

The Role of a Sense of Humor in an Advanced Perspective of Organizational Management

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Abstract

Purpose: The purpose of this paper is to analyze the relationship between virtues, a sense of humor and organizational outcomes and to propose a tentative framework of relationships.

Design/methodology/approach: The paper is conceptual. It presents a poem written by Thomas Moore on the sense of humor. From this poem the author derives the virtues important in generating an individual sense of humor that together with a workplace that facilitates the use of humor, generates a “happy company” that achieves positive organizational outcomes. The paper also presents a definition of virtues and the analysis of their implications in business life in general.

Findings: A model of management based on virtues and a sense of humor is proposed.

Research limitations: The lack of empirical data that can validate the model.

Practical Implications: Considering the emphasis placed on virtues, the model could have some practical implications in the fields of recruitment, promotion, leadership and organization.

Originality/value: The model fills the conceptual gap between virtues, a sense of humor and organizational outcomes, being the first attempt to present a comprehensive model of interactions. A novel framework that can provide a basis for further research into the profound nature of management is proposed. Furthermore, some implications that should be useful for recruiters and managers are discussed.

Keywords: Humor, Virtues, Organizational humor, Management, Group effectiveness, Thomas Moore, Positive Psychology.

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Introduction and purpose

Customer: I have problems printing in red...

Tech support: Do you have a color printer?

Customer: Aaaah.....thank you.

According to a free online dictionary, humor is the quality that makes something laughable or amusing as opposed to the idiom “out of humor”, meaning “in a bad mood, irritable”.

Humor, or better, having a sense of humor, is a common element of human interaction and has been identified as a critical characteristic that is sought in employees, managers and leaders within organizations and is considered vital to organizational culture (Teehan, 2008).

The use of humor generally is associated with intelligence and creativity, which are also important values in the workplace. However, according to Romero and Cruthids (2006) humor is more than this; it represents a multifunctional management tool that can be used to achieve main objectives, including group cohesiveness, communication, stress reduction, creativity, enhanced leadership, and organizational culture.

A Google search for “happiness and work” in May 2009 counted 42.900.000 hits, signaling the enormous interest in happiness at work among the public. According to Kjerful (2007), a business consultant who sponsors the idea of adding to the organizational chart a “Chief Happiness Officer”, there are 10 reasons why happiness at work is the ultimate productivity booster. This is due to the fact that “Happy people”: 1. Work better with others; 2. Are more creative; 3. Fix problems instead of complaining about them; 4. Have more energy; 5. Are more optimistic; 6. Are considerably more motivated; 7. Get sick less often; 8. Learn faster; 9. Worry less about making mistakes – and consequently make fewer mistakes; 10. Make better decisions. In short, humor – used adequately - can act both as a form of social lubrication and as a productivity booster, while also being extremely contagious. In fact, according to Fowler (2008) “*emotional states can be transferred directly from one individual to another by mimicry and emotional contagion, perhaps by the copying of emotionally relevant bodily actions, particularly facial expressions, seen in others*”.

However, despite some anecdotal evidences, humor has not been adequately studied in this context because it has been considered too amusing to be considered a serious matter. There are very few empirical studies on humor and employee performance and there are few authors who have proposed models of interactions. The purpose of this article is to give an answer to

the following question: What relationship exists between a sense of humor and organizational outcomes? We present a model of interaction between the sense of humor and organizational performance based on the “Prayer for Health, Wisdom, and Sense of Humor” by St. Thomas Moore. From this poem/prayer we derive the virtues important to generate a sort of permanent individual happiness – eudaimonia - allowing a flourishing of individual passion and trust which, together with some enabling conditions represented by company culture, company values and leadership style, facilitates the creation of a sort of internal team harmony – represented by the expression “happy company” - achieving better organizational outcomes.

Happiness at Work and Religiousness

Brady Corporation was founded in 1914 in Eau Claire, Wisconsin, as W.H. Brady Co., and renamed Brady Corporation in 1998. It makes more than 50,000 industrial identification and specialty coated material products. The company began selling products internationally in 1947, and has 9,000 employees around the world; it operates in 26 countries and distributes its products in more than 100 countries. For fiscal year 2007 the company presented the following financial results: Net Sales: \$1.36 billion, Net Income: \$109 million, Return on stock investment: \$1,000 invested in Brady Stock in July 1984 grew to over \$30,000 by July 31, 2007 with dividends reinvested.

