

5 Great Reasons Why Happiness Increases Productivity

Having happy employees is extremely important for the survival and performance of any organisation. Happier employees work harder, work better together in teams and are generally more productive. But why is that happiness increases productivity? Why does enjoying your work typically lead to higher productivity?

Being happy at work means thoroughly enjoying what you do and loving where you work.

Unfortunately, this is a dream for most people – many of us wake up dreading each and every single work day and literally have to consistently drug ourselves with caffeine to keep going through the day.

I mean, let's face it: despite the fact that we spend half of our waking hours at work, hating our jobs (and usually, the people that come along with them too i.e. bosses, clients and co-workers) is a popular thread in our pop culture right from movies to songs to everyday jokes.

The few who enjoy their jobs are usually also very good at them and it is such employees that organisations need to find and keep. Happy employees not only raise the organisation's productivity but also make it a magnet for the best talent out there.

On the other hand, when employees are not happy they put in a minimum effort to avoid being fired at best and at worst, they could completely sabotage the entire company. Ever heard of the over 200 year old British bank that was collapsed by one unhappy employee? *Heck, they even made a movie about it!*

So why exactly are happy employees more productive?

Happy employees give a damn more

Happy employees are typically the ones who care about the company and are driven to make it achieve its goals, they are the only ones who even bother to find out these goals in the first place.

When employees are happy, they feel invested in the organisation's goals and are more compelled

to work.

Happiness increases productivity because it leads to higher engagement so happy employees are also more present. They pay more attention to the needs of customers and they are more alert of the company's processes and systems. All these factors come together to bring organisations increased productivity and profitability.



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Happy employees are more loyal

Happy employees are more also resilient and according to Gallup, are more likely to stay with their employers for the long term. A lowered turnover means less time and money spent on hiring and training new employees as well as fewer breaks or slowdowns in productivity to induct them.

Furthermore, happy employees make it a point to show up to work and do more work. They find it easier to go above and beyond what is expected of them and put in those precious overtime hours.

Keep in mind that appreciation breeds loyalty. A recent survey from [Boston Consulting Group](#) has found that most people want just one simple thing from their jobs: appreciation for their work. Who bothers looking for another job when they enjoy the one they have and are appreciated there?



Credit: [Sarah Pflug](#)

Happy employees are healthier

Work-related mental disorders (also known as psychological injuries) not only negatively affect the immune systems of individual employees, but also bleed out the company with costs associated with the frequent and/or long periods away from work that such employees typically have to take.

According to statistics released by workers' health regulatory body [Safe Work Australia](#), 7,500 Australians claim compensation for work-related mental disorders each year and this sums up to approximately \$480 million which is roughly 6% of the total workers' compensation claims.

Furthermore, workers with severe depression take 20 times more sick days per month. Therefore whereas the health of stressed out employees drains your organisation, happier employees are healthier and thus in turn keep the company in good health and great shape.

Related article: [57 Great Ways to Encourage Better Employee Health](#)

Happiness breeds like rabbits

Happiness is of a multiplying nature – when watered it can grow all over the entire company. More happy employees means more happy bosses means more happy employees, and the cycle continues.

Employees who find joy in their work easily become shining role models for their co-workers and encourage them to also take joy in their work. Managers who find joy in their jobs also encourage the workers under them to enjoy their work and are less likely to be stereotypically tyrannical.

Happiness increases productivity, because happy employees support one other. When employees have positive attitudes they are more willing to support fellow workers in achieving the company's goals especially in group projects. Happy employees are also more likely to ask for help when they need it and this is very important for productivity because many employees feel ashamed to ask for support when they need it.

Success is not the key to happiness. Happiness is the key to success. If you love what you are doing, you will be successful.
– Albert Schweitzer

Happy employees take more risks

Innovation is the lifeblood of any business, and it is only happy employees that are inspired enough to think outside the box and come up with the creative solutions your organisation needs.

Happy employees are more likely to take calculated risks, while unhappy employees are more likely to play it safe. Business is not about playing it safe, it is about taking the right opportunities at the right time and happy employees are more engaged and hence more likely to notice and act upon gaps in the market and/or your company's processes.

Happy employees also create a supportive environment in the workplace that encourages everyone to learn from their mistakes rather than fear them. Mistakes can be a powerful learning tool that can open the door to unforeseen success and employees who are afraid to make mistakes stand to miss out on these important learning opportunities.

In Summary

I've explained how employee happiness increases productivity through these five points, iterating how the happiness of a company's employees should be at the top of every manager's agenda. Given today's workplace trends where workers are turning down higher paying jobs for more