

HAPPINESS AT WORK

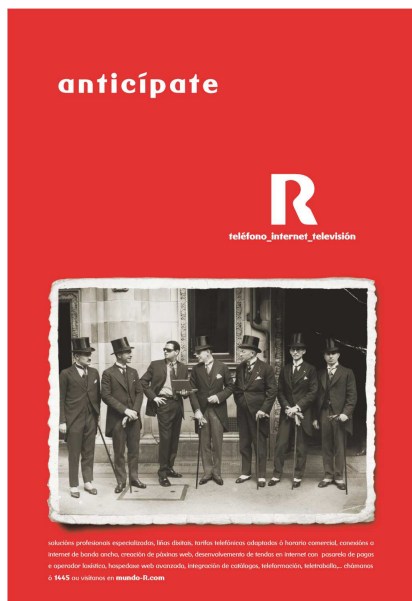
1. Organisations involved

R



2. Description of the case

2.1. Introduction



R is a fibre optic communications company in the Spanish region of Galicia, established in 1998 during the dot-com fever, where traditional companies working in the tangible elements domain began to yield to the new leadership of organizations geared toward talent and intellectual capital.

R provides internet, telephone and television services in Galicia. The company currently has 196 employees, of which 70% are men and 30% women. The average age of company employees is 37 years.

R is developing a modern communications infrastructure network using fibre optics. The company is establishing advanced service centres whose objective is to increase productivity in Galician companies and to bring content and services to end users. R is the only company that is developing a new fibre optic network in Galicia.

From the beginning, R has made its investment in intellectual capital a fundamental strategic element. This intellectual capital is made up of processes, customers, brands, organizations, etc., but primarily of people.

2.2. Aims

The personal satisfaction of company employees has always been a priority objective for R. It is impossible to contemplate achieving customer satisfaction if the company's workforce has not achieved it itself: "A happy employee means satisfied customers".

The company has defined and planned all policies related to R employees using this root notion and following a long path that has brought them to a model of happiness in the workplace.

2.3. What was done, and how?

The model for workplace happiness was conceived by a personnel management team.

Everything began in 2003 with the publication of Martin E. P. Seligman's book in Spain. From that moment, R embarked on a process of change that led to developing a workplace happiness model in 2009.

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The model for happiness at work comprises four action levels.

Each level contributes a different dimension:

1. In the first level, **R** set out the theoretical model for happiness in the company. In this stage, the guiding principles of their various personnel policies and strategies were set.
2. The second level establishes the corporate values that lead to happiness. These are manifested by twenty observable behaviour traits that define corporate culture at **R** and that help people to be happy.
3. In the third level, the company guides the different functional blocks of personnel management toward achieving happiness in the workplace.
4. The final level produces a series of indicators that measure the levels of happiness at work from different perspectives.



Action level one

R is developing its own theoretical happiness model consisting of the following seven actions: Be flexible, be an optimist, be confident, commit yourself, enjoy benefits, learn and find a purpose in your work.

These seven actions converge with the studies of various experts in the field of positive psychology, such as:

- Martin E. P. Seligman, who concentrates on factors impacting happiness
- Mihály Csíkszentmihályi, who analyzes the role of each employee through the so called flow state and a full feeling of transcendence or oneness with one's vocational development
- Ovidio Peñalver, who studies organizations and collective emotions that arise within them

Action level two

In 2009, **R** re-oriented the company's corporate values using the Seligman and Peterson model of 24 character strengths.