In 1994 Katherine M. Hudson became the first non-family member to run the company. The newly appointed President and CEO decided to start a program to include fun as an integral part of the culture at Brady Corporation, *“not simply as an end in itself but for serious business reasons. We’ve found that getting people to loosen up and enjoy themselves has numerous benefits. It can break down jealously guarded turf boundaries. It can foster an esprit de corps throughout the company and greater camaraderie on teams. It can start the conversation that spurs innovation and increase the likelihood that unpleasant tasks will be accomplished. It can help convey important corporate messages to employees in memorable ways. It can relieve stress and, heaven knows, we can all benefit from that”* (Hudson, 2001). Seven years after the beginning of the program, the company had doubled its sales and almost tripled its net income. The President and CEO wouldn’t attribute this performance solely to having a fun culture but “our performance is a sign that a company can be fun and friendly for its employees and fierce with its competitors. In fact, the fun has made us fiercer, by making the organization more flexible and dynamic and our people more creative and enthusiastic”.

The Brady history teaches us that use of humor at workplace is really a serious matter. Another example comes from Southwest Airlines (SWA). The stated mission of Southwest Airlines is dedication to the highest quality of Customer Service delivered with a sense of warmth, friendliness, individual pride, and Company Spirit. Talking to their employees they declare: *“We are committed to provide our Employees a stable work environment with equal opportunity for learning and personal growth. Creativity and innovation are encouraged for improving the effectiveness of Southwest Airlines. Above all, Employees will be provided the same concern, respect, and caring attitude within the organization that they are expected to share externally with every Southwest Customer”*. SWA is widely recognized as having a strong organizational culture based on some strong values that include also a sense of humor and enthusiasm. What began 39 years ago as a small Texas airline is today one of the largest airlines in US. Regarding profit, it is interesting to note that in 2005 the company announced its 32nd consecutive year of profitability, an industry record.

According to Zamagni (2007), not only is it possible to combine happiness at work and productivity, but it is necessary to pay attention to this matter if the company wants to remain competitive in the long run. Hackman and Wageman (1995), addressing TQM Philosophy, report Kaoru Ishikawa’s contention that *“An organization whose members are not happy and cannot be happy does not deserve to exist”*. According to Avolio et al. (1999), the use of humor in organizational contexts can be hypothesized to have both direct and indirect effects on individual and unit performance, and has been associated with improving morale among workers, creating a more positive organizational culture, enhancing group cohesiveness, stimulating individual and group creativity, and increasing motivation. Their empirical investigation – directed at the 115 leaders of a large Canadian financial institution and their 322 respective followers, indicated that humor had a positive, direct relationship with the two performance measures used - consolidated unit performance and individual performance appraisal – suggesting that leaders can be trained to use humor in constructive ways. According to a study of 572 human resource managers conducted by Ford (2003), fun at work offers great benefits both to organizations (attracting new employees, communication among employees, commitment to the organization, customer satisfaction, strength of corporate culture, reduced employee turnover, quality of employee productivity, speed of learning new tasks during training, understanding of the organization’s mission) and to employees (enthusiasm, group cohesiveness, satisfaction, creativity, friendship, organizational citizenship, reducing anxiety and stress, reducing complaints of boredom, mutual trust). In the

same line, Wright and Cropanzano (2004) noted that “*the more positive the Psychological Well-Being of the employee, the stronger (more statistically robust) was the observed relation between job satisfaction and job performance*”. Romero and Cruthirds (2006) affirm that managers can use humor to achieve a number of organizational outcomes, including “*reducing stress and enhancing leadership, increasing group cohesiveness, improving communication, fostering creativity, and building organizational culture*”.

Positive Organizational Behavior (POB) in the workplace is defined as “*the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in today’s workplace*” (Luthans 2002), and is based on three positive psychological resource capacities, hope, optimism, and resilience. The empirical investigations conducted by Youssef and Luthans (2007) demonstrated that POB can add 4% to 15% to the variance accounted for in work related outcomes, and noted that “*positively oriented human traits, states, organizations, and behaviors may have a substantial positive impact on performance and other desired outcomes beyond what material resources, classic business models, and deficit-oriented approaches can offer*”. The study conducted by Judge and Erez (2007) indicated that the correct combination of Emotional Stability and Extraversion – reflecting a happy personality – are more important to performance than either trait in isolation. Their results suggest that “*people who are buoyant, cheerful, effervescent, and enthusiastic are likely to be better performers*”. The empirical investigations conducted by Erez and Isen (2002), demonstrated that positive affect (positive feeling state) has a facilitative effect on motivation and performance, and the authors noted that positive affect may really play an important role in the motivational process.

