GNH and Business:
“Leadership for a Good Life”
Dr. Julia Kim
A journey in search of Happiness...
Korea, Canada, South Africa, London, New York, Bhutan...
Overview

1. **What is “happiness” and how has it been defined?**
   - What do we mean by “Happiness” in GNH?
   - Importance of both “inner” and “outer” dimensions of happiness

2. **What do we *know* about Happiness?**
   - How has our understanding of Happiness advanced?
   - Neuroscience, behavioral psychology, economics

3. **Why** are Happiness & GNH important for *Business*?
   - Global leaders meet in Dubai
   - Examples: Eileen Fisher Inc. (USA) and B. Grimm Group (Thailand) – using 9 domains, developing indicators & action
What do we mean by “happiness” in GNH?

“Gross National Happiness is more important than Gross National Product”

– HM Jigme Singye Wangchuck (4th King Bhutan, 1979)
Happiness vs. “Hedonia”

• Hedonia – feeling pleasure, enjoyment or comfort (and absence of distress or negative feelings)

• Used in psychological research - surveys of “subjective wellbeing”

• Problem: it’s fleeting and changes all the time (with our moods, circumstances)

• By itself, not a strong basis for making government policy
Happiness...and a “good life”

“A good life begins with understanding the meaning of happiness and making it a serious goal in life”

(HRH Princess Kezang Choden Wangchuck)

“Happiness is the ultimate desire of every individual - and by extension, the responsibility & purpose of the state is to create the necessary conditions that enable citizens to lead the good life”
Western Philosophers & Political leaders

Aristotle: *Eudaemonia* - to live a **good life** a **meaningful** life
(384 B.C.)

Thomas Jefferson: “The right to life, liberty and the **pursuit of happiness**” - American Constitution
(1776)
“The 3 Disconnects of our Time”
- Dr. C. Otto Scharmer (MIT Sloan School of Management)

1. Disconnect from self
2. Disconnect from others
3. Disconnect from Nature
1. Disconnect from self:

- **Depression** now ranks as #1 contributor to burden of disease in high & mid-income countries

- High levels of stress, burnout & depression reported in workforce at all levels of management

- Role of consumerism - self-centeredness, insecurity, social comparison
2. Disconnect from others

• Irony of the Digital Age:
  • we are more “connected” and more *lonely* than ever before

• Research shows that *community* one of most important factors for wellbeing

• Yet, in many countries, seeing widening social inequalities, breakdown of social connection & trust ...
3. Disconnect from Nature: *a time of crisis*...

2016 **hottest year in recorded history** - Record-breaking temp for 3rd year in a row (NASA)

- Scientists say **human activity** to blame: 90% of the warming in 2016 due to **rising greenhouse gas emission**

- **Impacts** of climate change on people coming **sooner** and **more intensely** than expected
The Causes of suffering: 3 Poisons of the mind

“We are what we think, all that we are arises from our mind, with our thoughts we create the world”

Greed/desire

Anger/aggression
GNH: What is meant by “happiness”? Not just a momentary “feel-good” feeling...

“True abiding happiness cannot exist while others suffer, and comes only from serving others, living in harmony with nature, realizing our innate wisdom and the true and brilliant nature of our own mind”

H.E. Jigmi Y. Thinley
(Former P.M. of Bhutan)
GNH and Happiness...

• **Reconnecting to**
  • Self
  • Others
  • Nature

• **Balancing** both the inner & outer conditions for Happiness
GNH: 9 Domains – creating the enabling conditions where people can be happy
GNH and “Sufficiency”

For each domain, set a sufficiency threshold: “how much is enough to be happy?”

Overall: Establish a ‘Happiness threshold’ Sufficiency in at least 6 out of 9 domains

Allows for variation among individuals in what makes you happy
Allows for concept of “sufficiency”, contentment
Thailand’s Sufficiency Economy Philosophy
- Great legacy of the late King Bhumibol Adulyadej of Thailand

- An approach to development based on moderation, prudence, & resilience
- Sees knowledge and ethics as important pathways
- A guide towards genuine happiness & contentment in leading one’s life
- Both GNH & SEP recognized for unique contributions to sustainable development
- Inner & outer conditions important...
2. What do we know about Happiness?
Material wealth alone does not make us happy: The “hedonic treadmill”

