

THE MULTIDIMENSIONAL OUTCOMES OF HAPPINESS AT WORK WHEN THERE IS NO EXPLICIT STRATEGY: THE VIEWS OF B2C EMPLOYEES

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ABSTRACT

Happiness at work has been increasingly attracting the attention of academics and human resources managers. Literature on the topic provides clear evidence of the benefits for companies resulting from the adoption of strategies that promote happiness among employees. Despite its growing popularity, companies that define and implement a happiness strategy within their internal marketing are still scarce, particularly small and medium companies (SMEs). This paper illustrates the impact of happiness at work perceived by employees of SMEs at three levels: in themselves, in customers, and in the business's success, in the particular case of companies that do not implement such strategies. The research question was: what is the perception of employees on happiness at work outcomes when the company has no explicit strategy to promote it? This article includes a qualitative study comprising twelve semi-structured interviews with employees who directly deal with customers while working in various B2C companies that do not have a defined strategy to stimulate happiness at work. The study shows employees' acknowledgment of the multidimensional impacts of happiness at work, which makes them more motivated, productive, and more able to influence their relationships with customers positively. Based on these findings, even when lacking clear corporate strategies to improve happiness at work, the company is still expected to benefit in terms of customer loyalty and overall profitability, as well as in terms of employees' affective commitment.

Keywords: Productivity, motivation, performance, satisfaction, loyalty, profitability, business success.

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1. INTRODUCTION

As competitiveness and globalization grow in prominence, improving human resources performance becomes critical to organizations (Atan et al., 2021; Semedo et al., 2019; Wen et al.,

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2019). It is within this context that researchers' and managers' attention towards happiness at work has expanded, being elected as a particularly efficient strategy when dealing with human resources (Bryson et al., 2017; Rego et al., 2011; Santoso & Kulathunga, 2016). Literature acknowledges the positive impact of happiness at work both on the performance and productivity of employees (Munoz & Casallas, 2021; Sender et al., 2021; Stankeviciute et al., 2021; Vela et al., 2022; Wesarat et al., 2015) and on customers' satisfaction and loyalty levels (Boehm & Lyubomirsky, 2008; Bryson et al., 2017; Oswald et al., 2015; Santoso & Kulathunga, 2016; Šeinauskienė et al., 2015), depicting it as generating a competitive advantage and surging as a pivotal factor in business success (Stankeviciute et al., 2021; Wright & Cropanzano, 2004). Although literature provides rich contributions when diving into the antecedents of happiness at work (Boehm & Lyubomirsky, 2008; Fisher, 2010; Mohanty, 2019; Qaiser et al., 2020; Salas-Vallina, Simone, et al., 2020; Semedo et al., 2019; Stankeviciute et al., 2021; Tei-tominaga & Nakanishi, 2021; Vela et al., 2022), it seems paramount to conduct further empirical research regarding the diversity of impacts happiness at work can have on stakeholders (employees, companies, customers). Despite the growing popularity of this topic among companies (Dahiya & Raghuvanshi, 2021; Sender et al., 2021), examples of companies that develop and implement happiness at work strategies are still limited (Stankeviciute et al., 2021), especially among small and medium enterprises (SMEs).

SMEs importance in national and international markets is increasing due to their contribution to local and national economies (Gonçalves et al., 2019). For instance, in the European Union, non-financial SMEs account for 99.8% of all enterprises and are responsible for 54.5% of the gross domestic product and 62.4% of employment. In Portugal, the country where the study included in this article was conducted, SMEs were 99.9% of all enterprises in 2019, which generated 77.4% of private sector employment and represented 56.5% of the total sales volume of the Portuguese private sector (Pordata, 2021). Still, SMEs deal with serious challenges in creating competitive advantages (Gonçalves et al., 2019), especially due to their limited resources (Qalati et al., 2020), making them the focus of research in several domains, including happiness at work (Lara & Salas-Vallina, 2017). Therefore, it appears relevant to conduct more studies on the implications of happiness at work within these companies' profile, particularly in B2C sectors, in order to explore the possible impacts on customers.

