Assessing Employee Happiness Index for Improved Motivation and Performance

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Abstract
Employee happiness is critical in any organization nowadays because it will lead to their motivation and performance. Employees who are happy will have higher motivation level and perform better on their job. Ultimately, this will lead to the organization success. Realizing the importance of this construct, organizations should take action to measure their employees' happiness level from time to time so that they can identify factors that make them unhappy and take actions to improve those factors. Before the right measurement should be developed, a focus group study should be conducted to identify factors of happiness, their dimensions, and items to be included in the measurement tool. Representative of each department, job position, and age group are needed to participate in the focus group study. Input from the focus group study will be analyzed and used to develop a measurement tool or the questionnaire to assess the employee happiness index. The questionnaire will be distributed to all employees for feedback which will be analyzed using mean scores. Further analysis will involve correlation and regression analysis to determine the factors that

contribute to motivation and performance of employees. From the findings of the study, the organizations can identify the areas for improvement, assess the effectiveness of their corrective actions, and ensure high performing employees.

Keywords: Employee Happiness Index, Motivation, Performance, Survey Method

Introduction

Many employers are showing a growing concern for the well-being of their employees and are now adopting management strategies and services designed to foster a more positive work environment. While there are several possible motivation like improving their ability to attract and retain top talent; one key driver is the assumption that a more content workforce will result in higher productivity. Employee performance is crucial for the survival and success of any organization. Regardless of the type of organization the company is, the nature of business it is doing and the customers it is serving, its employees are the most valuable assets that should be taken care of. Employees who are happy will be more motivated to work for the organization and willing to go extra miles to ensure that their organization will succeed in achieving its objectives (Baruch, Swartz, Sirkis, Mirecki, Barak, 2013). On the other hand, employees who are unhappy will work half-heartedly for their organization (Oswald, Proto, & Sgroi, 2015). They are just doing what is needed, disrespect their fellow colleagues and leaders, do not care about the organization, etc. According to World Health Organization (WHO), 4% of people worldwide are thought to suffer from an anxiety condition as a result of work-related stress which estimates about 301 million people worldwide suffer from anxiety disorders, making it the most prevalent type of mental illness. Researchers in psychology have recognized the reduction of anxiety and negative emotions as a key factor in achieving a state of happiness (Babamiri et al., 2014). Thus, employees who are not happy at their work-place will reduce their performance. Hence, this study is conducted to further understand the importance of employee happiness index and prepare strategies that can be done by the organization to prevent the anxiety level of the employees and enhance their company performance.

Currently, the organizations regardless of their nature; public or private, are manned with those from diverse background including personality, expertise, work ethics, social skills, and others. Employees from different generational cohorts; Baby Boomers, Generation X, Generation Y or Millennials, and Generation Z, contribute significantly to the differences that exist in the organizations (Aziz, Mustaffa, Samah, & Yusof, 2014). These differences result in difficulties for the management to fulfil their varying needs and make them happy working with the organizations since every generation has unique characteristics and work behaviour, if not managed well, will lead to unhappiness. Conversely, recent studies have shown that employees, like regular people at work, necessitate an ongoing supply of passion, motivation, and assistance to be effective, relate, and grow or develop (Matteson, Ming & Silva, 2021; Mear & Werner, 2021).

Chaiprasit and Santidhiraku (2011), in the context of Small and Medium-sized Enterprises (SMEs) employees in Chiang Mai examined the factors affecting the happiness of employees at work. Their study found that job inspiration, organization's shared value, relationship, quality of work, and leadership contribute to the happiness index of the employees. On the other hand, another study by Bastos and Barsade (2020), in the context of recruited employees via Amazon Mechanical Turk, across multiple jobs and industries from the United

States and Canada investigates employees' perceptions of a job as offering experiences versus objects to customers influence job-related happiness. The result of the study found that experiences lead to greater happiness than do objects. There are a lot of studies on employee happiness, job satisfaction, employee well-being, organizational commitment, work performance, organizational citizenship behaviour and others, these studies are mostly meant to develop generic models in their respective fields that are ideal for the academic world (Aziz, et al., 2014; Cooper, & Bedford, 2017). However, before these models can be applied to the real working world, they have to be amended to suit the needs of each industry and organization because each industry or organization has unique characteristics that should be looked into individually (Lyubomirsky, Sheldon, & Schkade, 2005). Therefore, an individual study regarding employee happiness should be conducted separately.

Literature Review
Happiness is defined as the positive emotion generated from certain factors or situations or events (Kern, Waters, Adler, & White, 2015; Seligman, 2018). The concepts associated with emotion are mood and feeling where mood is constantly changing while feeling is a more stable state of emotion. Thus, happiness is a state of emotion that is less stable but can endure for certain period of time based on the catalysts that trigger this emotion. Happiness is also the sought-after emotion because it can bring significant impact to the individual and the organization. Organizations have strive to provide all necessary resources and support just to make sure that their employees are happy working with them.

Meeting the needs of the employees blindly without proper process could lead to disaster because these managerial actions are costly. For example, if the employees require high-tech equipment and modern looking workspace trigger the organization to provide these facilities to them. However, what they need is the workspace that allows then to work collaboratively with their team members. The efforts by the organizations although look encouraging but they are not correctly matched with the actual needs of their employees. That's why a proper assessment of employee needs and those that contribute to their satisfaction levels is necessary.

Currently, a number of studies have demonstrated happiness or satisfaction models proposed and established by previous authors and researchers. The most popular happiness model was proposed by Seligman (2018). Originally, the model contains five dimensions of employee happiness, which are positive emotions, engagement, relationship, meaning and achievement. Later, another dimension is added as this dimension, infrastructure, has been proven to contribute significantly to employee's satisfaction of happiness (UiTM Happiness Index, 2017). All six dimensions of happiness are believed to contribute to creating high performing employees when properly assessed and managed.

