

# Could you save £500,000 by making your workplace happier?

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The happiest workplaces – what makes them so great?

Gallup research on the state of the American workplace last year showed that engagement and happiness makes a difference to a company's bottom line.

The benefits of having a happy workforce are endless. "Engaged workers... have significantly higher productivity, profitability, and customer ratings," the report states. It said that active disengagement costs the US \$450 to \$550 billion per year. One way of increasing engagement is to provide a happy workplace environment for your staff and place emphasis on wellbeing.

Nic Marks is the creator of the Happy Planet Index, the first global measure of well-being. He is also one of the founding directors of Happiness Works, a company providing personalised happiness surveys, advice, courses and information about how to instil happiness in the workplace.

The firm measures happiness in work based on a number of attributes, including relationships and co-operation, freedom for workers to be themselves, and motivation to work, and give employees ratings along with areas where they could improve them.

He estimates that the average UK company with 250 employees could save £500,000 by implementing happiness practices in the workplace, based on money lost through absenteeism, staff turnover and productivity, and figures from the State of the American Workplace report.

"There's a difference between employee engagement, which is about the organisation's agenda, and employee happiness, which is about the employee's agenda," Marks says. "It's about enjoying your time at work, rather than trying to get more out of you as a person."

More productivity (21 per cent), fewer accidents (48 per cent), fewer thefts (28 per cent), higher customer satisfaction (10 per cent) and ultimately higher profits (22 per cent) are reported between the most and least engaged teams, according to his research.

“It’s not just playing ping pong at lunchtime. It’s a whole, very serious philosophy,” he says. So what makes employees truly happy at work, and where can great workplaces be found?

### **The structures of the companies are different**

Mr Marks says that the “supervisor to supervisee relationship is incredibly important in the workplace” and many successfully happy organisations he sees have alternative structures in place.

“It’s more about how people do their job than what they do,” he says. “Some companies have democratic systems that work for them. Some have team or shared responsibilities and leadership. The hierarchy system of business is dated – it’s very 19th Century.”

Insurance company Hellas Direct, based in Greece, has won a national Employer of the Year award this year. It also believes hierarchies are outdated. It claims that its executive directors are all reachable 24/7 and makes it clear to everyone they should work together like a family.

“Every success, no matter how small or person, is a company success,” says marketing director Marilaura Gambanis.

It’s important for employee happiness that they feel as if they are making a difference in the business, in order to feel valued, and to care about investing themselves and their time.

“Maintaining office morale is good for business,” said Helen Taylor, head of HR at global office broker, Instant. “Knowing how their day-to-day role adds value to the overall business plan is also a powerful factor in keeping people motivated and happy, particularly when the going gets tough.”

This is also true of Bright Future Software, which employs Sophie Attwater as its happiness creator. Her role, which collaborates with other departments, is to “proactively create a happy, friendly and engaging working environment for all employees” and make happiness key to the company’s vision going forward.

Her role shows how some workplaces have adopted wellbeing as a priority. “It’s making employees feel supported, being friendly, encouraging and supporting,” she says. “It’s not an HR function. We’re integrating it in the core strategy of the company to make a workplace people never want to leave.”

### **The employees are allowed to work remotely**

Gallup’s research confirms reports that those employees who are allowed to work remotely are more engaged and happier than those who are required to work in a central office every day.

Around four in ten spend some time working remotely or in locations apart from their co-workers, and these people are more engaged and log four more hours than those who remain in the office. It is thought to be this sense of freedom which improves their happiness, and leads to a feeling of being connected to their companies with a higher purpose.

### **Feedback and regular appraisal**

Employees at all the companies Business Reporter spoke to had regular feedback with their managers, and worked together to discuss strengths and weaknesses.

Gallup’s research recommends quarterly appraisals with supervisors and regular goals to develop employees’ strengths and aim to achieve more.

Ms Cambanis added that in regards to Hellas Direct: “We scored very highly due to the fact that we all have weekly mentoring and catch-up sessions with the directors, which can be work-related or personal.” The firm tries to empower its employees to step up and assume as much responsibility as they like.