This paper's main goal is to shed light into a gap in the literature represented by the research question: how does the absence of an explicit business strategy on happiness at work affect its outcomes? The aim is to bring to the fore the perception of employees on the effects of happiness at work, considering workers themselves, the customers they deal with, and ultimately the company they work for. The research presents results of a qualitative methodology using semi-structured interviews. Participants in the study are B2C employees who contact directly with final customers and who work in companies where strategies to promote happiness at work are momentary or non-existent. The rationale behind this article includes in the next section the systematization of the literature's main contributions on the outcomes of happiness at work structured in three dimensions (employees, customers, and the organization), followed by a description of the methodology used in the empirical research. Afterwards, the article presents the results obtained through the content analysis provided by NVivo Plus 11 software to codify data. The article ends with the conclusion, elaborating on the implications of the findings for managers, the identification of limitations in the study and suggestions for future research.

2. LITERATURE REVIEW

Happiness is a societal value (Kese bir & Diener, 2008) commonly defined as experiencing positive emotions frequently, such as joy, satisfaction and enthusiasm (Boehm & Lyubomirsky, 2008). The concept has been enlarged to feelings of happiness at work. Fisher (2010) suggests that happiness at work should be regarded as comprising work engagement, job satisfaction, and affective organizational commitment. Overall, the positive effect on employees would result in a higher level of compromise with the company (Boehm & Lyubomirsky, 2008; Semedo et al., 2019) and consequently in a competitive advantage and business success.

Job characteristics theory (JCT) developed by Hackman and Oldham (1976) was adopted for this research. According to JCT, psychological states are essential determinants of work motivation and individuals' attributes also explain how they respond to complexities and challenges posed within their job (Hackman & Oldham, 1976). Overall, this theory states that workers' positive affect improves job performance. As such, this theory helps to uncover the relationships between variables such as happiness (e.g., job satisfaction), performance, and turnover. More recent developments have suggested that other relevant variables should be included in the model, particularly related to the outcomes of work (Allan et al., 2019), such as work engagement and commitment. Oerlemans and Bakker (2018) add that happiness at work is another construct that should be further studied under the JCT, considering its important role in predicting job outcomes such as performance. This article further argues that the expected outcomes of happiness at work would reflect themselves not only in the behavior and performance of employees but also in the customers they engage with, as synthesized in the following sections.

2.1. *Expected Outcomes of Happiness at Work for the Employee*

There are several attributes commonly assigned to happy workers and that affect their behavior and performance while working. Thus, literature highlights that happy workers are more autonomous (Boehm & Lyubomirsky, 2008), more efficient in decision-making (Boehm & Lyubomirsky, 2008), more creative (Fisher, 2010; Wright & Cropanzano, 2004), more engaged, proactive, motivated and available to accept extra tasks (Atan et al., 2021; Boehm & Lyubomirsky, 2008; de Waal, 2018; Fisher, 2010; Mohanty, 2019; Walsh et al., 2018).

One consequence of happiness at work generally accepted by literature is employees' productivity levels (Boehm & Lyubomirsky, 2008; Budie et al., 2018; de Waal, 2018; Gavin & Mason, 2004; Munoz & Casallas, 2021; Oswald et al., 2015; Sender et al., 2021; Wesarat et al., 2015; Zelenski et al., 2008), together with the recognition of a positive impact on performance (Boehm & Lyubomirsky, 2008; Munoz & Casallas, 2021; Salas-Vallina, Pozo-Hidalgo et al., 2020), commitment (Semedo et al., 2019), and a lower rate of absenteeism (Boehm & Lyubomirsky, 2008; Walsh et al., 2018). Boehm and Lyubomirsky (2008) indicate that happy workers are more resilient, less prone to stress symptoms and keener on developing productive personal relationships. At an interpersonal level, happy workers tend to be more available to support others, either colleagues or customers (Boehm & Lyubomirsky, 2008; Gavin & Mason, 2004), and less inclined to be involved in conflicts (Fisher, 2010).

2.2. *Expected Outcomes of Happiness at Work for the Customer*

Customer satisfaction, loyalty and retention are nuclear issues in business management today. While customer satisfaction is seen as fundamental for the company's survival and success (Kau & Wan-Yiun Loh, 2006), customer loyalty has grown in importance (Aksoy et al., 2015; Wolter et al., 2017), leading companies to invest heavily in resources that promote customer retention (Russo et al., 2016). Proactivity and the interpersonal effects associated with happiness at work are many times connected to positive consequences when dealing with customers. Atan et al. (2021) stress that happiness at work improves service quality. As a result, Garlick (2010) suggests that keeping customers satisfied is keeping employees happy, since a positive working environment is also closely tied to positive attitudes towards customers. Happiness at work departs from the premise that employees play a pivotal role in customer satisfaction (Atan et al., 2021; Lau, 2000; Söderlund, 2018).