The first dimension is positive emotion that relates to the overall feelings of employees regarding their general working environment (Proctor, 2014; Seligman, 2018). The sample question, "Overall, I am happy working with this company" is used to gauge the employees' overall feeling towards their organization. The second dimension is engagement that is defined as an experience in which someone fully deploys their skills, strengths, and attention for a challenging task (Macey, Schneider, 2008; Seijts, & Crim, 2006; Seligman, 2018). A sampled question is "I am happy with the leadership style used by my boss to make me

explore my potentials. The third dimension is relationship that refers to the satisfaction of employees with the support from and connection with their superior and their colleagues (Salas-Vallina, Salas-Vallina, Fernandez, Fernandez, 2017; Seligman, 2018). An example of the assessment question is, "I am happy with the collaborative relationship with my colleagues".

The fourth dimension is meaning that reflects a sense of meaning and purpose that can be derived from belonging to and serving something bigger than the self (Salas-Vallina, Salas-Vallina, Fernandez, Fernandez, 2017; Seligman, 2018). A sampled question is, "I am happy working at this organization because I can contribute to the community". The fifth dimension is achievement that concerns the opportunity to have recognition, support, and chances to perform the job and excel in one's career (Salas-Vallina, et al., 2014; Seligman, 2018). The sampled item is, "I am happy with the organization support that I receive to perform my job". The last dimension is Infrastructure that refers to the facilities provided by the organization to help the employees to do their job (UiTM Happiness Index, 2017). The sampled item is, "I am happy with the office equipment (e.g., laptop, internet connection, etc) provided by the organization".

There are a lot of benefits of having happy employees as found by many researchers. They are improved employee performance at work, the existence of more satisfying relationships, the occurrence of more cooperative work culture among the employees and the management, employees having better immune system and physical health-that will result in less medical expenses and productivity loss, and lower levels of burnout, as employees are having better self-regulation and coping abilities (Oswald, et al., 2015). All these benefits will ultimately contribute to the organization's well-being and improved performance and profitability in the long run.

Proposed Research Methodology
The factors that contribute to employee happiness for each organization is unique. Employees in different organizations will have different perception on the factors that make them happiness or otherwise. To accurately measure employee happiness in one organization, a unique approach should be undertaken starting with a focus group study, factor identification, item development, verification process including pilot testing and lastly the assessment and development of happiness index for that organization.

For a focus group study, representatives from units, departments, and branches are required to participate in this exercise. The participants will be grouped into several manageable groups comprising 4 members for each group. Each group will appoint a leader and he/she together with other members will discuss on the factors that contribute to their happiness/unhappiness working with their organization. They will provide justifications for their choices. After that, they will transfer the agreed points (using sticky notes) to the quadrants (in the *mahjong* paper) with two indicators: happy or unhappy and important or not important. The leader of each group will present the findings.

After the focus group exercise, all findings from the groups will be analysed and presented using word clouds generator to identify the important factors that contribute to employee happiness. In the next step, the recordings and notes from the focus group study will be reviewed to create items that can be used to assess the identified factors. The draft of the

questionnaire will then be reviewed by the management of the company for approval. Once approved, the questionnaire will be pilot tested to examine the understanding of the participants on all the items included in the survey. The questionnaire items will be further improved if there is any issue regarding the difficulty in understanding them.

The subsequent step is the collection of the happiness index data. Since the purpose of having this happiness index is to examine the level of employee happiness, the participation of all employees is required. However, it is quite impossible to achieve this as previous studies have indicated that 50% response rate is good enough to represent the whole population. The data collection process will take approximately one month, and the process will be accomplished using an online survey. The data will be checked for completeness and accuracy before they can be analysed using descriptive and inferential statistics.

These findings can be categorized into several groups:
1. The overall happiness index will be generated for the organization.
2. The break-ups of the happiness index according to units, departments, or branches based on the need of the organization.
3. The mean scores for each item will be presented in tables so that the organization can accurately identify the areas that need further improvement.
4. The selected responses from the open-ended question will be presented to show the seriousness of the problem so that the management can take immediate actions to rectify it.

From the findings, recommendations for improvement will be provided for the top management consideration. It is important to note that the whole exercise of establishing employee happiness index is for continuous improvement. It is meant to identify which areas or aspects of the organization should be given serious attention by the top management so that improvement actions can be taken. To conclude, employee happiness index is an exercise to ensure that employees are working in a conducive work environment and subsequently they can increase their productivity to make their organization more successful.

Conclusion
Employee happiness is critical since happy employees are motivated and productive. They are willing to go extra miles to achieve the impossible for their organizations. Therefore, the organizations are suggested to occasionally assess their employees' levels of happiness so that actions can be taken to increase the score to the desired levels. Since emotions fluctuate from time to time based on certain events that trigger the specific emotion, the factor should be considered when interpreting the results to avoid from having inaccurate score of the happiness index. Another important point that is worth mentioning is that the items for the survey should reflect the elements exist in a particular organization. A careful selection of items is required before the exercise can take place. Lastly, having the happiness index is recommended for all organizations to monitor the levels of happiness of their employees so that the employees are motivated to perform and achieve the organizational goals.

This study adds to the vast body of research in management and related fields examining the connection between employee happiness and job performance. Our findings demonstrate a significant positive influence of employee positive mood on productivity within a real-world

environment. This study will contributes to the body of knowledge of emloyees happiness index by analysing the focus group from different departments and units of an organization. In addition to outlining the managerial implications, this review emphasized significant gaps in the existing research on happiness index at work.

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