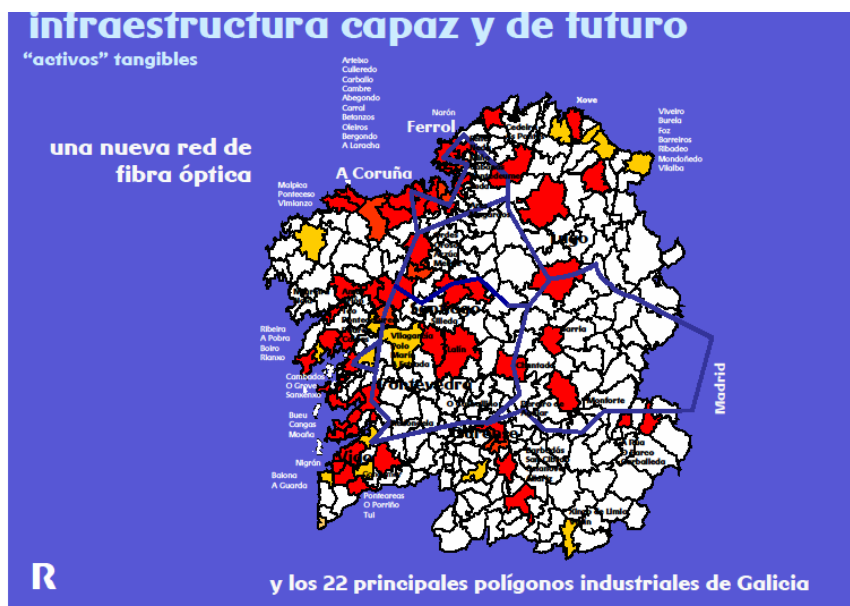
This model defines strengths as behaviour traits that are shown in different types of situations over time. **R** has selected among these those that relate to work and have adapted them to **R**'s situation.

- Flexibility
- Self development

CASE STUDIES

- Analytical capacities
- Innovation
- Perspective/Overall view
- Excellence/Rigor
- Efficiency
- Teamwork
- Leadership
- Empathy
- Courage/Independence
- Perseverance
- Honesty/Integrity
- Autonomy
- Self-control and Respect
- Confidence
- Optimism
- Enthusiasm
- Involvement/Engagement
- Humility/Modesty

The new corporate values for happiness are transverse elements in the various personnel management processes. Selection, promotion, professional development, remuneration, performance management, all are inspired and guided by these new values that form part of R's corporate spirit, reminding all persons in the company that it is not only what one obtains that is important but also how it is obtained.



Action level three

Recruiting optimism/Emotional intelligence

One of the foundations for happiness is certainly optimism, which is the feeling that all is going to turn out well. Optimism is the value that helps us face difficulties with courage and perseverance, helps us discover the positive side of people and circumstances and helps us trust in our capabilities and possibilities.

The only way to guarantee optimism within an organization is to consider it a primary goal from the beginning. To achieve this, the personnel selection process is the area of human resource management which can directly influence the fulfilment of this objective.

The same is true for emotional intelligence: By orienting the search for persons with high levels of emotional intelligence, an organization is peopled with professionals having strong levels of self-knowledge, self-management, social conscience and better abilities in relations management.

Coaching and One on One

After the selection process, it is not customary for human resources managers to carry out individual interviews periodically in the areas of motivation, interest and commitment.

R decided to set up a programme dubbed “*Unaun*”, which means “One on One” in Galician, with the objective of carrying out individual interviews of the entire staff in order to understand and analyze the professional situation of each R employee, using a personal and professional development approach. In order to do so, the Human Resources team has developed a certification process to train executives as coaches by means of a scheme imparted jointly by the AECOP (*Asociación Española de Coaching y Consultoría de Procesos* -www.aecop.net-) member of the EMCC (European Mentoring and Coaching Council) and of FIACE (Latin American Federation of Executive Coaching) and the Caixnova Business School.

With this programme R wants to make self-knowledge the point of departure in personal development, as well as helping employees to make sense of their work and help them to adjust their professional interests to the needs of the company.

Skills development

Developing personal skills has always been a fundamental chapter in R.

From the beginning, the company believed in the importance of personal development and consecrated about 4% of payroll each year to training programmes.

This striving for improvement has led R to train its employees in the technical and quality areas. Within the quality areas, R has been implementing training programmes that help its people to take time to think and to be happier at work. The full staff contingent participates in this training.

The programme content consists of the following:

- the optimism coefficient as the key to personal and professional success
- use of the seven actions model for happiness at work
- positive solutions to conflicts
- time and stress management
- positive changes, such as improved communication
- happiness workshop

Santiago Vázquez, the Human Resources Director of R, is conducting the workshop.

CASE STUDIES

The workshop was initiated in the Mondariz Management Team Seminar held in March 2009 and then, since June in the same year to March of 2010, the rest of **R**'s employees attended.