Behavioral psychology research
• As material gains and status increase, so do expectations (hedonic adaptation)
• Need to run faster just to stay at the same level
• Stress, burnout, competition, consumerism, time

Time Use: How do we spend our time?
• Global surveys; Time use one of strongest predictors of well-being
• Work-life Balance: lack of leisure time, increasing job demands, parental guilt about time spent with children
Wealthier countries not necessarily happier

- U.S. one of richest economies but ranks only 17th in reported life satisfaction
- Behind Costa Rica, Dominican Republic
- GNP per capita tripled since 1960, but life satisfaction unchanged

What matters more? Community trust, good governance, meaningful & secure work, work/life balance...
Some good news: *The Neuroscience of Happiness*
(Richard J. Davidson & Brianna Schuyler)

- **Neuroplasticity:** *Rewiring* - ‘neurons that fire together, wire together’
- **Meditation training programs** can induce measurable changes in brain
  - Sustaining **positive** emotions, rebounding from **negative** emotions
  - **Mindfulness** (being in the present moment
  - **Prosocial behaviors** such as empathy, compassion and gratitude > greater wellbeing for practitioner

- **Happiness and well-being:** *skills that can be enhanced* through training

  “Exercising our minds should be approached much in the same way we exercise our bodies.”
3. Why are Happiness & GNH important for Business?
Happiness is now serious business

- **Growing Research on Happiness:**
  - psychology, economics, neuroscience – being applied to business

- **Growing attention to importance of employee wellbeing**
  - Sick days, burnout, productivity
  - Talent retention, creativity, meaning & purpose

- **The power of Doing Good:**
  - Triple Bottom Line: Financial, Social, Environmental Targets (3 P’s – people, profit, planet)
  - Unilever: those brands that adopted its Sustainable Living Plan have grown 30% faster than the rest of the business
  - Business: A critical partner in reaching the Sustainable Development Goals (SDGs)
The UN Sustainable Development Goals (SDGs)

HAPPINESS

Three Ways to Happiness Bridging 3 Divides - Tri Hita Karana

UN SD5NI SEA hub © UID Creative Campus Kuru Kuru Goldi
“Sustainability” is a euphemism for “survival”: Hurricane Irma

- Category 5 - most powerful Atlantic hurricane on record
  - Over 800 miles wide (size of Texas)
  - Wind gusts >200 mph

- “Irma is anomalous. This is a record-breaker. Unprecedented. Catastrophic.”

- 6.8 Million told to evacuate Florida – one of largest evacuations in US history
- More than 2.7 million homes and businesses across Florida lost power

- Climate change leadership crisis:
  - Business – powerful force for change
  - Critical need for Business leaders to step up & fully commit
Klaus Schwab  (Founder & Executive Chairman, WEF)
World Government Summit, Dubai 2017

• Full day Happiness Summit:
  • The current economic system is failing: “We need new human-centered thinking - considering happiness, wellbeing, purpose and meaning“

• Advice for government leaders?
  • In these times, leaders will need to make courageous decisions that sometimes appear to compromise short-term national interests - but are in the interests of our long-term survival as a global community

• A shift in consciousness & sense of GLOBAL responsibility
Meditation: developing our “inner technology”

- **Meditation** – secular acceptance”
- A more mindful & compassionate **economy** depends on more mindful & compassionate **leaders**

- Can this “Inner technology” help us meet challenges of “second machine age”?
  - 2015 study predicts 30% of US jobs to be automated in 10 years
  - Robotic nurses to help care for patients & elderly
  - Will need compassionate human beings - “competitive advantage”
How GNH is applied in Bhutan...Applying to business?

1. **VISION**: “Development with values”  
   (HM 5th King Bhutan)

2. **MEASURES**: GNH Index - 4 pillars, 9 domains, 33 indicators  
   (Centre for Bhutan Studies & GNH Research)

3. **POLICY**: A screening tool to guide policies (GNH Commission)

4. **ACTION**: Change of mindset & applying GNH in daily life – business, education, youth  
   (GNH Centre Bhutan)
PM of Bhutan: H.E. Tshering Tobgay

The important role of Business

- **GNH** can *enhance* economic growth by making it *sustainable*

- Mindless pursuit of materialistic growth will not lead to *contentment* in society

- Why can’t *businesses* and companies *measure* the happiness and wellbeing of their *employees and customers* - use the measures to *improve* their happiness
GNH and Business: Eileen Fisher, Inc.

