

## Research on the Happiness Management Model from the Perspective of Psychological Capital\*

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**Abstract** Many countries are used to using the well-being index to assess economic development, as a result the happiness management of organization is wrgently needed In this paper, according to the concept of psychology-based management, we propose the innovative concept of “happiness management”, from the perspective of developing employee’s potential psychological capital (the sense of subjective well-being, emotional intelligence, flow), At last, the paper reveals the main contents of happiness management, namely, job involvement, emotional labor And on this basis, the authors concerned about advantages, and construct a happiness management model.

**Key words** Psychological capital; Happiness management; Psychology-based management; Subjective well-bing

### 1 Introduction

In the management practice, the happiness management is a new term. Although some researchers have started to pay attention to the joy management issues, the construct of happiness is broader and more in line with the individual psychological advantage and the concept of psychological capital in the workplace than joy. In 2009, Feng and Miao, from Nanchang University, focused on the concept of happiness management, proposed the approaches and the importance of happiness management. Pu proposed the construct of happiness management and approaches of enhancing happiness management, and built two-dimensional structural framework of happiness management through two aspects of information costs of organizational structure and costs of the organizational members’ lives. In this paper, according to the concept of psychology-based management, we explore a new management model based on employee psychological capital from a new perspective. Researches on happiness management are rare in the country, even in the international area are also few; particularly the research of happiness management based on the psychological capital is still theoretical and empirical front topic.

### 2 The Origins and Construct of Happiness Management

With the progress of society and development technology, fast growth in wealth results in the gradual diminishing marginal utility on fortune, making people begin to focus on the importance of happiness; particularly in recent years, the countries use the well-being index to assess economic development, resulted in the happiness management of organization become imminent.

From the perspective of enterprise management, the enterprise managers must not only achieve the profit maximization of stakeholders, but also more to achieve the maximum well-being of employees. To this end, enterprise managers should examine their management models from the perspective of well-being to enhance the path and strategy of staff well-being and maintain business evergreen. How effectively to train and improve staff psychological capital according to the guidance of psychology-based idea, maximize the well-being of organizational employees and thus enhance the core competitiveness of enterprises, which is a problem that the organization must address the challenges and face subject. It can be said that traditional management in the era of the development process has not fully adapted to the new requirements, the times appeals for new elements must be added in the management model, and the management model which has been existed should re-consider, the proposal of happiness management, in line with this requirement of the times.

Happiness management is that bases on the psychology-based management, by creating a armonious team atmosphere, giving employees challenging and pleasant work to enable employees to grow the sense of corporate ownership, the sense of belonging, the sense of value realization, while at work feel the freedom, enrichment and fun, to enhance the happiness management mechanisms of the organization

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for running. Management practice is a continuous process, employees can feel a positive emotional experience from the sustained management practice, this positive psychological experience is happiness. The happiness management is a novel management model whose aim is to improve staff well-being, focus on sustainable development of employee and organizational goals.

### 3 Develop employees's Psychological Capital

Recent studies indicate besides four psychological capital (hope, optimism, self-efficacy and resilience), there are still some potential psychological capital (See Table 1). As the psychology-based management new demand, concerning and developing the potential psychological capital of employee, will become the core and focus of happiness management mode.

**Table 1 The Construct of Psychological Capital**

Category	Concept	Theoretical?	Developable?	Measurable?	Impactful on performance?
psychological capital	hope	yes	yes	yes	yes
	optimism	yes	yes	yes	yes
	self-efficacy	yes	yes	yes	yes
	resilience	yes	yes	yes	For Further Study
potential psychological capital	Creativity	yes	For Further Study	yes	For Further Study
	intelligence	yes		yes	yes
	Subjective well-being	yes	yes	yes	yes
	flow	yes	yes	yes	yes
	emotional intelligence	yes	yes	yes	For Further Study
...			yes		

(Source: Luthans. Psychological Capital, Translated by Li Chaoping, China Light Industry Press, 2008:132)

As creativity and intelligence is the cognitive-oriented potential psychological capital, we do not refer to them. Subjective well-being, emotional intelligence and flows are more based on emotions and feelings, and can be classified as a positive emotion-oriented potential psychological capital. These are should be a new content of management model.

#### 3.1 Concentration on subjective well-being

A large number of studies showed that subjective well-being is correlated to the work results. Although we often mix subjective well-being and joy, compared with joy, the construct of subjective well-being is more general, and more in line with the psychological advantage and concept of psychological capital in the workplace. That is why we use "happiness management" rather than "joy management" as the theme of the study.

The subjective well-being based on potential psychological capital includes the "emotional well-being" and "psychological well-being" and "social well-being" of the perception and feelings for individual employees. "Emotional well-being" includes positive and negative emotions, life satisfaction and happiness; "psychological well-being" includes self-acceptance, personal growth, sense of control on the environment, their goals in life, positive relations with others, and autonomy; "social well-being" includes social identity, self-fulfillment, contribution, consistency and integration elements.

