**Can Happiness Change The Topsy-Turvy Compensation Principles In The Business World?**

Businesses appear in general to be run on a “Me-First” or Pay Yourself First Principle. By this ground rule, the Owners and next, if there is one, Executive Management are the first to take what they want from the income of the business: the next level gets what they want, as long as it does not jeopardize what those at the top can take and so on down the line to the minimum wage earners. In this way businesses try to become competitive by holding the pay scales stable. This is how I think the compensation process developed historically.

Early in the life of companies each one tried to figure out the maximum amount of money the highest level or executives can take with enough left over to entice the lower earners to accept that wage and keep the company viable. Clever thinking at the highest levels or hired professionals figured out how to standardize this principle so the money will be enough to satisfy enough people to continue to take the bait; and they shared this information among their high level colleagues in other businesses. As the years rolled by, these practices became the way to practice business. A bonus is the left over money after the now standardized compensation model has been applied. This too was applied using the same principle of paying the leaders first except that the name varied between incentives, bonus and raise, depending on actual or projected left over money.

Sometimes it is a challenge to keep the upper levels to what they are accustomed when government regulations or union agreements interfere with the established principle. When the money is not enough to apply the standard principle they charge more for the same products or by reducing services but not price; or they fire people strategically or with bias.

Of course the CEO and top recipients of the higher salaries and benefits use rationalization to help them accept what at some points becomes unconscionable. They comfort themselves and others who are critical basically with the assertion: “That’s the system…” They fail or refuse to see they can stop contributing to “the system“ as it stands. As an analogy, one could say prostitution also represents the use of the same system; but these CEO and upper echelon earners would not allow or accept their daughters’ participation in the system in that way or to that extent. They would not want their children (or for that matter, themselves) to participate because there is something totally unacceptable about contributing to perpetuating that aspect of the so-called system. Prostitution and all other forms of exploitation should not be allowed. In other words “the system” is not infallible and needs to be fixed. And this also means the topmost salaries need to come down and the minimum wages need to go up. It will not be surprising if opposition or condemnation of this proposal comes from both the higher and lower wage earners, because everyone wants more and look forward to reaching the place of those who have more. As such the prospect of a lowering compensation ceiling is not appealing. In stark contrast to greedy entrepreneurs and their CEOs are philanthropic organizations, set up with the benevolent intention of kind and unselfish benefactors, to give away from their resources.

Is Increasing Minimum Wage a Drain on a Business?

Some have said that paying low wage earners more money ruins the business’ profitability. This sounds like a code for: Higher minimum wage threatens to reduce what the highest earners can take for themselves. Inverting the Me-First Principle by paying more to the lowest earners first would unacceptably upset this compensation principle of business. Increasing the wages of the lower level earners means all those above will have to be increased, which in turn means there would be less financial resources by the time the pay hikes reach the top. This reverse process does endanger the expectations of the highest levels, where the largest part of the profit is usually paid out.

Because there are many more people below than above, by the time the up-line increases reach the top the share left could be inconceivably less than the proportion of money that is customary to maintain a distinction between the highest earners and the rest of the employees. In the business world, this cannot be tolerated! As a result the reaction becomes emotional! If you increase only a lower level, the top guns reason, then those immediately above will resent that, which could greatly disrupt business and profits. Therefore all in all, they would argue, raising the minimum wage is bad for business. The point is that if the owner or the CEO is interested mainly in taking more and more while limiting the earnings of those at the bottom, to raise the minimum wage is merely reducing the gap between the highest and lowest. That does not ruin the business.

Admittedly a Small Business earns much less and needs to take into account fair employee compensation versus the business’s viability. Many factors contribute to a business going bankrupt however, among which owner or operator’s competence, size of customer base, adequacy of start-up and rainy-day capital, speed of expansion and type of business play a significant role. In fact a business can fail based on negative effects of these factors alone. Therefore paying employees fair wages cannot be the reason for the death of such a company or business.

Who decides on the employee’s worth?

