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# The Happiness Equation



By **Manfred F. R. Kets de Vries** , INSEAD Distinguished Professor of Leadership Development & Organisational Change

**When your unhappiness affects your productivity and that of those around you, it's time to reassess how you are living your life.**

Carl was unhappy and had been for a long time. He was unhappy with his work, his life, the world, and, most of all, with himself. He always focused on what was wrong, and was bitterly envious of others, begrudging them for having, what he believed to be, a much better deal in life. What made things even worse was the fact that he never expressed any gratitude to people who were kind to him. This pessimistic outlook had closed the door to most connections outside his close inner-circle. Even his wife was getting fed up with him. Whatever efforts she made never seemed to be good enough.

In his role as VP of Sales, Carl was also well known for his negativity. Wherever he was, his unremitting criticism would dampen the atmosphere, affecting the productivity of those who interacted with him.

The situation wasn't helped by the fact that he didn't really like his job. When asked why he didn't look for a position more aligned with his values, his predictable response was that it "would not make any difference". Taking risks had always been difficult for Carl. Highly concerned about money, he

was afraid that any change would have negative financial consequences.

## **What's happiness?**

When people are asked what they most want out of life, in most instances, happiness will be at the top of their list. It is one of the most important, if not the pre-eminent goal to which many aspire.

The potpourri of reactions attributed to happiness include the good life, freedom from suffering, flourishing in whatever we are doing, feeling well in our skins, joy, prosperity, and pleasure. According to an old Chinese saying, "Happiness is something to do, someone to love, and something to hope for." It's fair to say that the key ingredients for being happy seem to be feelings of competence, belonging, and meaning.

Aristotle made a seminal contribution to the happiness conundrum when he suggested that happiness should be seen as a combination of immediate pleasures (*hedonia*) and a life well lived (*eudaimonia*).

Perhaps, another way of translating Aristotle's observations is by separating three elements of happiness: frequent positive feelings, infrequent negative feelings, and high life satisfaction.

## **The role of personality**

Another factor that we need to add to the happiness equation is our personality. Extravert people tend to be happier while increased neuroticism, or emotional instability, corresponds with a decreased amount of happiness. There is also a significant relationship between agreeableness and happiness, meaning the more agreeable a person is, the happier he or she will be. In addition, more conscientious people and people more open to experience tend to be happier.

But most of all, happiness is about other people. Although the ability to create strong social networks doesn't guarantee happiness, it is a key ingredient in the happiness equation. Happy people have better relationships.

## **The hedonic treadmill**

Evolutionary psychologists refer to the concept of happiness as the hedonic treadmill, critical for the continuation of the human species. They suggest

that any increase or decrease in happiness (after a significant life event) eventually returns to a “happiness set point”, or baseline. For the purpose of survival, it’s essential for Homo sapiens to have a happiness baseline that is positive.

Given the evolutionary nature of this hedonic treadmill, we can assume that *genetics* has a major influence on happiness. Some researchers suggest that the inheritability of well-being has an estimated set point of 50 percent. There are two other variables in this equation. The first is *life’s circumstances* - the events that influence an individual’s outlook on life. The second consists of our *intentional activities*, or what we choose to do, which constitutes (according to positive psychologists) about 40 percent of the equation. What these figures suggest is that we have some control over whether we are happy or not - we can make choices with respect to the happiness equation.

## **Money and happiness**

But what makes people happy or unhappy is not merely a matter of the individual. It is also related to the kind of society we live in.

According to the World Health Organization - one out of twenty people, or 350 million people worldwide, suffer from depression. These “unhappy” statistics have even encouraged the publication of a “World Happiness Report,” taking into consideration dimensions such as real GDP per capita, life expectancy, social support, perceived freedom to make life choices, freedom from corruption, and generosity. Not surprisingly, the largest degree in unhappiness occurs in countries that are ravaged by conflict. Clearly, a lack of human rights, wars, internal strife, corruption and other forms of social discord will negatively affect the happiness equation.

It also notes only a modest correlation between income and happiness. Money, in the context of the happiness equation, should be viewed as a relative concept. We feel prosperous only if we do better than the people with whom we compare our wealth.

To take this comparative tendency one step further, societal happiness appears to be lowest in countries with the greatest gap between rich and poor, and highest in countries with smaller differences.

All in all, a high level of materialism seems to lower our degree of happiness. Perhaps, in seeking money, materialistically-driven people sacrifice other important things in life, such as relationships, spirituality, or following their true interests.

## **The pursuit of happiness**

This brings us to the question of whether happiness, as a relative concept, can be pursued and truly attained? What can we do to increase our chances of being happy? And is there hope for a person like Carl?

Going back to the role of intentional activity, we may be able to do many things. Carl, for example, could make a greater effort to manage his negative thoughts and emotions such as anger, envy and spite. Instead, he should try to foster positive thoughts and attitudes such as empathy, forgiveness, serenity, and especially gratitude. He could start by putting an end to his negative ruminations and to proactively address the question of leading a more purposeful life.

To this end he should take action to look for work that truly fits his values and interests. He could also consider intentionally creating more happy moments, such as spending quality time with his wife, family and friends, taking time out to have an honest chat with his colleagues or people who work for him and pursuing an activity outside of home and work-life that interests him. These singular moments, while insignificant on their own, add up to a fulfilled life. Although action may not always bring happiness, there can be no happiness without action.

In addition, what may help in changing Carl's outlook to life is to start practicing **gratitude**. A simple "thanks" to others may do wonders for his mental health as happiness is often a by-product of an effort to make someone else happy. Also, instead of dwelling on past hurts, Carl would do well to practice the art of letting go. Instead of counting his troubles, he should count his joys. Instead of being preoccupied by envy and spite, he should try to enjoy his own life without comparing it to that of others.

## **A happiness regime**

Oscar Wilde once said, "Some cause happiness wherever they go; others whenever they go." We cannot always have happiness, but we do have the power to create happiness. In many ways, happiness is very much a regime.

The happiest people don't have the best of everything; they make the best of everything.

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