In recent years, the concept of job involvement was put forward by Hart (2002). At present, job involvement has become one of the main elements of Gallup's research and practice. And it brings forward the Q-12 Happy Working law and puts it into practice. At the same time, Gallup uses Q-12 as a working involved measurement tool, and the results obtained show: there is a correlation between subjective well-being and work-related results.

The questions included in Gallup's work immersion measurement tool are: whether the staff gets personal growth and development opportunities, whether they know their company's expectation of them, Whether they have chances to do things they exerted in, whether they have obtained enough material and social support; whether the staff is recognized for their value and contribution. It can be said, "Happy employees are productive employees." This conclusion has been supported by extensive researches. Thus, concerning and enhancing the staff's sense of subjective well-being should be treated as the core content of the happiness management model.

#### 3.2 Improving employees Emotional Intelligence

"Emotional Intelligence" was first put forward by two psychologists, professor Salovey and Meyer

(1990), which is used to describe the assessment, expression and adjustment and the ability of using the emotional information to guide the thinking. Subsequently, Goleman (1995) enhanced and expanded the concept and put forward the Emotional Intelligence theory (EI or EQ). Goleman believes that among the elements of human success, intellectual factors are important, but emotional factors are more important; the impacts the EQ have on the practical work is twice the IQ. Its effects on personal achievements are bigger than the IQ's, and through experience and training, it can be markedly improved. The emotional intelligence of human can be broadly summarized as five aspects: 1) the ability of recognizing their own emotions; 2) the ability to manage their emotion properly; 3) the ability of self-motivation and self-development; 4) the ability to understand the emotions of others; 5) interpersonal ability. We can define emotional intelligence as: "accurate perception, expression, understanding, using and managing of their own and other people's emotions, in order to promote the growth and development of the cognitive, emotional and communication capabilities."

Some scholars have found that among all the psychological capital factors including the four main ones and several other potential ones, emotional intelligence (EI) catches the greatest attention in the practice of management. In arguing for emotional intelligence's impact on the workplace, Kelly and Caplan found that, compared with the cognitive mental ability, EI can better predicts who will become the star employee at Bell Labs. Innovation Leadership Research Center studied a number of cases of failed executives and found that they failed due to lack of emotional intelligence rather than technical skills. There are also studies show that in organizations of different sizes, different management levels, and even different nations and cultures, the emotional intelligence holds two-thirds among the various crucial abilities pursued by organizations for high efficiency and performance, and in more high-level professional and management positions, EI's contribution to the performance are even more prominent (which can account for six out of seven). All this shows that effective leadership and work team are characterized by a significant emphasis on emotional intelligence. Therefore, managers should focus on improving the employee's emotional intelligence, and help employees improve and enhance their EI with an emphasis on perception, understanding and emotional adjustment, in order to reduce work stress and improve job performance.

Firstly, we can provide a targeted training on the "understanding of emotions" and the "functions of emotions. Studies have found that although "emotion identification" (to know other people's feelings, be aware of other information beyond verbal expression) and "emotion utilization" (to generate new ideas, dealing with issues) have little impacts on job performance, through good emotional competence, employees in their work can establish friendships with others, or perceive the reasons of the occurrence of the emotions of their colleagues and their own. Thus, the understanding between the workers can be improved, and an active atmosphere can be created in the work place as well. Therefore, trainings based on different scenes such as role-playing can help employees understand and insight into the root causes of other people's emotions and their own so as to avoid conflicts and contradictions caused by speculation, misunderstanding. If a measurement of emotional intelligence can be carried before training, managers can better grasp the levels of the various aspects of their staff's emotional intelligence, and the training content can be more targeted as well.

Secondly, the recognition and the reward of emotional labor. Studies have shown that, the managers' timely recognition and reward of the staff's emotional labor can make their staff pay attention to develop their own emotional intelligence, and as a result, their performance can be improved. Employees in the workplace are not simply elements of the skills and abilities, but have complex feelings and emotions. If managers merely focus on the abilities of their staff and are indifferent to the extensive emotional labor of their employees, the employee's initiative would be greatly frustrated and become reluctant to develop and make adequate use of their emotional intelligence to deal with their work, which is likely to cause them feel more stressful and become slack in their work. Therefore, managers need to analyze the emotional labor of their staff demanded in specific positions, to motivate them to develop and enhance their own emotional intelligence, and to enhance their staff's positive emotions and enthusiasm. This is very useful for the improvements of the staff's and even the entire enterprise's performance.

### **3.3 Developing employees flow**

The advocator of positive psychology, Csikszentmihalyi, proposed the concept immersion experience (flow). Immersion experience and the sense of subjective well-being are closely tied to happiness and the best experience. Immersion experience is a state that a person attains when he has good skills and is undergoing a big challenge.