To summarize, Quick and Quick (2004) noted, “*Healthy, happy, productive work is neither a myth nor a fully achievable reality. We may think of it as an elusive goal for leaders and followers. It is a worthy target for which to aim, with the understanding that we cannot necessarily turn it into a metric and then check off that we have achieved it.*”

Happiness in this older sense was used to translate the Greek “Eudaimonia”, which refers to an objectively desirable life. Eudaimonia, along with “Virtue” are two central concepts in ancient Greek ethics and the relationship between these two concepts was the basis for different moral theories that generated many varieties of the “state of happiness”. The most important Greek philosophers, such as Socrates, Plato and Aristotle, noted that happiness can

be conceived only when exercising virtues, and indicated what the fundamental virtues were: prudence, justice, fortitude, and soberness. Some philosophers more concerned to better express better the Aristotelian “eudaimonia” will prefer to translate the Greek word as “human flourishing”. Actually we, as practitioners, do not have the necessary skills to illustrate the differences and we will translate the Greek word as happiness, indicating that this requires a strong moral character stemming from the living of virtues.

Regarding the relationship between religiousness and humor, it is interesting to note that a General Social Survey cited by Myers (2000) reveals higher levels of very happy people among those who feel “extremely close to God” rather than “somewhat close” or “not close” or “unbelieving”, indicating that happiness can be correlated to a behavioral measure of religiosity. In addition to this, and according to the investigations conducted by Saraglou (2004), there is no longer a negative correlation between religiousness and humor, even if “*a discomfort with some specific styles of humor*” could be suspected. (For example, men scoring high in perceived importance of spirituality tended to report low use of hostile humor.) Capps (2008) notes that “*Humor can be a wonderful resource for enabling us to get along better than we do, for helping us through difficult times in life, for helping us appreciate the life that God has given us*”.

In 1988 the famous Yale psychologist Richard Stenberg, assisted by Wendy Williams, conducted a study to enhance understanding of how the individual characteristics of group members may affect group functioning. They started the analysis from the suspicion that individual differences of people who constitute groups may play an important role in group functioning, and coined the term “group intelligence” to designate the functional intelligence of a group of people working as a unit. The study showed that some teams perform better than others because the characteristics of the group create a state of internal harmony, which results in the maximization of productivity. They noted that “*a given person might, for example, contribute more to the performance of the group in which his or her attributes meshed well with the attributes of the other group members. Groups marked by internal harmony are thus freer to utilize the full talent of their members, in terms of cognitive as well as social-cognitive abilities*”.

Sir Thomas More, also known as Saint Thomas More, was a man of varied life experiences. As Thornton and Vareene (2003) write, he was a “*brilliant lawyer, loyal servant to the king, devoted family man, and Renaissance humanist. Thomas More was, before all else, deeply*

religious and a profoundly spiritual Roman Catholic”. He was beheaded in 1535 when he refused to sign the Act of Supremacy that declared King Henry VIII Supreme Head of the Church of England. When he came to mount the steps to the scaffold, he is quoted as saying: “I pray you, I pray you, Mr Lieutenant, see me safe up and for my coming down, I can shift for myself”, while on the scaffold he declared that he died “the king's good servant, and God's first.” In 1935, four hundred years after his death, Pope Pius XI canonized him in the Roman Catholic Church. Thomas More was declared Patron Saint of politicians and statesmen by Pope John Paul II on the 31st of October 1980. Thomas More was also a prolific author. Probably the most famous book written by him is “Utopia”, the novel that describes the political arrangements of the imaginary island country of Utopia, which used to be contrasted with the chaotic politics of his own day. More can be remembered also as a prolific poet and among his works, we choose a poem entitled “Prayer for Health, Wisdom and Sense of Humor”, on which we build our management model based of humor and virtues.

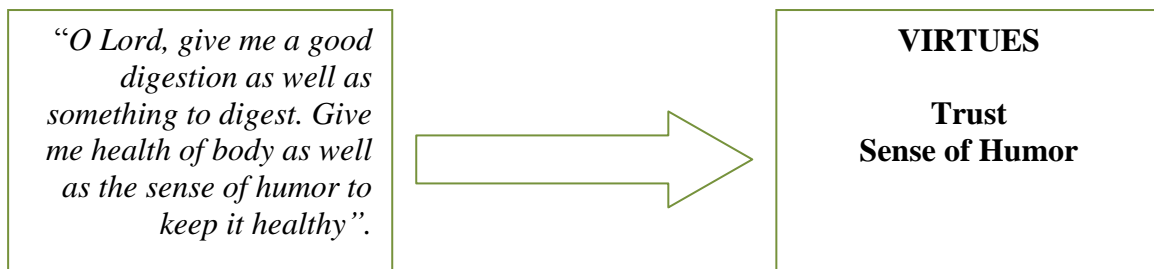
“O Lord, give me a good digestion as well as something to digest. Give me health of body as well as the sense of humor to keep it healthy.