The seminal research studies of Schneider and Bowen (1985) on satisfaction at work revealed that there is a correlation between employees' attitudes (according to human resources' practices) and customer satisfaction. Boehm and Lyubomirsky (2008) advocate that happier workers provide more support and develop more complete service packages to customers. In fact, if these employees feel happy, motivated and supported by the organization and its management teams, their performance, behavior and attitudes may create more value for customers (Söderlund, 2018; To et al., 2015) and reduce customer complaints (de Waal, 2018).

2.3. *Expected Outcomes of Happiness at Work for the Business Success*

Overall, literature features a broad set of consequences from happiness at work to the individual, including emotional, interpersonal and performance aspects. All are interpreted as particularly beneficial for the company and its several business areas and therefore identified as promoters of competitive advantage for organizations and a fundamental factor for business success (Salas-Vallina, Pozo-Hidalgo, et al., 2020; Söderlund, 2018; Wright & Cropanzano, 2004). Similarly, the positive impact expected from happiness at work and customer loyalty will be extremely valuable for the company's profitability and accomplishments. The existence of highly skilled, tuned and motivated employees is essential to maintain competitive advantage (Nielsen et al., 2017; Salas-Vallina et al., 2018). Therefore, organizations that have the ability to keep happiness at work in the long run, can improve productivity (de Waal, 2018; Munoz & Casallas, 2021; Wesarat et al., 2015).

3. METHODOLOGY

Building on the objectives and the research question defined for this article, the researchers adopted a qualitative methodology to conduct the study. In this particular approach, the researcher attempts to engage with the respondents in such a way as to genuinely understand the world through their perspective (Bryman, 2021). The qualitative research was carried out using semi-structured interviews. Data collection was preceded by an elaboration of the script (see appendix), together with a detailed description of the research characteristics and the ethical principles applied to this study so that participants may give their informed consent to data collection.

The sample selection was based on non-probability techniques, adopting a purposive sampling. Participants were professionals, working in twelve B2C companies, in professions that implied a direct interaction with customers (e.g., commercial functions). Drawing on the authors’ professional networks, a set of professionals with these characteristics were identified and invited to participate in this study. As explained by Bryman (2021), purposive samples are non-probabilistic; yet, they should not be regarded as convenience samples, due to their strategic adherence with research objectives and questions. The selection of interviewees took into consideration diversity of gender, function and business sector. Additionally, it included companies with both momentary and non-existent strategies regarding the promotion of happiness at work. Data saturation was achieved at interview 10, which confirmed the adequacy of limiting the sample to twelve participants (Bryman, 2021). Table 1 details the characteristics of the sample where volunteering, confidentiality and anonymity were assured. Data were collected in 2018.

Table 1: Sample characterization

Interviewee	Gender	Age	Academic Qualifications	Profession	Sector	Initiatives promoting happiness at work	Interview time (minutes)
E1	F	32	Master	Team Coordinator	Culture	Non-existent	61
E2	F	32	Bachelor	Vet	Veterinary	Non-existent	61
E3	F	35	Master	Salesperson	Construction	Non-existent	35
E4	F	30	Bachelor	Therapist	Health	Non-existent	60
E5	F	42	Bachelor	Bank clerk	Banking	Momentary	57
E6	M	24	Bachelor	Coach	Sports	Non-existent	65
E7	M	31	High school	Head of Logistics	Energy	Momentary	59
E8	M	30	Bachelor	Manager	Telecom	Momentary	28
E9	M	38	High school	Sales Assistant	Retailing	Momentary	39
E10	F	37	Bachelor	Civil Engineer	Construction	Momentary	56
E11	M	30	Master	Salesperson	Sports	Non-existent	35
E12	M	38	High school	Consultant	Real Estate	Non-existent	55

The interviews were face-to-face and had a total duration of 611 minutes, with an average of 51 minutes per interview. They were recorded and further transcribed to be subject to Nvivo Plus 11 software analysis. According to Bardin’s (2011) recommendations, the study adopted a content analysis approach comprising three stages: pre-analysis, exploration of the material and evaluation of results, inference and interpretation. The pre-analysis stage aims to systematize the initial ideas and establish indicators to interpret the collected data (Bardin, 2011). The exploration of the material presupposes the breaking down of extracts (paragraphs of each interview) into distinct linguistic units (words, sentences, paragraphs) for codification.