To date, the company has held seven 8-hour Happiness Workshops. In upcoming months, two more workshops will occur, after which 100% of the company's staff, including management, will have participated in the workshop.

Although the workshop occupies eight hours, the company has set up a link on the intranet to post content to help continue reflecting and making daily progress in achieving happiness for the staff.

The workshop content includes:

- Assessing levels of optimism, gratitude and overall or perceived happiness,
- Learning how to be happy,
- Model of happiness at work in **R**,
- Working in values to be happy at work,
- Making a plan for life.

Combo nós

The idea behind designing and developing this competitive social benefits model, was to get away from the "coffee for everybody" approach.

In a company, there are as many different realities as there are people. For that reason **R** decided to design a benefits plan that addressed different requirements, so that the flexibility of these benefits could be applied to adapt to each period in employees' lives.

In order to make sure that employees keep in mind the benefits offered by the company, **R** saw the need to give the social benefits plan a brand name, so it was called *combo nós*, a direct reference to one of **R**'s product packages. Some examples of social benefits include:

- the working day: Flexible start times, Friday afternoons free, four additional days off, flexible hours during family emergencies;
- private medical insurance: Rates 40% below market rates, with a 50% subsidy for all **R** employees and direct family members;
- support for child care expenses;
- promoting an employee;
- vouchers for child care, meals, IT equipment, etc.

This initiative was assessed positively by **R** employees and was thus confirmed in successive surveys on the work atmosphere.

Leadership model

In 2002, Jack Zenger and Joe Folkman completed a study on effective leadership and its impact on company results. This study used solid empirical data to demonstrate that great leaders make the difference in maximizing the bottom line.

It provided scientific evidence that quality managers are a key factor when it comes to determining benefits, rotating personnel, employee commitment, customer satisfaction, increased sales and other management indicators. **R** decided to take part in this study anonymously for assessing the quality of its management team. The study assessed sixteen basic leadership skills and compared them with other companies.

The entire management team (the management board and company managers) participated in a leadership quality assessment using a 360° evaluation method. Managers did a self-evaluation and underwent an evaluation by persons chosen in the following roles:



- Supervisors,
- Colleagues – Team members,
- Collaborators / Immediate subordinates,
- Others, such as functional superiors, customers or suppliers.

Afterwards, indicators of the company results were assembled.

A series of training sessions were initiated upon communicating assessment results individually to managers.

A Spanish consultant, P&A is the distributor for Spain of the Extraordinary Leader application. This consultancy provided the training course for all management personnel in the company.

Each manager responded to test questions and the training consisted in providing each of them with results and observations concerning the parameters assessed and their meaning. Twice per year, two managers attend in turn a training program conducted by MRC entitled "Leadership and Management Training", which is designed to bolster management leadership skills in the company.

Then, the final level produces a series of indicators that measure the levels of happiness at work from different perspectives.

2.4. What was achieved?

Action level four

Internal customer satisfaction survey

One of the major risks run in the area of Human Resources is designing policies and strategies that do not connect with reality. The best way to avoid this danger is to ask the international customers directly. This is the reason for internal customer satisfaction surveys that are fundamental to guiding policies and strategies in the domain.

The results of these employee satisfaction surveys, in which some 10-15 persons were interviewed - depending on the domain under evaluation - are one of the concerns in managing the human resources team's performance. This indicator is calculated annually by an outsourced consultant, Indra.

It involves a series of questions that assess the valuation of each of the functional parts of Human Resources and other questions that evaluate overall perceptions.

A new question was used in 2008: Does R's Human Resources department contribute to making employees happier on the job? This question was included to measure the incidence and impact of the progressive integration of the happiness model in the company. The results were a score of 4.8 out of 5.

Historic results of the employee satisfaction survey				
2004	2005	2006	2007	2008
3.7	3.9	3.86	4.26	4.35

Great Place to Work®

In the same way as the employee satisfaction survey, the work environment is another tool that brings everyone into contact with reality. From the beginning, much effort was generated to obtain R employees' opinions. Initially, a consultant (Soluzion) did the work environment studies.

