

IN SEARCH OF HAPPINESS



**In Happy Workplaces,
people do not merely
receive compensation
for their labor...
they also accomplish
great things.**

WELCOME

In January 2014, Happy Workplaces® (HPW) partnered with Wellbeing Initiative, a nonprofit that serves as a global hub for recognizing and promoting the best practices in employee wellbeing, to list the happiest workplaces in each country and identify what sets these workplaces apart from others. While happiness is universally seen as an ultimate goal, apart from the efforts of HPW, there lacks a broad spectrum of research or compilations that directly assess happiness within the workplace environment. Most available lists capture only specific dimensions of happiness, thus offering a limited perspective. This report seeks to consolidate various viewpoints to create extensive, nuanced lists that provide a multidimensional understanding of employee happiness, filling a critical gap in the current landscape and encompassing a wide range of geographical regions. Notably, it is the first and most comprehensive global assessment of workplace happiness across multiple industries

The 'Happiest Workplaces Around the Globe 2024' report by HPW leverages a detailed meta-analysis of global workplace rankings, guided by the PERMA Model of well-being, developed by Prof. Dr. Martin Seligman. This approach, which comprehensively defines the employee experience at the workplace, shapes our evaluation and provides a structured method for assessing workplace happiness.

In regions where existing lists were scarce or unavailable, we employed surveys grounded in our well-being model to gather direct insights into workplace happiness. Additionally, in certain countries, we combined the meta-analytic approach with direct surveys, leveraging both methods to ensure a comprehensive assessment of workplace well-being.

After creating the lists of the happiest workplaces, we extended our research by sending a specialized survey to senior HR executives within HPW's global network, receiving responses from 724 executives distributed across North America (31%), South America (13%), Asia (7%), Australia (3%), Europe (38%), and Africa (8%). The survey delved into their 2024 agendas, past year's challenges, and strategies for fostering employee happiness.

Comparing the responses from HR executives at companies featured on the Happiest Workplaces List with those from other companies revealed clear differences in priorities, challenges faced, and strategies used. While agendas for companies outside the list were markedly diverse, influenced by local trends, those on the list presented unified priorities, indicating the wide-ranging impact of their happiness strategies. This distinction highlights that our report's findings can act as blueprint for creating happy workplaces. They offer a guide for companies aiming to build a happier work environment by implementing proven strategies that contribute to employee well-being and contentment.

In further analysis, we compared the stock market performance of companies recognized as the happiest workplaces in USA, UK, Canada, Germany, and France against their respective national benchmark indexes. Impressively, these companies universally outperformed others, showcasing a distinct financial benefit. This finding emphasizes the significant influence of employee happiness on financial success, underscoring the value of nurturing a positive work environment.

Through this comprehensive analysis, we were able to ascertain workplaces that not only excel in their respective rankings but also align significantly with the holistic well-being dimensions.

KEY

1. Happy workplaces outperform in financial returns and resilience. Our analysis across the stock exchanges in the world's strongest economies reveals that companies featured in the Happy Workplaces list outperform their counterparts in financial returns and demonstrate greater resilience during crises. This indicates that investments in employee happiness yield tangible financial benefits, reinforcing the value of fostering a positive work environment.

2. Listed companies face fewer challenges in attracting and retaining talent than unlisted ones. Data shows a significant disparity in talent management between listed and unlisted companies. While 66% of the companies on the HPW list report challenges in attracting and retaining talent, this figure rises to 84% among companies not on the list. Consequently, unlisted companies expend more effort in recruitment and face greater engagement issues compared to their happier counterparts, highlighting the advantage of being a happy workplace in talent dynamics.

3. HPW listed companies prioritize employee experience to stand out. While not underestimating the importance of salary and benefits, these workplaces elevate the topic of employee experience to the top of their agenda. They dedicate a significant portion of their efforts to enhancing the employee experience, achieving notable results through this focus.

4. Diversity, equity, and inclusion strategies are less prioritized in even the happiest workplaces. Diversity, equity, and inclusion (DE&I) are on the agenda for only 34% of the HPW listed companies in 2024, dropping to 13% for unlisted companies. Furthermore, 65% of listed companies acknowledge challenges in achieving their DE&I goals. This

suggests that even the happiest workplaces may be focusing their energies on areas other than DE&I, underscoring a potential area for improvement in the pursuit of overall employee happiness.

5. Well-being and wellness programs are now pivotal for HPW listed companies in ensuring employee happiness. The shift to remote work has lessened the impact of an office's physical conditions and decreased interactions, leading to new challenges. In response, companies have turned to online solutions such as psychologists, dietitians, and fitness programs to enrich the employee experience. They are tackling the challenges brought on by remote work with remote solutions, adapting their strategies to maintain and enhance well-being in the workplace.

6. Leadership and employee development programs remain a top priority for HPW listed companies. Especially in an era marked by rapid technological advancements and a shifting work landscape, these companies recognize the importance of continual upskilling and reskilling. Considerable resources are allocated to training initiatives that leverage the latest technologies to enhance the capabilities of their workforce.

7. The consistent recognition of companies such as DHL, Amazon, PepsiCo, Saint-Gobain, and Hilton as the happiest workplaces across diverse countries underscores a significant insight into the universal nature of employee well-being. Their success demonstrates that happiness principles and practices can yield positive outcomes regardless of geography or culture. This reveals the universal applicability of happiness-driven strategies, suggesting that with the right approach, organizations can create fulfilling work environments that transcend cultural and geographical boundaries.