Give me a holy soul, O Lord, which keeps its eyes on beauty and purity, so that it will not be afraid on seeing sin but find the way to solve problems.

Give me a soul that knows nothing of boredom, groans, and sighs. Never let me be overly concerned for this inconstant thing that I call me.

Lord, give me a sense of humor, so that I may take some happiness from this life, and share it with others. Amen”.

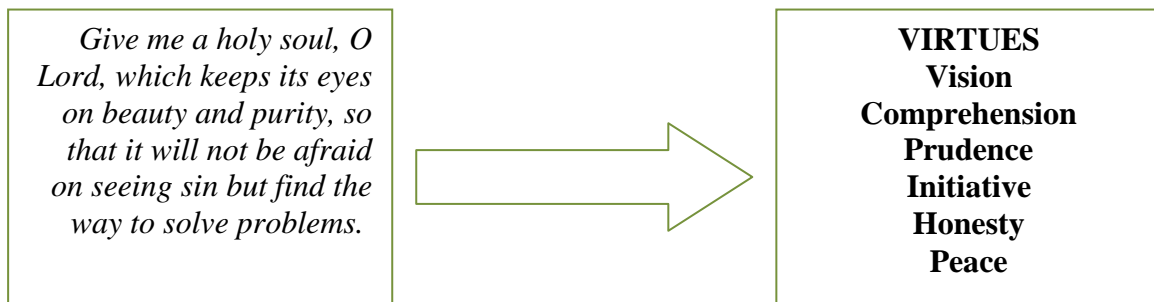
Let us divide the prayer into parts and analyze the virtues that are marked in it.



In the first part of the prayer More’s sense of humor is already evident. He is asking the Lord for a good digestion and – importantly - “something to digest”. The virtues indicated in this part of the prayer are basically two: trust and sense of humor.

According to this view, a person believing in God can always keep his sense of humor because of the profound trust that he has in the Lord. The “good humor worker” knows that God will not give him something simply for free. He has to do his part, trusting that his work will be rewarded.

Regarding the sense of humor and health, there are many clinical investigations that confirm the importance of a sense of humor in addressing illnesses. However, what we think is important to note at this point is the difference between “having a sense of humor” and “to be in a good humor”. The worker who we are looking for is a person who exercises his virtues and, for this reason, can reach a state of permanent “happiness” – the Greek Eudaimonia – that can be, and is, shared with others. On the other side, the expression “being in a good humor” refers to a temporary state of happiness that can be derived from a funny situation or a joke but does not reflect the joy of one’s soul.



In the second part of the prayer there are the following virtues: vision, comprehension, prudence, initiative, honesty and peace.

Positive vision consists in seeing reality as it is without distortions based on whims and wishes. People with positive vision always view work problems with an open mind and clean soul and always appreciate the positive side of things.

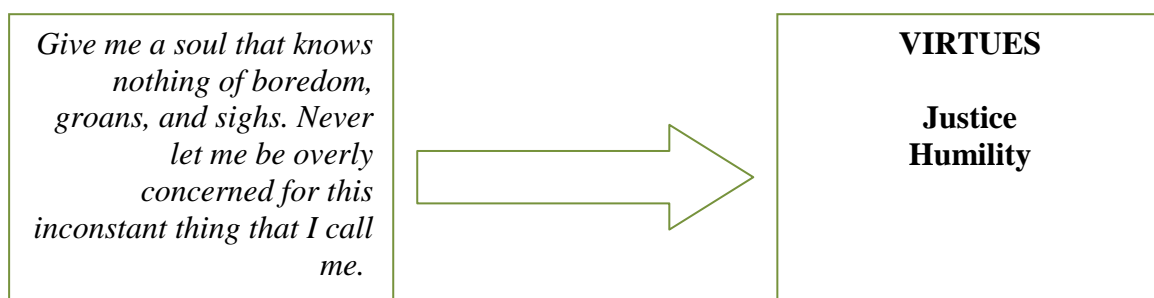
Comprehension means knowing that no-one is perfect, including us. This does not mean that we should justify bad habits but rather to use our virtue to analyze our mistakes and the mistakes of others, and to take actions to mend them gently without humiliating people.

Prudence is to do the right thing at the right time, in the right way, with patience and calm, avoid rushing and taking into account the past experiences and advice of people who know more than us.