On which principle or philosophy is the hierarchical compensation system based? So if the desired goals and outcomes for a business organization determine its compensation policy and the prime goal of that entity’s existence is making a profit shouldn’t the members who directly contribute the most get paid the most? Consider this. Let’s say a CEO says to the HR manager: “Your reports indicate the IT division can do with a minimum of 5 more people who should start no later than October 1, at levels 12A and 13B pay levels. Go ahead; make it happen”. So the people are hired and as a result the month-end report shows the company’s profits increased by a whopping 30%. Who should get that month’s bonus? If the CEO gets a share is it because he read the HR manager’s reports? And if he gets a higher bonus than the manager is it because he is the CEO and the manager is not? Is any of this fair? Who made the policy that guided the CEO’s payment allocation action, anyway? Yes, the CEO.

Whose happiness is important in the workplace: The employees’ or the employer’s?

We all want a successful life because it makes us happy and so we are always on the lookout for ways to achieve this. Therefore it is considered totally reasonable to aggressively seek more power, influence, higher earnings or other personally advantageous benefits. We encounter a bad example of this common trend for example, in the political arena where, tragically, the way to show competence and/or attract favorable attention is to be combative and adversarial rather than to cooperate for the common good. In news media organizations it seems justified not just to report news; but to slant, spin and otherwise manipulate information to sensationalize, ultimately to increase audience or maintain their loyalty. Indeed in the world of business, especially in large corporations, the only goal is to make more money by any means.

Nonetheless the motivation for everyone engaged in a variety of economic enterprises seems to be the pursuit of happiness whether inside or outside an organization. In today’s world the common understanding is to acquire financial prosperity as of first priority in achieving happiness. So clearly, compensation is an issue that is seen as contributing if not encompassing the happiness or peace of mind that people seek. As a result, in our topsy-turvy world we have come to define eligibility for happiness as based on greater scarcity rather than on the happiness everyone seeks determining how the principle guiding compensation may apply.

CEOs can negotiate a compensation package that promotes their inner peace. Not so for the lowest wage earners! The less scarce a type of worker the less important that person’s happiness is considered to be, as reflected in the compensation an organization pays. The principle guiding this transaction however is clearly stacked against the minimum wage earner despite that we all agree everyone deserves to be happy. So is there a principle or philosophy of life a society can implement, which will be fair to all and guarantee the happiness of everyone? Yes, the practice of acquiring Inner Peace itself exemplifies such a life model.

What is inner peace (IP)?

IP results whenever we adjust or transform our mental and emotional reactions to achieve a state of pleasant mental non-disturbance. The awareness of this state is essentially what happiness is. In other words being happy is the frequent experience of positive emotions, such as excitement, feeling confident, joy, pride, interest and the experience of pleasure, with a virtual absence of lingering bothersome feelings such as, anger, sadness, anxiety or disgust, referred to as negative emotions. It is the same as peace of mind (PoM). Awareness of this state of happiness, IP/PoM may be momentary, brief, intermittent or long lasting and may range in intensity from shallow to profound.

Why do we need Happiness? What are the benefits of IP/PoM?

Biologically, happiness comes with a suite of emotional responses that help us respond to circumstances in us and in the world. We naturally, instinctively enjoy being happy and so we seek to preserve this need for non-disturbance in the ways we are taught or it is modeled to us from an early age. Because almost everything we think or do is due to or related to our emotions, our happiness therefore depends on our emotional wellness. If medical health education, dental, sex and even death education are important for wellness then inner peace education is critical for emotional wellness.

Being happy along the lines of IP/PoM is universally understood and uniting. Although a person or a group can have joy about the “wrong” thing, when they come in contact with other people (unless medically damaged) they will experience the lack of agreement, which will set off feelings of disharmony in the person or people themselves. They will then apply the principle of happiness to regain a preferred pleasant state of relative mental tranquility. We also need IP/PoM to help refocus our personal, interpersonal and social goals and actions. As we are now, it is the view or perception of the majority that guides whether actions are rational or acceptable. As such it is easy for insanity or other disruptive force to creep into decision-making on any level. When perception of situations (of one or more individuals) becomes the guide for thinking and acting as is natural to do, instituting certain decisions may seem right but may in fact contribute to many ills in society. Both individual and majority viewpoint can be wrong!