FINDINGS



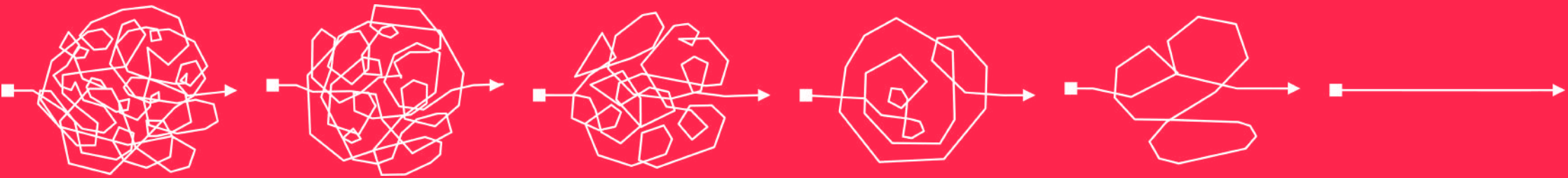
ELEVATE WORKPLACE HAPPINESS

At Happy Workplaces®, our conviction runs deep: happiness transcends mere emotion, becoming the cornerstone of unparalleled success.

Our showcase of the globe's happiest workplaces serves a greater purpose—to light a beacon for companies worldwide, urging them to elevate employee well-being and satisfaction to the top of their agenda.

These illustrious examples underscore a critical business truth: prioritizing the happiness of your team transcends moral duty—it catalyzes profound business advantages.

**Employee
happiness simply
comes down to
“how we feel
during work.”**



Understanding Employee Happiness

Employee happiness is key to unlocking an organization's greatest potential, yet senior leaders often struggle in defining happiness in a way that can elevate performance, improve business results, and fulfill their organization's purpose.

What is Employee Happiness?

Few things are as vital yet challenging to capture as employee happiness. Senior leaders aim to harness this happiness for better performance and results, while employees seek jobs that fulfill and environments that nurture their well-being. Customers, in turn, prefer the company of content employees, understanding that happiness at work fosters a positive atmosphere. This collective aspiration underscores a universal truth: happy workplaces are the bedrock of a thriving society.

Not surprisingly, there are probably as many definitions of "employee happiness" as there are people trying to define it. Some adopt a descriptive stance, focusing on tangible aspects like salaries, benefits, and the physical work environment. Others prefer a dynamic perspective, seeing happiness as intricately linked with leadership styles and organizational ethos. But these approaches predominantly treat employee happiness as a company's responsibility to fulfill. HPW, however, sees it differently, asserting that employee happiness is fundamentally about "how employees feel during work." This perspective broadens the responsibility, suggesting it should be shared between the company, its leaders, and the employees themselves.

UNIQUENESS: Workplace happiness is unique to each employee: Organizations dedicate much time and energy to diagnosing their workplaces and devising improvements. Often, they employ standard surveys that box their environment into predefined categories of "good" or "bad," ignoring the nuanced feelings of individual employees. These methods not only overlook the unique aspects of each employee's experience but also lack in providing leaders with a clear, actionable plan for fostering a truly happy workplace, sometimes even leading them further away from this goal.

Nevertheless, contemporary research underscores the uniqueness of each workplace and how strategies for employee happiness differ by organization. Recognizing this, HPW adopts an experience-based approach to fostering workplace happiness. Identifying employees' feelings about their work experiences is the first, and often most effective, step toward creating a happier workplace.

FULFILLMENT: Employee happiness begins with meaning. Genuine happiness stems from engaging in meaningful tasks, not just financial gain. Higher salaries offer only temporary happiness and don't lead to better performance. Employees stuck in meaningless jobs display lower productivity, staying more out of necessity than choice. Yet, meaningful work isn't the only ingredient for happiness. Employees also need to see their work's impact and feel their potential is fully utilized. The balance between being challenged and leveraging skills fosters an optimal state of flow, where work becomes deeply engaging, boosting both happiness and performance.

The individual attention leaders show to employees, recognizing and appreciating their achievements, along with relationships built on trust with colleagues and a collaborative work environment, ensure the sustainability of happiness that comes with flow.

“Money, social status, plastic surgery, beautiful houses, powerful positions – none of these will bring you happiness. Lasting happiness comes only from **serotonin**, **dopamine** and **oxytocin**.”

YUVAL NOAH HARARI, SAPIENS: A BRIEF HISTORY OF HUMANKIND

The chemistry of workplace happiness

01 Dopamine

Dopamine is the chemical of success. It is triggered when employees feel successful in their roles. The sensation of success requires: engaging in meaningful work that generates value, utilizing one's full potential while performing tasks, seeing the outcomes of one's work, and learning and developing through the work process. The feeling of achievement is a result of the individual's interaction with their work.

02 Serotonin

Serotonin, the pride chemical, is stimulated when employees' efforts are recognized and valued by their managers and celebrated by their colleagues. Additionally, increases in status and working under a prestigious employer brand can trigger serotonin, enhancing feelings of pride. Therefore, pride is fundamentally connected to how employees interact with their leaders, their teams, and the broader workplace environment.

03 Oxytocin

Oxytocin is the chemical of trust. It is activated when employees receive personalized attention from managers, establish collaborative relationships with colleagues, feel supported by their leaders and team members, and can be themselves at work. The sense of well-being and peace at work can only be achieved with the presence of oxytocin.

Therefore, while salary and benefits are important, they do not bring lasting employee happiness. Sustainable happiness in the workplace can only be achieved by creating an employee experience that triggers serotonin and oxytocin.