

Happy at Work



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Productive and engaged are words that come to mind when I picture a high-performing employee in a nonprofit. The literature on performance management is packed with advice about inspiring great performance among the members of a staff team. Some of the techniques I often cite in workshops include the generous sharing of information, eliminating “class” distinctions between employees who deliver services and those who provide internal support (finance, administration, risk management, etc.), and helping employees understand how their work advances a nonprofit’s mission. Recently I’ve become intrigued by the link between happiness and productivity. Are happy employees more productive? What should leaders do to inspire happiness at work? New research identifies factors that contribute to or detract from being happy and also highlights the link between happiness and productivity in the workplace.

In an interview featured in the January-February 2012 edition of the *Harvard Business Review*, Harvard psychology professor Daniel Gilbert explains that “We know that people are happiest when they’re appropriately challenged—when they’re trying to achieve goals that are difficult but not out of reach,” adding that “People blossom when challenged and wither when threatened.” In an article titled “The Future Of Happiness Research,” doctoral student Matthew Killingsworth writes that “...no matter what people are doing, they are much less happy when their minds are wandering than when their minds are focused.” Killingsworth explains that the research *refutes* the belief held by some managers that “a certain amount of daydreaming is a good thing” with regard to overall employee productivity.

A challenged and focused workforce sounds productive, but is there an even more compelling determinant of happiness? Daniel Gilbert cites our social nature as the most significant predictor of personal happiness. According to Gilbert, a deep sense of connection to others—friends, co-workers, family—is *the most important predictor* of personal happiness.

As you reflect on the human “face” of risk in your nonprofit and the relationship between happy workers and mission fulfillment, ask:

- Do managers offer employees truly challenging assignments or frequently set impossible or unrealistic deadlines, requirements or expectations?
- Do supervisors help employees stay focused on mission-critical tasks and priorities, or send mixed signals about what’s important by loading everyone on the team with time-wasting projects due yesterday?
- And, most importantly, do leaders from the board room to the front lines encourage and model kindness

and appropriate social behavior to nurture trust, respect and even friendships among co-workers?

Risk management isn't limited to keeping clients and caregivers safe from harm. The risk of an exodus of top performing staff will increase as the economy continues to improve and your competitors start hiring. Instead of waiting to discover that you're understaffed, look for ways to make your agency an employer of choice. If you want to reap the benefits of a happy workforce, collaborate to set challenging but achievable goals, help your team focus on top priorities, and remember that socializing shouldn't be restricted to sanctioned office holiday parties.

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your ideas about any risk management topic, feedback on this article and questions about the Center's resources at Melanie@nonprofitrisk.org or 703.777.3504. The Center provides risk management tools and resources at www.nonprofitrisk.org/ and offers [consulting assistance](#) to organizations unwilling to leave their missions to chance.