With codification, raw data were converted into processed data with the establishment of categories. In this case, the use of NVivo Plus 11 information management software supported the codification, organization and classification of useful information deriving from the qualitative analysis, providing more speed and efficiency to the process. Having the perceived outcomes of happiness

at work as background focus, three main categories were created: the impact on the employee, the impact on the customer, and the impact on the business success (Table 2).

Table 2: Data codification

Categories	Subcategories
Impact on employees' performance	Creativity Motivation Overall performance Productivity
Impact on the customer	Loyalty Relationship Satisfaction
Impact on business success	Affective organizational commitment Pursuit of business objectives Profitability

According to Bardin (2011), the last stage refers to inference and interpretation, and consists of capturing the contents evidenced in data collected from the interviews that illustrate the similarities and differences among the several categories.

4. RESULTS AND DISCUSSION

Aligned with the objectives established for this study, participants confirmed that the companies they work for do not provide a defined strategy to promote happiness at work. As an example, Interviewee 2 states:

“I don’t want to be unfair, but I’ve been thinking and there’s nothing the company I work for does to explicitly promote happiness. I think they don’t even consider it. (...) In a certain way [they contribute to our happiness] by being flexible towards the issues that employees present to them. But as I said, I don’t think this is a happiness strategy the company follows, but deep down it helps happiness.”

(Interviewee 2)

Participants identified several initiatives that benefited employees (e.g., company’s celebrations, day off on birthdays, tickets to the circus, supporting training costs) and considered them as contributing to the happiness of workers. However, those initiatives were classified as momentary and brief, in some cases common to all companies from that sector or fostered by the employees themselves:

“The company I work for has no defined strategy to contribute to the happiness of its employees. There are some perks such as the beginning of the school year (1 year) of employees’ children or birthdays and that improves organizational environment. But that extends to the banking sector as a whole.”

(Interviewee 5)

“The company I work for doesn’t have any specific strategy. It promotes annually a Christmas dinner for all employees. All the remaining initiatives are developed by the workers’ association, such as Mother’s Day, children’s Christmas party, Children’s Day and such events, but, in reality, it’s not the company, it’s the workers.”

(Interviewee 1)

Participants distinguish between momentary corporate initiatives and a defined corporate strategy to promote happiness at work. Although it is relatively common in Portugal for companies to foster some initiatives to cultivate employees’ happiness, participants evidenced difficulty in identifying one that, as far as their knowledge goes, really embraces a happiness strategy for workers. Despite the absence of corporate strategies on happiness at work, participants in the study acknowledge that, when they are happy at work, there are explicit benefits for companies, namely by being positively affected in work performance and achievement of results.

Based on the former sections, the study continues with considerations on the effects of happiness at work perceived by the participants at three different levels: employees’ level, customers’ level and company’s level.

4.1. *Perceived Impact of Happiness at Work at Employees’ Performance Level*

One of the most explicit results of this study relates to motivation, since participants were unanimous in acknowledging happiness at work as determinant to its enhancement. Results illustrate that when employees are happy at work, they feel more motivated and disposed to make an extra effort, as Interviewee 11 observes: “When we feel happy, we are willing to do more and better”. These findings provide empirical support to extant literature (Atan et al., 2021; Boehm & Lyubomirsky, 2008; de Waal, 2018; Fisher, 2010; Mohanty, 2019; Walsh et al., 2018) that recognizes employees’ inclination to be more motivated and available to perform extra tasks when there is happiness at work.

Participants also underlined that happiness and motivation integrate a virtuous circle that includes other aspects of work performance: when employees feel happy at work the motivation levels increase, work takes place in a more dynamic and fluid way, they feel more energetic and more involved with their daily chores. Thus, the results of this study corroborate extant literature by pointing to a vivid interdependence between happiness and motivation. In addition, the research evidences an open correlation with other variables such as productivity, performance, and work engagement.

Other aspect that deserved attention throughout the interviews was productivity. Generally, interviewees admit that when they are happy, working time becomes more productive as they sense a feeling of wellbeing in the workplace that requires no effort to succeed. Some interviewees’ remarks elaborate on that aspect:

“Happiness at work increases my productivity in a substantial way.”

