite of challenging external conditions.
- The second objective is to enable these leaders enhance positive feelings of the people at the workplace or making others happy at the workplace using concepts like Nudge, Empathy and Leading from behind.

The Happiness interventions are like water, changing shape and accommodating individual requirements and therefore named H2O - “Happiness Interventions leading 2 Optimistic Impact”. Here, if Optimism is a state of mind, then Happiness is a choice to embrace as Individuals and Team players for better internal and external equilibrium leading to enhanced output. The details on the various interventions are shared below -



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- The Happiness Interventions and their Optimistic Impact depicted in the diagram above are delayed below
 - More than 1000 executives have been exposed to the mindfulness practices at *Kshemalaya* where the participants get inputs on the advantage of Mindfulness practices both in personal and professional life and also go through a guided mindfulness session. Mindfulness initiatives have also been taken up at different plants by the resource persons trained at IIT Kharagpur.
 - Following these exposures many of the participants have implemented *Mindfulness practices* at the workplace typically at the beginning of the shift or at the beginning of a meeting with all the members. There has been positive feedback on these initiatives. Typically the feedback is; people become more focused after going through these practices as trails of distracting thoughts and emotions from the previous events reduce significantly. In meetings also the attention on the agenda improves as people isolate themselves from the earlier events through the short sessions of mindfulness at the beginning of the meetings.
 - Application of the *concept of Nudge* has also helped leaders engaging the team members better at the work places while making them feel empowered and happy. Particularly an experiment of nudge for engaging crane operators better has yielded encouraging result at the Durgapur Steel Plant.
 - MTI has also developed a program named *EMPOWER through Science of Happiness* (Enhancing Motivation, Positivity and Optimism at Workplace for Engagement and Results through Science of Happiness). The programme has been designed considering the conditions and challenges of executives at the workplace in the business organisations. More than 140 executives have been covered in EMPOWER programs. Many participants have undertaken practices and techniques shared during the workshop and have shared that the practices have given them significant advantages both at personal and professional space. Particularly it has helped people becoming more effective at workplace by channelizing their emotions in a better way. Participants have also reported improvement of relationship with their seniors, colleagues and team members through application of techniques shared during EMPOWER workshops. Most of the participants have reported that the practices have helped them become resilient

and keep mentally and physically fit and in turn improve their level of contribution at the workplace.

- Leaders' Retreat "*Ananda@MyChoice*" has its grounding in the "Science of Happiness". Most of the participants described the retreat as a life time experience and felt that this intervention would enhance their inner peace & balance and their effectiveness as leaders despite the growing challenges and complexities both in the professional and personal domains. Most participants believed that the event would help enhancing the quality of their life significantly in the coming days.

Just as liquid water acts in subtly different manners as circumstances change, responding to variations in the physical and molecular environments, so does the Happiness journey impact individuals in unique manner depending on their "Choice of Happiness". The H2O journey has only just begun and lot more will evolve and grow as time and experience will throw its own learnings.

Conclusion

What is for certain is that Happiness cannot be forced upon; "Happiness" is a "Choice" that people make.

Mindfulness – Being in the present, and its impact on gaining Personal Mastery, developing the Abundance and Giving mindset, Encouraging Gratitude and Belongingness and Nurturing an Environment of Growth for employees- *requires that Leaders Choose to first enhance their "Happiness Quotient" and then help create that environment and practices that help and nudge people towards making that "Choice" for "Happiness"*.

According to a recent Gallop study, just 13 per cent of the world's employees are happy and engaged at work. Unhappy employees are always less productive. Therefore, in order to maximize their results, organizations need to start considering their employees' "happiness quotient." In that context, the theories and models as developed by Dave Ulrich that are used to study the dimensions of effectiveness of HR function as Strategic Partner, Employee champion, Change agent and Administrative experts need to arm themselves with the fifth dimension of developing Happiness Quotient. It will give them a more holistic approach to delivering HR services in organizations.

As regards the millennial generation, Millennials will account for nearly 50 per cent of the Global Workforce by 2020. For this generation, work is not merely a means to fulfill their basic needs. They are searching for work that is interesting, meaningful and yes, makes

them happy. In fact, studies show that it is not uncommon for millennials to accept a lower-paying job if they believe it's going to make them happier, and, therefore, here, Leaders have a huge role to play in an employee's "happiness quotient" at work. In a survey of a group of millennials about their leadership preferences, they shared that the best leaders are not only knowledgeable but also authentic and caring. So, when it comes to the millennials, the job is cut out for the Leaders.

Well, the leaders today, need to make the "Choice" for "Happiness" TODAY, so that they are ready not only for the new generation but also for balancing the diversit(ies) at work place beyond the diversity of generation. Being Mindful, Being in the present, being balanced requires conscious effort and investment on one's own self because that is from where the direction and energy to lead others emanates. One point of reference is the interventions of H2O and their impact. It gives a reference for the alignment of the Leader that can help in developing a more open and trusting, humane work environment.

However, Creating a Happy workplace for Leveraging Human Resource Capabilities is still a work in progress for not just Leaders and organizations, but also for researchers and academia. With the changing face and demography of the workforce, it's an open field for further exploration and developing strategies which certainly would be unique to organizations across industries and sectors.

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