Is there a risk insanity can rule the world?

Let’s examine, as an example, the matter of insanity to see how it can infiltrate even a whole community when the principle guiding behavior is how people see things. A common factor in all insanity appears to be a conflict between reality and perception.  Because perception is accepted as reality we all believe (individually) we are reacting to the real world as we engage in our everyday thoughts and actions, whether we really are or not. The more people who see something the same way the more convinced we are that this is proof of its objectivity or that it is not problematic. The error in using only the majority at large to confirm this understanding is that engaging in a certain activity or way of thinking will not be called insanity if most people do so in line with their perception. So for example a whole isolated community that consists of 98% alcoholics may accept this as normal, whereas the rest who, for example are visitors and non-drinkers, operating by an opposite perception, may be seen as weird.

Thus the idea that the majority is always right is faulty, as in this case the perception of the majority does not necessarily represent objective reality. But the proof that such subjectivity is erroneous can be established only if this entity called insanity can be verified by means other than the views of people. Now even if neuroimaging can detect abnormal brain patterns that indicate insanity, the hypothetical community described above has to know about and believe in it to accept the verdict discrediting their attitude to drunkenness. Therefore similarly, in many situations potentially unreliable subjective perception becomes the guide for defining insanity, although at least sometimes, convention, ignorance or denial is its basis. This means the wrong or misguided opinion of the majority about insanity can be mistaken for reality or the truth. Then, yes, insanity can rule the world! And it is completely understandable if you’re thinking of the recent Helsinki Summit in 2019 between Trump and Putin.

On the other hand, the global experience of the power of happiness can be accepted as a better barometer of balanced thinking because IP/PoM is universally well known and self-correcting when it goes wrong. Reliance on happiness not only can correct economic errors as in the case of the problems inherent in the current worldwide compensation principles but also promises immense benefits when viewed as a necessary foundation for the success of all policies, projects, creations, practices and relationships. Happy people produce more and maintain better relationships than when they are unhappy.

To acquire IP/PoM, basically we all need to learn what to do about healing our fear, anger, sadness, shame, guilt, discontent, ego and the many feelings that block or take away mental peace. We will then know how to go with the flow, be ourselves without any falseness, give forgiveness, show compassion, and be more trusting of one another. With these **teachable skills and qualities**in everyone, oppression, corruption, abuse of all kinds, and many other disagreeable behaviors and activities that rob people of joy in life will end. PoM/IP then will become a solution to the unfairness inherent in the topsy-turvy application of compensation in the business world. Universal IP/PoM will introduce a way of bringing universally acceptable alignment to our broken economic system! The items themselves that constitute IP/PoM are the checks and balances of this principle of life wherever it is applied.

Taking Steps to Change Our Topsy-Turvy World

Ponder these ideas and start working to achieve your own IP/PoM. Your first step is to share these views; then the next step is to search for ways to learn how to develop your own IP/PoM. There are lots of free instructional sites on the Internet. A teaching tool such as “*Mass Mental-Health Education*” may be a start (<http://www.findinnerpeace.co/> ), as well as other articles on emotional wellness on this site. A large number of books teach about IP/PoM (for example the free download of “TO YOUR HAPPINESS: A Self-Healing Guide to Peace of Mind“, obtainable on the Publications tab on the above website). Courses are available (such as <https://www.coursera.org/learn/the-science-of-well-being> ) taught by Yale University. Once you start to enjoy the liberating effects of even partial happiness coming under your control, there will be no turning back. If you are gifted or influential in any way (financially, educationally, personality-wise), taking on the dissemination of happiness as your own project will move its beneficial effects much faster around this topsy-turvy world.