Initiative should constantly stimulate one in order to anticipate events, and to always be proactive. It is the virtue that allows us to signal our presence at work. Workers should not be seen only as receivers of orders; they should be seen as thinking people with initiative and intelligence. Initiative multiplies effectiveness.

Honesty is a human quality consisting of behaving with integrity, transparency, and sincerity. Honesty means recognizing facts as they are without distorting reality. Honest people do not lie, do not prepare snares, do not steal, and do not manipulate. Honesty is the engine of social relations and business.

Peace is the predisposition to know oneself and one's capacity to create and be part of a social network. Peace implies an interior and exterior cheerfulness, and is an emotional stability that allows one to face daily challenges with a positive soul and, especially, allows for solving problems instead of creating new ones. Peace requires daily effort to solve problems. Peace determines solidarity, consolation, and cooperation within the group.

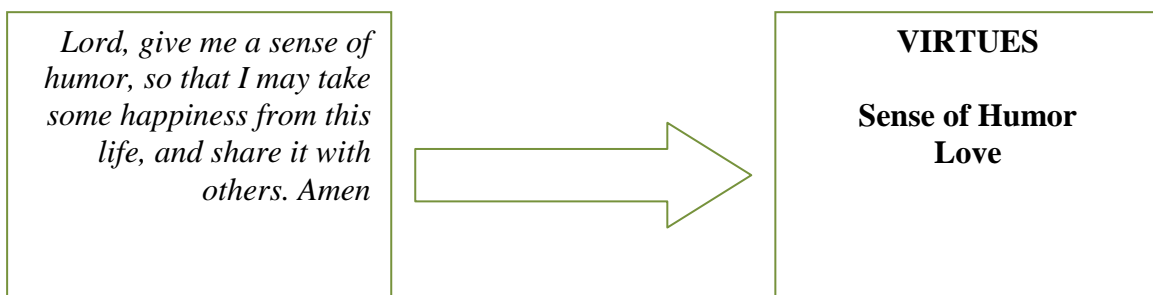


The third part of the prayer introduces us to two other virtues: justice and humility.

The word *Justice* stems from the Latin word *iustus* that derives from *ius*, meaning fair, right. Justice is the complete set of norms that regulate relations between people and institutions, authorizing, forbidding, and allowing specific behaviours. Justice does not mean sharing things with all mankind. It consists of defining what and who is right. Justice in the workplace

generates healthy competition because everyone knows that he will receive what he is entitled to. Justice erases individualisms, egoisms, and lies because everyone knows that equality and impartiality will always prevail.

Humility is the virtue of realism. It consists of being aware of limitations and insufficiencies and behaving in accordance with this knowledge. More precisely, humility consists of self-recognition. Saint Theresa of Avila affirmed that “*humility represents the truth*”, meaning that humble individuals always see things as they are, the good as good, and the bad as bad. The more humble, the better the vision of reality. On the opposite side of humility there is “pride”, which, according to Delbecq (1999), “*leads to executive failure because it leads to impatience, an unwillingness to build consensus, the inability to receive criticism, and the unwillingness to endure periods of trial and uncertainty*”.



Finally, the last part of the prayer gives us the possibility to reflect on two other virtues: the sense of humor (or happiness) and Love. Regarding a sense of humor, we have already emphasized the difference between “having a sense of humor” and “to be in a good humor”. According to Yepes-Aranguren (1996) the dimensions of sense of humor are: comprehension (again!), joy to be shared, the inventiveness to see the positive side of things, and hope for the future. Mother Teresa of Calcutta, 1979 Nobel Peace Prize Laureate, was quoted as saying: “*Smile at each other, smile at your wife, smile at your husband, smile at your children, smile at each other -- it doesn't matter who it is -- and that will help you to grow up in greater love for each other*”.

This quote allows us to introduce the last virtue: love. According to Plato, “*Good people do not need laws to tell them to act responsibly, while bad people will find a way around the laws*”; in other words, where love reigns, laws are unnecessary. In a workplace characterized by love, personalities and protagonists totally disappear, replaced by trust, passion, reciprocal

respect and individual care. In a workplace where love reigns, all members of the organization are capable of self-regulating the activities, and all the norms become superfluous. Love means being tolerant, benevolent, cooperative, compassionate, grateful, forgiving, kind, respectful and finally, having a certain level of empathy with others.

A clarification: in the field of virtues, moral values, and ethics the terms are sometimes used with overlapping meanings. It is not the aim of this paper to clarify these differences, in part because (more importantly for us) all of these terms always involve judgments about what is good and bad or right and wrong (Fuqua and Newman, 2006).