(Interviewee 3)

“The happier I am, the more productive I will become, because I will do my job with no effort.”

(Interviewee 12)

Thus, the study validates literature considerations indicating that happy employees are more productive (Boehm & Lyubomirsky, 2008; Budie et al., 2018; de Waal, 2018; Gavin & Mason, 2004; Munoz & Casallas, 2021; Oswald et al., 2015; Sender et al., 2021; Wesarat et al., 2015; Zelenski et al., 2008). Similar results were obtained concerning global performance perceived by the interviewees. For example, as Interviewee 10 explains, “if I’m happy at work, I believe I perform my job better and everything runs more smoothly (...) I think I can get better results.” Interviewee 7 further explains that when he is happier at work he has “more ability or a more accurate perception to be able to decide”, becoming more “proactive” and more “dynamic”, and thus corroborating Boehm and Lyubomirsky (2008) who observe that individuals who experience positive emotions are more efficient in decision-making and performance.

Finally, the majority of participants agreed that happiness at work also increases creativity, making them more apt to envisage different solutions and even to innovate. As clarified by Interviewee 11, “when we are happy, we think more consistently about how to grow, how to have more interesting responsibilities and how to provide better solutions”. These comments corroborate Fisher’s (2010) remarks on the fact that there is a correlation between happiness at work and creativity.

4.2. Perceived Impact of Happiness at Work at Customers’ Level

Most interviewees highlighted that happiness at work impacts relationship with customers positively. Data resulting from this study indicate that when employees are happy, their behavior with customers changes, making them smile more and be more supportive, patient, careful and available. In this way, employees become more sensitive towards customers’ needs and more encouraged to invest in a relationship with the customer.

Interviewees stated that this specific behavior intends to captivate the customer by establishing rapport and trust. However, Interviewee 4 notices that the impact of happiness at work on the customer also depends on the objectives of the customer himself, on his availability or intention to develop a relationship with the company:

“There are customers who only purchase the products (...) to which they have a specific objective in mind. [Others] want to establish a relationship [with the company] and this is where our happiness helps, when customers enjoy having a relationship with the companies.”
(Interviewee 4)

Therefore, the study supports extant literature that emphasizes the positive relationship between happiness at work and the improvement of customer relationships (e.g., Garlick, 2010). Further to the potential possibilities of developing customer relationships, the study also calls attention to the impact happiness at work can have in customer satisfaction and loyalty. Similarly, and according to the collected data, the general opinion is that happiness at work influences customer satisfaction in positive way, as explained by Interviewee 8:

“If the employee feels happy and concerned and shows happiness and concern in solving the customers’ issues, it will have an impact on the customer, it increases the satisfaction of the customer.”
(Interviewee 8)

Interviewee 5 further comments that happiness makes him more available and motivated, and for that reason, he makes an extra effort when dealing with customers, generating and delivering added value:

“If you’re happy, you can always give much more than requested and that’s added value for customers because they will take it into consideration; for you it costs nothing, it’s no sacrifice, it’s just two minutes; you receive the customer and solve the problem in a blink of an eye. And it really satisfies them.”

(Interviewee 5).

Thus, the results of the study are aligned with the observations of Garlick (2010) who considers that happy employees will have more positive behavior towards customers, making them feel satisfied, and demonstrating that such attitudes result from positive impacts happiness can have on employees, namely on motivation.

When it comes to customers’ loyalty, most interviewees deem it as positively influenced by happiness at work, despite underlining this is one among many factors that influence loyalty. As referred by one of the interviewees, “[happiness at work] is extremely important for customers to return” (Interviewee 10), since it may affect the way he or she is welcomed by the employee, contributing to loyalty levels.

Data in this study suggest that employees play a critical role in customer satisfaction, as observed by some authors (Atan et al., 2021; Lau, 2000; Söderlund, 2018), considering that its positive impact is recognized by employees.