Abi Marchant, HR Director at Danone Ltd, which won a spot on the Great Places to Work survey, said:

“We believe strongly in maximising the potential of every individual and place high importance on personal development. Each employee has a bespoke learning plan and is encouraged to take the lead in their own development.”

Their workplaces are in touch with nature, or in rural areas and small cities

Chiswick Park is a complex located in a rural area of West London between Heathrow and the City, which hosts around 12,000 employees from over 40 companies. It is surrounded by green space, trees, lakes and open parks, which Gemma McNeilis, sustainability and communications manager at Enjoy Work, says helps employees to think creatively, be engaged, and give good customer service.

She is part of an on-site team which organises a range of activities including language lessons, lunchtime events from ballet to BBQs, inter-company sporting events, fitness classes and guest speakers.

The team believes that enjoying work promotes better business, and when employees are happier, they perform better. “We think by treating people as individuals and seeing what makes them tick, this can lead to success,” she said.

The Sunday Times Best Companies to Work For 2014 list shows just six out of the top 25 companies listed their headquarters in London, with many firms based in rural areas, or smaller cities, from Swansea to Leamington Spa. Check out Business Reporter’s interactive map below to see where the rest lie. Could this have an impact on happiness levels?

The Sunday Times’ rankings were based on factors such as employees’ personal growth, their wellbeing, the company and the team they work with.

### **They invest in their staff – both in time and financially**

Roland Cross is the director of Broadgate Mainland PR agency, which has been commended in the Employer of the Year category of the Investor in People Awards, and was ranked sixth in the UK Best Workplaces Survey 2014.

It has been working together with Investors in People since 2011 to develop its management practices, and is constantly coming up with new ideas to help staff reach their full potential and feel happy at work.

“We believe one of the key ways to ensuring staff are happy is to empower them to make decisions and involve them in the key running of the business,” Cross said. Broadgate Mainland has an inclusive committee network involving all staff to drive new initiatives, focusing on staff development, rewards and charity and social events.

Steve Wilkins, HR Manager at FedEx Express which has won awards for being a top employer, also stresses that investing in staff development and training is key to happiness.

“Our management development programme enables our staff to help them progress,” he said. “We have a people-focuses philosophy, and our culture of staff engagement and providing the opportunities to develop means that we show realistic career progression, reward and recognition, and nurture future talent.”

## **Employee perks and incentives**

It might not seem like much, but Fish ‘n’ Chip Friday at pension firm Liberty Sipp is just one of many perks that keep its employees happy and engaged in their work.

“When I set up the company, I wanted to be a place I would want to work. I didn’t want people dragging themselves out of bed in the morning,” says managing director John Fox.

The company regularly takes part in fundraising and “rather odd” activities such as a 24-hour skipping marathons, which are suggested and set up by individual members of the 30-strong team.

Employees start the day by playing Dingbats, have birthdays off, and have an open-plan office with the MD sat at the centre, so he knows exactly what’s going on.

One of the firm’s most popular incentives is a £500 bonus for passing industry-recognised exams. “They were queuing up to register after we introduced it,” Fox says. “The warm atmosphere of our company is truly reflected in our workplace.”

Broadgate Mainland also provides benefits, including a ‘taste card’ for restaurant discounts, interest-free loans for computers, and time off for Christmas shopping.

Danone also offer free yoghurt, fruit and massages in the office, free fitness classes and wellbeing workshops to keep their employees smiling as much as they can, and it clearly pays off.

## **They know how to have fun**

An employee that enjoys their job goes hand in hand with a happy employee. From having a good office Christmas party to bringing in cake and beers for birthdays, having fun is an integral part to a positive workplace.

One of the ideas that Philip Addison, vice president of human resources for Accor UK, is responsible for organising is internal events, from 'Accor's Got Talent' to a Masterchef competition with the rest of the team.

"Happy employees mean happy customers," he says. "By offering our employees fun perks and good opportunities around the world, it engages them, supports them, and encourages them to remain with us."

There is no one formula to a happy workplace but there's more to the theories than having an abundance of tea and coffee in the kitchen. To retain happy employees, it is vital that they feel valued as part of the organisation, involved in decisions and feel as if what they do is worthwhile and needed, alongside steady progress and a comfortable workplace environment. It could save you a lot of money.