CASE STUDIES

In 2006, the company decided to participate in the Great Place to Work[®] study to acquire benchmarks on satisfaction levels among companies in its universe, with which it competes to attract talent, as well as to obtain references and best practices from the best places to work in different fields.

R used this study to convert the work environment into an internal marketing tool through the recognition that goes with being among the best places to work in Spain. The Great Place to Work[®] survey is also a management tool. Results from this survey can be used to set work environment goals in each area. This objective includes 5% of the variable salary of all directors and managers in the company.

R took the prize on three occasions, and the results since 2006 are as follows:

- 2006: 64% of **R** employees considered that **R** was a good place to work
- 2007: 60% of **R** employees considered that **R** was a good place to work
- 2008: 73% of **R** employees considered that **R** was a good place to work
- 2009: 80% of **R** employees considered that **R** was a good place to work
- 2010: 84% of **R** employees considered that **R** was a good place to work

Values assessment

Every year an assessment of those values included in performance management is conducted in a manager-collaborator meeting. During this meeting, managers evaluate collaborators with relation to performance achieved over the year.

People are assessed with respect to twenty corporate values. Scores range from one to five, with one the lowest.

In the assessment, performance over the entire year is highlighted. All assessors undergo prior training for this task. About 10% of an **R** employee's variable wages depends on the performance assessment. The entire staff has a variable salary scheme.

In 2009, for the first time managers and collaborators will meet to be able to evaluate performance observed over the year. With the results the company will build an indicator that measures the degree of overall happiness in the company and compares it with the specific degree of happiness in each area.

In addition, the evaluation results will be used to develop specific action plans for aspects that require improvement, guide quality development plans, evaluate managerial quality, prioritize the 'One on one' interviews and optimise internal selection.

Happiness index

R has included different measurement tests for levels of happiness among the company's employees in the **R** Happiness workshop.

The tools used and the average of all the workshops held to date are shown in the following:

1. Overall happiness (Test number 1)

The overall happiness index scale was conceived by Sonja Lyubomirsky with the goal of measuring happiness levels compared to all areas of life.

Average reference score for the overall sampling: 4.8 out of 7

R: 5.34 out of 7



2. Percent of the day that I feel: (Test number 2)

Happy	29.8 %
Confident	26.6 %
Sad	5.2%
Angry	6.8 %
Fearful	3.6%
At ease	28%

3. Satisfied with life (Test number 3)

The satisfaction with life measures the feeling of all persons regarding their life.

R's rate corresponds to 26.9 which means that people at R are more satisfied than average.

The table below indicates the results.

30-35	Extremely satisfied
25-29	More satisfied than average
20-24	Quite satisfied
15-19	Somewhat dissatisfied
10-14	More dissatisfied than the average
5-9	Very dissatisfied

4. Gratitude (Test number 4)

The gratitude test of Michael McCullough and Robert Emmons measures our capacity to be grateful for the good things in our lives.

- If a score is lower than 35, the result is a very low level of gratitude, while a score between 36 and 38 indicates an average level of gratitude.
- Results between 39 and 41 indicate high levels of gratitude.
- The score of 42 is the maximum level of gratitude.

Where scores are lower than 36, it is necessary to work on this value, since improvement in this area assumes an improvement in perceptions of the past and the present.

R: 35.8

5. The Fordyce test: This measures the level of momentary happiness (Test number 5)

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Average reference score for the overall sampling: 6,92 out of 10	R: 7,4 % out of 10
Average score for periods of happiness: 54,13%	R: 56%
Average score for periods of unhappiness: 20,44%	R: 11,5%
Average score for neutral periods: 25,43%	R: 32%

2.5. Success factors

The personnel department's commitment to servicing internal clients, ensuring over the years the consistency of the policies it has applied and strongly supporting the individualization of personal relationships and responsible and decentralized management has been one of the major key success factors of this action.

This, combined with the stability of shareholders, allowed the happiness model to develop internally and get established naturally in the company while still focusing on the main asset: R's employees. Only their maturity, consistency and flexibility allowed the model to be successful over the years.

2.6. Further information

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2.7. Transferability

The Happiness model developed by R can be used and adapted by other companies from other sectors or countries.

It requires a strong implication of the management team and a great listening of employees to achieve well being and happiness in the company.

4. References, resources

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