4.3. *Perceived Impact of Happiness at Work at Organizational Success Level*

The results presented in the former sections show that happiness at work affects the company’s profitability in a relevant way, not only because it impacts employees (e.g., productivity, performance), but also because it impacts customers (e.g., satisfaction). For example, Interviewee 2 highlights the impact happiness at work can have on productivity and, consequently, on the organization’s revenue:

“If I’m happy, I’ll work much more with less effort; I’ll be much more productive and the company will benefit; so, companies can only win if people are happy when they work for them.”
(Interviewee 2)

Another positive repercussion of happiness at work stressed by participants in this study is the higher level of commitment and compromise with the company’s objectives. In fact, several participants agreed on the fact that the increase in motivation resulting from happiness at work makes them accomplish not only their basic functions but also carry out an additional effort to achieve the objectives set by the management team. Interviewee 11 exemplified a specific situation that occurred where happiness at work was a decisive factor:

“(…) although we were going through peaks, having to work overtime (…) work more (…) I felt focused in the achievement of the objectives [established by the company].”
(Interviewee 11)

These results are in accordance with Fisher (2010), who underlines the evidence on important effects of happiness not only in the individuals but also in the organization itself. The study makes the case that happiness at work augments the employee's efforts to surpass routine tasks, to be more affable and attentive to customers, resulting in a higher level of customer satisfaction. These factors act in synergy, contributing to business success.

4.4. Affective Organizational Commitment

According to extant literature (Boehm & Lyubomirsky, 2008; Fisher, 2010), affective organizational commitment is one of the expected dimensions of happiness at work. Nevertheless, interviewees did not emphasize this aspect spontaneously. When asked to explain what they considered to be happiness at work, all referred other two components proposed by Fisher, and they were job satisfaction and work engagement. Despite that fact, as interviews proceeded, signs relating to this corporate compromise were shared by participants, not only at the level of the company's objectives as mentioned in the former quotation by Interviewee 11, but also globally, as stated by Interviewees 4 and 9, respectively:

“In my opinion, people that are happy at work establish bonds of affection with the company.”
(Interviewee 4)

“If the company provides happiness to its workers, bonds will emerge that go beyond the employee/company relationship”.
(Interviewee 9)

Thus, and aligned with participants' impressions, happiness at work determines the emotional relationship with the company. Also emphasized was the fact that the impact of happiness in the emotional involvement with the company is visible even when no explicit strategy on happiness at work is implemented. To illustrate this, Interviewee 2 states:

“I believe happiness at work goes far beyond the company having a strategy on that. Happiness at work has to do with the policy, culture and values of the company. Either they run alongside yours, or if they don't, sooner or later we'll have an unhappy employee. Obviously, when one is not happy and motivated at work, he or she is not there with heart and soul and will not engage so profoundly with the company. To take up the cudgels, you need to see yourself in the company. This sense of belonging is what leads, in my opinion, to happiness [at work].”
(Interviewee 2)

As a result, the findings in this study demonstrate that when there is no explicit strategy to promote happiness at work, other aspects, namely the organizational culture, play a crucial role in the happiness of employees. Participants in the study valued the set of momentary initiatives that fostered happiness among workers, stressing also that loving what you do constitutes an essential trigger to achieve happiness at work:

“I'd say that the benefits and the [momentary] initiatives I talked about, such as team spirit, contribute in a decisive way to the wellbeing and happiness at the workplace. But, in my opinion, the most important factor to be happy at work is to enjoy what you do. And of course, if the

company implements actions focused on the happiness of its employees, it will get them closer to the organization and consolidate their relationship.”

(Interviewee 8).

4.5. Summary of Findings and Discussion

Table 3 summarizes the findings of this study. Three aspects should be highlighted: (i) the study provided additional empirical support to several outcomes of happiness at work on employees' performance and on SMEs' profitability, (ii) this article demonstrates that there are clear positive impacts on customers' behavior, and, consequently, (iii) this article stresses the multidimensionality of the outcomes of happiness at work (i.e., workers, SMEs, and customers), even in the case of a non-existent active strategy to promote happiness at work.