The model of “Sanities”

According to Peterson and Seligman (2004), “...*Virtues are much more interesting than laws, at least to psychologists, because virtues pertain to people and the lives they lead*”.

Seligman and Csikszentmihalyi (2000) are considered as the founders of **Positive Psychology, which consists in** the scientific study of the strengths and virtues that enable individuals and communities to thrive, and is based on the cultivation of virtues and character strengths with the aim of developing a sense of happiness. Happiness at work, though, requires the moral character of all workers and some enabling conditions like the physical environment and a social environment. However, it is always the person, who, after all, brings happiness to the work environment, that is primary, and this is the focus of our model.

As mentioned at the beginning, there is some empirical evidence supporting the logical idea that the individual sense of humor has an impact on group performance. However no comprehensive theory has been proposed to explain this relationship. Actually, Romero and Pescosolido (2008) presented a model of relationship - the Group Humor Effectiveness Model (GHEM) - based on Hackman’s framework of group effectiveness. It is an interesting model but focuses on organizational humor. The purpose of this paper is to present a comprehensive model of interaction between humor and organizational outcomes based on the individual humor of the employees.

Our model comes from the necessity to contribute to the development of new approaches, based on the consciousness of the importance of a kind of “managerial moral strategy”

(Soule, 2002), of managing employees to provide companies with a durable competitive advantage. This new approach is due also to the recent financial and organizational scandals that almost collapsed the international economy. The model is based on a prayer that helps people to practice the virtues articulated through it. The living of virtues helps people to reach a sort of permanent state of happiness – eudaimonia – that allows them to mature both as an individual and as a member of a group, and to manifest this maturity through two mediating variables, passion in what they do, and trust among others.

Undoubtedly it may appear strange to present an organizational model based on a prayer. However, other scholars analyzing the relationship between the religious beliefs of corporate decision makers and their business conduct, found much inductive evidence of a relationship between the two elements, and suggested that “*the intensity of praying influences the way one translates religious belief into dominant end and personal values*” (Graafland et al., 2006). Fernando and Jackson (2006) found that “*religion plays a significant role in influencing the judgement, emotional and motivational qualities of Sri Lankan leaders’ decision making – in that a frame of reference based on a connection with a transcendent and ultimate reality is likely to be a source of solace, guidance, and inspiration to leaders’ critical decision-making*”. Kaplow and Shavell (2007) also assume that people have the capacity to control the morality of their actions and, consequently, their decision-making process may be influenced by moral factors. Fort (1996) is on the same line, noting that business leaders should not censor their religious motivation. Young (2004) notes that “*Self-interest emphasizes the internal rationality of capitalist calculations, while virtue brings into consideration needs and concerns external to the intersection of supply and demand curves*”. As a consequence, our hypothesis of investigation is that the group “internal harmony” – analyzed by Williams and Stenberg (1988) – which results in the maximization of productivity, is the result of the maturity of the worker who practices virtues and lives in a state of happiness through the mediating variables of passion and trust. So, the virtues act as a catalyst to the creation of group intelligence based on internal harmony.

Kohn and Schooler (1978) earlier found that people may influence jobs more than jobs may influence them. Schneider (1987) likewise hypothesized that “*environments are a function of persons behaving in them*”. The sociologists already noted that interest drives people but the social element – in our case religion - determines what expression and direction these actions will take. As a consequence of this, citing Weber, they argue that “*economic analysis should*

not only cover 'economic phenomena' but also 'economically relevant phenomena' and 'economically conditioned phenomena', including the type of religion in the second group." (Swedberg, 2003). So, taking into account these contributions, our hypothesis that virtues act as a catalyst to influence the way people work and behave, and are expressed through passion in what they do and trust in each other, appears to be realistic.

In the next step we find the two mediating variables that, supported by certain enabling conditions such as the company culture, the corporate values and the leadership style, generate the "happy company" that can have a profound impact on organizational outcomes.

The two mediating variables are well-analyzed in literature at different intensities. Hosmer (1995) defines trust as "*the expectation by one person, group, or firm of ethically justifiable behavior – that is, morally correct decisions and actions based upon ethical principles of analysis – on the part of another person, group, or firm in a joint endeavor or economic exchange*", and emphasizes that trust can be viewed as composed of five specific components: integrity, competence, consistency, loyalty, and openness. Schoorman, Mayer and Davis (2007) contend that "*all three factors of ability, benevolence, and integrity can contribute to trust in a group organization*", while Jones and George (1998) assert "*values contribute to the generalized experience of trust and can even create a propensity to trust that surpasses specific situations and relationships*". According to Pelligra (2007), "*when trust reigns in a community, progress flourishes in all its forms, including social, political, and economic*". In short, as perfectly noted by Klenke (2005), "*when people feel connected through a foundation of trust, they cooperate with one another and experience a sense of community*".