When individual is in a specific context, his subjective perception of the level of the opportunities and challenges accords with the abilities that he feels demanded to meet this scenario, immersive experiences will occur to him. The study found that when employees are in the immersion experience, they often have the following characteristics: 1, their attention is highly concentrated; 2, lower self-consciousness; 3, strong motivation and sense of control; 4, high self-esteem; 5, losing the sense of time; 6, to be possible ignorance of the importance of the ultimate goal (in order to continue his activities and to experience a more intense pleasure).

Therefore, compared with internal motivation, the immersion experience is an experience of a deeper level. When the individual is in the immersion experience, the completion of the task itself has become the ultimate goal of reward, rather than to get pay, promotion, or the best impression. It can enable the employees to dedicate themselves to a work or an activity, have a very pleasant experience, and feel that they are completing a difficult but valuable work, and they will completely forget about time.

In recent years, management research and practice have found and are trying to solve the dilemma between internal motivation and external motivation. What deserves our concern is that, in Gallup's extensive research and consulting practice, they found that high job involvement depends on the perfect match between employees and their work only, thus the use of employee talent can be maximized, namely: works that employees do every day are things they are best at.

Another study has found that, compared with “attempting to make up defects”, “concerning advantage” proves more effective. It can increase the employee’s “job involvement” and the efficiency of achieving their goals. By carrying out the values based on advantages and putting it into practice, a business or an organization can change the work perceptions of manager and staff, thus potentially enhance their flow in workplace. This deserves our study and trying in our “happily-managing” model based on “psychology-oriented” management.

#### 4 Conclusions

We suggest that the corporate happiness management should focus on the three fronts: Based on the concept of psychology-based management; nurture the employees’ psychological capital, in particular, develop their potential psychological capital, to enhance the sense of staffs’ work happiness. This is important content of the enterprise happiness management, which constitutes the happiness management model, shown in Figure 1.

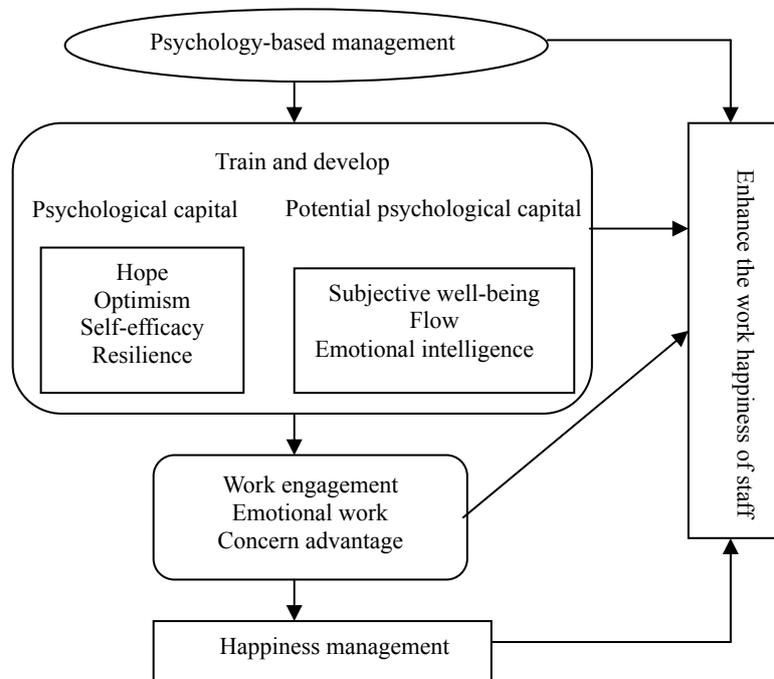


Figure 1 Happiness Management Model

The happiness management model reveals the main elements of the happiness management, and indicates the basic construct of happiness management, namely: according to the concept of psychology-based management, through training and developing psychological capital to improve their sense of happiness, and ultimately achieve the happiness management. We should specially pay attention to developing employees' positive emotion-oriented potential psychological capital, including concerning about employees' subjective well-being, enhancing their emotional intelligence, developing their flow, and meeting their specific operational requirements through job involvement, emotional labor, focus on advantages .

The core values of the happiness management lies in its ability to mobilize the work enthusiasm of staff and sense of responsibility, so that they can take the initiative to and actively participate in management activities, in the relaxed, pleasant work environment, feel the joy of life and the happiness of work, at the same time improve work performance and achieve self-value to promote enterprise and individual simultaneously harmonious development.

The research of happiness management needs to urgently improve ,in the future the following aspects should be carried out in-depth study: firstly, strengthening the empirical research of happiness management , at present this field is still blank ;secondly, according to the different characteristics of different industries, to research the very modes of happiness management which adapt to different types of enterprises; thirdly, for companies at various stages of development,we can put forward the corresponding means and methods of happiness management..

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