Table 3: Summary of findings

Existence of a strategy to promote happiness at work	
Essential findings	Study's conclusion
SMEs often do not consider the topic; flexibility of managers help indirectly to foster happiness at work. Some perks and benefits are provided. Special occasions are promoted by the company; workers' associations lead many initiatives.	Even though no defined strategy is implemented, when workers are happy, SMEs benefits in work performance and results.
Impact of happiness at work on employees' performance	
Essential findings	Study's conclusion
Happiness at work influences motivation, willingness to take over more responsibility and ability to provide solutions. Employees are more open to accommodate extra work. Work becomes more productive. Achievements require lower effort. Global performance is improved. Decision-making and performance are improved.	Motivation is the most prominent outcome of happiness at work, leading to an increase in work dynamics, energy, creativity, and involvement in work tasks, resulting in higher levels of productivity at specific tasks and globally. Happier individuals think more accurately and focus on essential elements more easily, leading to better decisions. Employees express willingness to actively contribute to the company's results.
Impact of happiness at work on customers	
Essential findings	Study's conclusion
Employees' happiness has a positive reflection on their attitude towards customers, and consequently a positive impact on customer behavior and decisions. The dynamics employee/customer are improved. Customers' perceived satisfaction increases. Employees willingly exceed in their regular performance to meet customers' needs. Customer loyalty is positively impacted.	Relationships with customers improves, since employees are more empathic, supportive, and available. Customers' needs receive more attention and employees commit themselves to satisfy them, generally improving customer's level of trust and loyalty towards the company. Employees demonstrate initiative in outperform to satisfy customers' requests. Customer loyalty improves.
Impact on organization	
Essential findings	Study's conclusion
Happiness at work affects employee's perception of effort positively. Commitment in achieving objectives increases. Emergence of emotional ties between employees and the company. Extension of emotional bonds.	Higher employee's performance generates higher productivity and customer retention, positively affecting profitability. Happiness at work fosters considerably higher levels of commitment towards the company's goals. Employees are more focused and dedicated. The relationship with the company

Happiness at work affects all aspects of the relationship between employees and companies. Positive environments and momentary initiatives from company's managers act as surrogates to planned strategies to implement happiness at work.

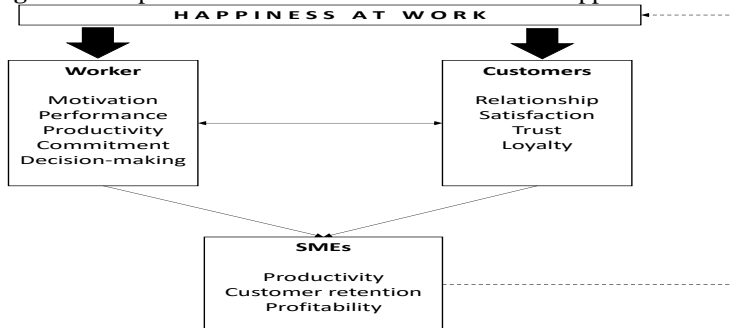
can be determined by this reinforced emotional bond, even when no explicit strategy related to happiness at work has been established.

Most of the literature on happiness at work stresses its impact on workers' productivity (Boehm & Lyubomirsky, 2008; Budie et al., 2018; de Waal, 2018; Gavin & Mason, 2004; Munoz & Casallas, 2021; Oswald et al., 2015; Sender et al., 2021; Wesarat et al., 2015; Zelenski et al., 2008) and performance (Boehm & Lyubomirsky, 2008; Munoz & Casallas, 2021; Salas-Vallina, Pozo-Hidalgo, et al., 2020), which was also confirmed in this study. The literature also agrees in expected positive impacts on business success (Salas-Vallina, Pozo-Hidalgo, et al., 2020; Söderlund, 2018; Wright & Cropanzano, 2004) and on profitability, which was confirmed in this study. In addition, it should be noted that, on the one hand, this study provides evidence regarding a set of SMEs acting in various sectors, and, on the other hand, explores the interconnections between these outcomes. Consequently, it demonstrates that these findings are transversal to companies in different sectors, particularly among companies that do not actively pursue to improve happiness at work. More importantly, it demonstrates that even in the lack of strategies to promote it, still the positive impacts of happiness at work benefit both the worker and the SMEs domains.

Another important aspect of this article's findings is the fresh evidence on the possible outcomes in the customers' domain. It should be underlined that the impacts of happiness at work on customers are mostly disregarded by extant literature, despite pointing out that it helps foster service quality (Atan et al., 2021), creates value for customer (Söderlund, 2018; To et al., 2015) and increases customer satisfaction (Garlick, 2010). To this end, this article offers an important contribution, by stressing the possible impacts on customers. As the results demonstrate, the outcomes related to workers and customers are interdependent, and, conjointly, result in positive outcomes for SMEs.