Hampes (1999), considering that a series of studies has shown that humor and intimacy are closely related and that intimacy is closely associated with trust, undertook an investigation to analyze the relationship between trust and humor. The positive relation that he found was explained in terms of such mediating variables as extroversion, stress reduction, and self-esteem.

Passion has been analyzed in different forms. The most common are to consider passion as *commitment* or *enthusiasm*. According to Lee and Miller (1999) "*employees who are committed and dedicated to their firms, are more apt to work in harmony towards the same strategic objectives and to make decisions with care and generosity of spirit*". Passion is more than enthusiasm and commitment. Jones (2001) noted "*passion develops from a long-*

term commitment. It happens when you are taking actions that make a difference to something that provides you with meanings". It is a source of intrinsic energy that allows the creation of a strong link between what one does and what one believes in. Schwartz (2007) emphasized that energy *"comes from four main wellsprings in human beings: the body, emotions, mind, and spirit"*. Boyatzis, McKee and Goleman (2002) noted that *"when asked, most businesspeople say that passion – to lead, to serve the customer, to support a cause or a product, is what drives them. When that passion fades, they begin to question the meaning of their work"*. Klapmeier (2007) asserted *"you have to have passion to do something industry changing...you also need it to get you through all the setbacks"*. Jones (2001) reported *"the people I interviewed talked about the benefits of work passion in two major themes: their own rewards, and rewards for the organization"*. Finally, Milne (2007) noted *"if people are passionate about what they do, they'll be happier and more productive. Just as importantly, they'll infect customers and co-workers with their positive attitude and stay longer with the company"*.

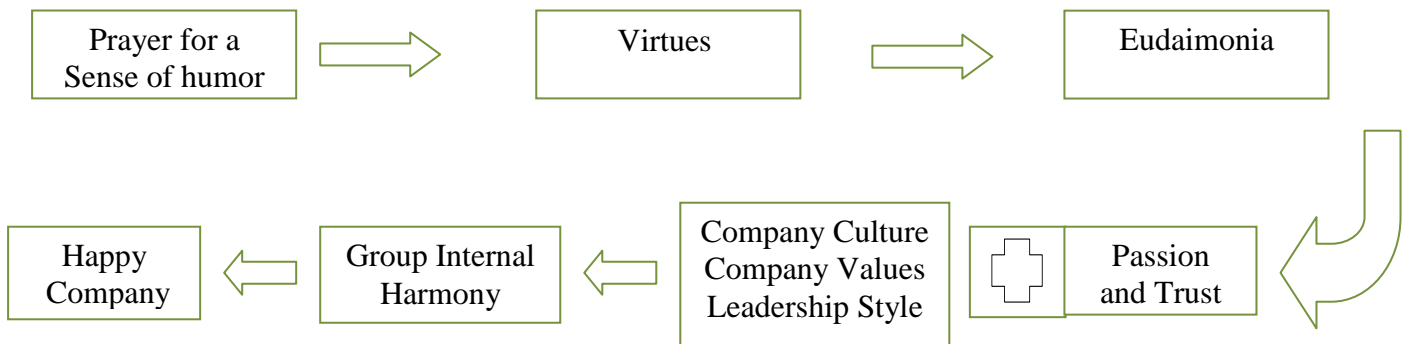
So, we can now introduce the following hypotheses:

- Hypothesis 1: Vision affects passion and trust because all members share the same objectives;
- Hypothesis 2: Comprehension generates passion and trust because it can determine a general willingness to reveal one's thoughts, doubts and problems to others, with the certainty that the others will help to mend our mistakes;
- Hypothesis 3: Prudence generates trust because one trusts people who always do the right thing at the right time;
- Hypothesis 4: Initiative, representing the internal force to act, generates passion;
- Hypothesis 5: Honesty, because of its contribution to reciprocal respect, generates passion and trust;
- Hypothesis 6: Peace, responsible for creating internal and external joy and harmony, and a predisposition to solving problems, generates passion and trust;
- Hypothesis 7: Justice, directly related to honesty, affects trust;
- Hypothesis 8: Humility generates trust because of the possibility of correcting bad habits;
- Hypothesis 9: Love, because of its contribution to the elimination of individualities, protagonism, and egoism, generates passion and trust;

Table I: Relationships between virtues and mediating variables		
	Passion	Trust
Vision	YES	YES
Comprehension	YES	YES
Prudence		YES
Initiative	YES	
Honesty	YES	YES
Peace	YES	YES
Justice		YES
Humility		YES
Love	YES	YES

