



SOCIETY OF ACTUARIES

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Humor in the Workplace

By Leslie Macomber

With half of our waking hours spent on the job, it doesn't take a rocket scientist to understand that the quality of time spent on the job is a critical factor in retaining high-functioning employees. How many high performers have you known that left a job because they were dissatisfied with some qualitative aspect of their work environment, even though they were adequately compensated? As a recruiter, my experience is that quality-of-life considerations are the most prevalent reasons cited for changing jobs. Although there may be as many ways of defining quality as there are actuaries, this article chooses to look at one dimension, that of humor.

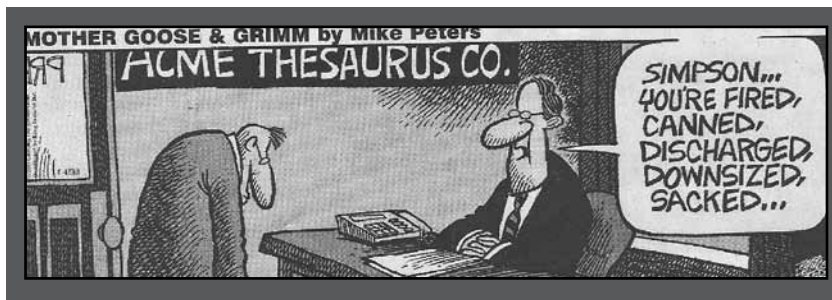
Humor is a phenomenon that has caught the attention of academics and business leaders because of its ability, among other things, to create feelings of group cohesion and reduce individual stress, qualities of the workplace that increase employee retention. Humor is increasingly cited as an element of corporate culture that improves the subjective experience of time spent on the job (see "Light Humor in the Workplace is a Good Thing, Review Shows," *Science Daily*, Nov. 1, 2007). Although humor in itself doesn't have the effect of making you work faster or longer, it has physiological and cognitive consequences that increase good feelings, reduce negative feelings, increase feelings of belonging and reduce stress. Humor, it turns out, is a powerful agent in creating a high-quality environment where, all things being equal, high-functioning professionals would choose to work hands-down over an environment lacking this attribute.

Don't take my word for the benefits of humor, however. Think of your own experience:

- When you laugh, don't your troubles feel like they are a hundred miles away?
- Don't negative feelings like frustration or anxiety fade when sharing a chuckle with a cube mate?

There are good reasons why the answer to these questions is yes. There are powerful physiological forces at work in the human body involving the lymphatic, cardiovascular, respiratory and muscular systems that transform our cognitive perspective from negative to positive. Humor takes the dismal and bleak and makes it funny, distancing the negative and transforming your perspective, thereby reducing stress and increasing your ability to cope (see "Humor in the Workplace," *Business Week*, Nov. 5, 2007).

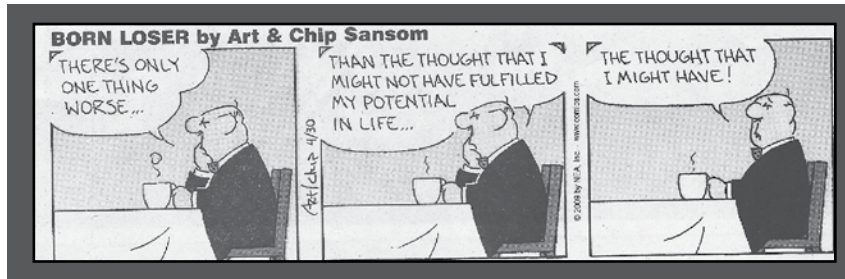
Companies looking to leverage the benefits of humor and integrate it as a cultural asset will need to analyze the type of humor they seek to encourage. Consider the following cartoon:



To Simpson, this cartoon represents the worst day of his life. To everyone else, this cartoon makes his situation comical. This cartoon clearly makes fun at the expense of others and can be considered an example of sarcasm. Consider this next cartoon:

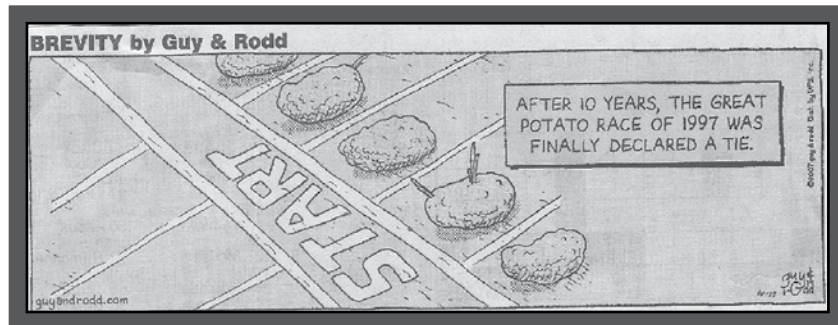


Leslie Macomber is president of Health Actuary Search, Inc. She can be reached at 866.529.2159 or leslie@healthactuary-search.com.



This second cartoon represents a self-deprecating brand of humor. It is self-reflective and humble.

Realistically speaking, however, how many corporate executives will engage in self-deprecating humor on the job? Can ascending the corporate ladder be facilitated by pointing out your shortcomings? I think many would find this avenue too risky. Consider this last cartoon:



This cartoon makes fun of inanimate objects; hence no one's feelings are on the line. This humor can be categorized as absurd, in that it is unrealistic to an extreme. However, it is funny and makes a point.

Humor is not without its risks. An analysis of the above three cartoons points out that, when people are involved, the risk of humor can be high. Whatever its challenges, companies that ignore the benefits of humor do so at their own peril. Witness Southwest Airlines (NYSE: LUV), a relative newcomer to a highly competitive industry, that consciously developed humor as a corporate cultural asset (see "Lighten Up," Portfolio.com, Oct. 1, 2008). Millions of Americans have enjoyed the jokes and

merry-making of Southwest employees while they recite the government-mandated, scripted instructions for what to do in the case of an onboard emergency, a rather serious subject. Southwest's winning combination of low

fares, reduced amenities and funny flight attendants effectively branded itself in the minds of the flying public and helped it achieve commercial success.

In conclusion, high-functioning professionals are more apt to see the ironies, contradictions and problems inherent in the complex reality we call the corporation. Humor allows individuals to transcend everyday challenges through its unique ability to

create insights, distance the objectionable, and substitute new perspectives, giving employees a tool for coping with stress. By providing outlets to vent frustrations in an acceptable manner, humor may provide the means to retain valuable employees, eliminating the costs inherent in finding and training new, qualified candidates.

For businesses operating in the idea economy, retaining high-functioning employees adds up to lots of money saved. Simply put, humor makes you laugh, and laughing may just increase your bottom line. ●