- A privately held US company with > $154 million in revenue
  - > 800 employees and 56 retail stores in 15 states in the US, Canada and UK

- EF joined “Global Wellbeing & GNH Lab” (2013)
  - Collaboration GNH Centre Bhutan, Presencing Institute, Global Leadership Academy (GIZ/BMZ)
  - Sent 2 more colleagues to Bhutan (2015)
  - Adapting GNH measures from 9 domains for the company
  - “My latest passion was inspired by the Gross National Happiness Lab ... Instead of framing prosperity in terms of the GDP, the GNH Lab looks at such things as health, education, ecological resilience and psychological well-being.”
Eileen: “What does happiness mean to success?”

“We're successful financially .... but we're pretty stressed out, we're not sure all our workers are happy. Should we be measuring something beyond financial results?”

“We want to be a great company more than we want to be a big company.”
Eileen Fisher: Examples of adapting the GNH Domains

1. Company Community
   - experience of company culture & values
   - sense of belonging, autonomy
   - collaboration and resolving conflict
   - Governance (decision-making, leadership)

2. Time Use
   - proportion for work
     - quality
     - meetings/unstructured time
   - proportion for leisure activities, relationships
   - time for reflection, thinking
Eileen Fisher: Both inner and outer transformation

• Investing in inner development of staff

• Activities that help people see who they are, and who they want to be.

• “The change starts with individuals”
In 2015: Launched VISION2020

- **VISION2020**, a bold plan for the next five years toward goal of 100% sustainability

- Depends on 8 areas:
  - Materials
  - Chemistry
  - Water
  - Carbon
  - fair wages & benefits
  - worker voice
  - Conscious business practices
  - worker & community happiness
In 2016: EILEEN FISHER certified as a “B Corp” (Benefit Corporation) company

For-profit corporate entity that voluntarily meets high criteria for

- **social and environmental performance**
- **Accountability & transparency**
- in addition to **profit** as its legally defined goals

- Eileen committed to engaging with suppliers, brands and other stakeholders in fashion industry
- industry-wide transformation. Turning business as usual into **business as a movement**
The GNH Centre Thailand: Collaboration between
GNH Centre Bhutan and B.Grimm Group

Successful family-owned conglomerate:

- Energy
- building and industrial systems
- Lifestyle
- healthcare,
- transport,
- emerging digital technology.
B.Grimm Corporate Philosophy

Doing Business with Compassion for the Development of Civilisation in Harmony with Nature

- Good Governance
- Environmental Conservation
- Professionalism
- Partnership

Moderation
- Knowledge
- Morality

Positivity
- Metta: Loving Kindness
- Mudita: Empathetic Joy

Pioneering Spirit
- Karuna: Helping Others in Need
- Uppekha: Mindful Equanimity

Preservation and Promotion of Culture
- Fair and sustainable socio-economic development
Measuring & creating outer conditions for Happiness:
9 Domains assessment

- Living Standards
- Ecological Diversity and Resilience
- Community Vitality
- Good Governance
- Cultural Diversity and Resilience
- Education
- Time Use
- Psychological Wellbeing
- Health
## Developing GNH Action Plans

### Action Planning Template

<table>
<thead>
<tr>
<th>Stakeholder Group (e.g. Employees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objectives</td>
</tr>
<tr>
<td>Living standards</td>
</tr>
</tbody>
</table>

### What we already do ...

### What else we can do ...

- [ ]

- [ ]

- [ ]

- [ ]

- [ ]

- [ ]
Plan to expand to broader stakeholder groups
Emerging Lessons

• GNH and Business – an emerging area of GNH in Action
  • Redefining the “good life” & redefining “success” in business – the importance of indicators
  • Vision and buy-in from Senior Executives key success factor
  • Requires both inner transformation/outer systems change
  • Importance of documentation, case studies

• Shifting the markers; shifting the playing field?
  • The importance of creating partnerships
  • Branding & consumer awareness
  • Leadership
GNH Leadership Summit

Questions to contemplate on your journey...

• See Bhutan through the eyes of a 4-year old child
  • What does her future look like?
  • “Beginner’s mind” – be aware of voice of judgement, cynicism, fear - can we stay open?

• What is the shift in leadership that you are being called towards?