Regarding the “enabling conditions” most behavioral scientists agree that social characteristics, along with personal characteristics, influence behavior. Chatman (1989), based on Lewin’s preposition that behavior is a function of the person and the environment, noted that “*higher levels of person-organization fit exists when there is congruence between the norms and values of organizations and the values of persons*”. Person-organization fit is defined as the congruence between the norms and values of organizations and the values of persons. Researches conducted by Meglino, Ravlin, and Adkins (1999) showed that workers are more satisfied, committed and exhibit higher levels of performance when their values are congruent with the values of their supervisors. The study conducted by Barsade, Ward, Turner, and Sonnenfeld (2000) demonstrated that “*trait positive affective diversity makes a difference in individual group members’ attitudes, group processes, and group performance*”. Along the same lines were the investigations conducted by Lee and Miller (1999). The authors investigated the implications for profitability of an organization’s commitment to its employees’ wellbeing, including both caring for employee wellbeing and satisfaction. The results showed that dedicated positioning strategies (cost leadership, marketing differentiation and innovative differentiation) “*appear to be executed more effectively where organizations exhibit a high level of commitment to their employees*”. Klein (1988) notes that “*the Stanford School argues that successful firms are fundamentally based upon a system of shared values; these values inspire employees to dedicate themselves to goals beyond profit*”.

To resume, it is worthy of note that Gavin and Mason (2004) emphasized that “*Many organizations have ignored this fundamental lesson. When a workplace is designed to create meaning for its workers, they tend to be healthier and happier. Healthy and happy employees tend to be more productive over the long run, generating better goods and more fulfilling services for their customers and the others with whom they interact and do business. These three things – health, happiness, and productivity – are the essential ingredients of a good society. Improvement in productivity alone, which is almost the sole emphasis of many organizations, is not enough*”.



Managerial Implications

To return to the experience provided by South West Airlines, Milliman et al. (1999) noted that the intent at SWA, is “*to have personable, outgoing employees who display their spirit in humor, energizing emotion, celebration, and sheer fun while they work*”. Regarding Human Resources Management, SWA is recognized as placing more importance in its selection process on employee attitudes and values, rather than technical abilities. The SWA philosophy in respect to their employees is well summarized in their “commitment to our employees”. They ask a lot but also they give back a lot: respect, care, a stable work environment, and growth. Another author, Conlin (1999), mentions a research project presented by McKinsey Australia showing evidence that when companies engage in programs that use spiritual techniques for their employees, productivity improves and turnover is greatly reduced.

In short, it is worth noting that we have spent almost 50 years in investigations aimed at changing organizations by changing structures, processes, selection and retention systems, thinking that they are the causes of attitudes and behaviors, but always forgetting the importance of the people and their personalities. With this model we would like to stress the importance of personality and tell managers that, yes, personality matters and, foremost, virtues – the basis of character – really matter a lot. For this, we invite companies and managers to reflect deeply on their people policies and, in particular, to answer these basic questions: “Am I allowing my employees to be happy at work? Am I creating the necessary conditions to establish a workplace where humanity matters? Am I taking care of my people? Am I contributing to something deeper than profit?”

The answers to these questions will pave the way to a healthy and happy organization.

Conclusions

In the previous pages we have tried to explain the importance of virtues and happiness at work. Virtues can be seen as a sort of stimulator and catalyst of happiness. This paper represents the first attempt to integrate virtues and happiness into the field of managerial theory. The contributions are the following: overcoming the general suspicion that virtues, happiness, and organizational outcomes can coexist; presentation of a model of relationship between virtues, happiness and productivity, based on individual senses of humor; presentation of a series of hypotheses that connect virtues with passion and trust; presentation of a model that can be used in the search of a group’s internal harmony. This being a first attempt, it may contain some limitations. In particular, it is important to underline the difficulties of moving among different fields of study (ethics, philosophy, psychology, religion, etc.), the difficulty of defining with exactitude the variables of the model, the inexistence of empirical data to validate the model, the inexistence of a clear and unique terminology, sometimes also difficulty of comprehension and, finally, the limitations of the specific hypothesis of investigation.

For the future, the relationships between virtues, happiness, internal harmony and organizational outcomes should be analyzed in depth, aided by experts in the field of sociology, psychology, and philosophy. It also would be interesting to validate the hypothesis of investigation and to measure the intensity among the variables of the model.

Customer: I have problems with my computer...

Tech support: What kind of computer do you have?

Customer: a white one...

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