Therefore, this article posits that the outcomes of happiness at work should be regarded into three interdependent domains, comprising aspects related to the workers' performance, combined with aspects of customers' satisfaction and loyalty, and resulting in outcomes in the SMEs' domain, particularly profitability (Figure 1). These effects are expected even in the case of non-existent strategies to promote happiness at work (dashed arrow in figure 1, from SMEs domain to happiness at work).

Figure 1: Proposed Multidimensional Outcomes of Happiness at Work



5. CONCLUSION

This research study contributes with interesting findings on companies that do not implement specific strategies to promote happiness at work, as it is often the case of SMEs, due to their limited financial and human resources. Overall, the research supports empirically contributions from the extant and scattered literature on the topic by demonstrating that the impact of happiness at work provides positive results at employees' performance level (Boehm & Lyubomirsky, 2008; Budie et al., 2018; Fisher, 2010; Gavin & Mason, 2004; Oswald et al., 2015; Walsh et al., 2018; Wesarat et al., 2015; Wright & Cropanzano, 2004; Zelenski et al., 2008), at customer relationship level (Aksoy et al., 2015; Boehm & Lyubomirsky, 2008; Lau, 2000; Garlick, 2010), and, ultimately, at company's profitability and success levels (Kau & Wan-Yiun Loh, 2006; Nielsen et al., 2017; Salas-Vallina et al., 2018; Wesarat et al., 2015; Wright & Cropanzano, 2004).

Such positive effects are recognized even when the employer does not adopt an explicit strategy to promote happiness at work, as evidenced by the remarks of participants in this study. In fact, even without an explicit strategy geared towards happiness at work, timely initiatives (e.g., celebrations, family prizes, days off) are acknowledged by workers as relevant. Other aspects related to the organizational culture may apparently compensate for the absence of a happiness at work policy, as demonstrated in the participants' narratives. Consequently, even when lacking a defined strategy, happiness at work affects positively not only critical success factors (productivity, relationship with customers), but also the emotional engagement with the company. Indeed, findings corroborate that happiness at work was identified as an essential factor in explaining the relationship between employees and the organization.

Results from the study provide interesting cues to SMEs that are considering promoting happiness at work as a tool to attain profitability, namely deriving from improvements on employees' performance and customer loyalty associated with customer relationship development. Since happiness at work is recognized as importing positive contributions to the company's success, there is evidence that strategies that promote happiness, a healthy corporate and organizational culture and momentary initiatives that benefit employees contribute to achieve this goal. It becomes essential for managers to identify the factors that affect happiness at work and understand how this can generate more sustainable profitability rates and act as a turning point (Wesarat et al., 2015). If companies are not in a position to define and implement happiness at work strategies, namely SMEs which lack human and financial resources, it would be extremely important to put into action initiatives that, even if brief and momentary, promote and encourage such intentions. Those initiatives grow in importance as happiness at work proves to affect the emotional engagement with the organization, acting as a significant instrument in retaining employees and building on the company's success factors such as profitability and development of meaningful customer relationships. One important implication is that even without a complex program to promote happiness at work, SMEs can still benefit from momentary initiatives.

Considering the potential positive impacts of happiness at work in customer satisfaction and loyalty and, ultimately, in business competitiveness, combined with the irrefutable importance of SMEs to national economies (Gonçalves et al., 2019), it is also recommended that governments foster the adoption of happiness at work initiatives. This can be done in multiple ways, namely by consistently measure happiness at work and include this data in national and international reports, creating fiscal benefits for happiness at work initiatives, and implementing and promoting

happiness at work programmes within the public sector, to inspire multinational and national companies.

Despite the diversified sample concerning sector characteristics, types of companies, and employees' profile, and although data saturation was reached, the study presents limitations regarding dimension and sample variables. Extrapolation and validation of results would need the accomplishment of similar studies with other populations. Among the suggestions for future research, the inclusion of professionals working in B2B contexts and the consideration of other methodological approaches, either qualitative (e.g. focus groups) or quantitative (e.g. surveys) would appear as appropriate. Future studies should also contemplate other variables to explain happiness, such as elements that go beyond happiness at work in the fostering of employees' productivity and based on the assumption that workers' productivity levels can be interpreted through the lens of distinct determinants (Allan et al., 2019). To compare the effects of happiness at work in companies that possess or don't possess explicit strategies in this respect is a particularly relevant topic to be taken into account by researchers and managers in the near future.

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