

Case Studies

This section provides a summary of findings from the two case studies conducted for assessing applicability of GNH assessment tool in different businesses across different geographical areas. The case studies in this report pertain to a high-end hoteling business based in Bhutan and an IT consulting & IT service business based in India.

The hoteling business firm that was selected for case study has 85 employees out of which 52 employees were successfully interviewed. The remaining employees could not be interviewed as they were on leave during the field study visit. The field study visit coincided with the tourist off-season when some employees are usually allowed to take longer leave.

The IT business firm selected for case study has 64 employees out of which only 29 employees could be successfully interviewed. The remaining employees could not be interviewed as they were in different places, away from the main office, on official assignment.

To protect the identity and ensure confidentiality of information of these two business entities, the hoteling

business and IT business will be referred to as **Company-A** and **Company-B**, respectively in this report.

Data collection

The data collection for the case study was done as per the step detailed in the previous section.

A team of researchers from the Centre for Bhutan Studies & GNH conducted the case studies. With due permission from and with the help of management team, the researchers administered structured questionnaire to the employees to assess worker happiness component of the assessment. For the organisational conditions for happiness, the researchers conducted in-depth interviews with the relevant management team using semi-structure questionnaire. For supplementing the information, the research team also collected various official documents and reports, including financial statements. In addition, numerous telephonic and electronic communications were carried out to discuss, clarify, and confirm reports or information that were either not obviously clear or missing altogether.

Assessment methodology and index construction

As discussed before, assessment and index construction methodology adopted is similar to the GNH index computation (Ura et al., 2010). It involved four steps as discussed earlier.

Results

The overall assessment score of the two companies selected for the case study are very close, but differs with respect to domain scores for majority of the domains (Table 4). For instance, the Company-A performed relatively better than the Company-B in Time Use, Education, and Ecological Diversity domains. On the other hand, the Company-B performed relatively better than Company-A in Psychological Wellbeing, Cultural Diversity, and Community Vitality domains. In Health, Living Standards, and Good Governance domains, both the companies had identical scores.

The overall assessment score of a business entity is the summation of the scores of the nine domains. The overall scores for two business entities included in the case study are presented in Table 4. This table also includes the domain-disaggregated scores of two selected business entities. The current overall score of these two companies makes them eligible to earn GNH-B certificate. The GNH-B certificate is fourth in order of five levels of GNH certificates (Table 3). This indicates that, for both the companies, there are rooms for improvements to earn higher-level GNH certificates such as GNH-B+, GNH-A, and GNH-A+ certificates.

Table 4: Overall assessment score and score at domain levels

Domains	Company-A	Company-B
Psychological Wellbeing	3.175	4.762
Health	6.349	6.349
Time Use	3.704	1.852
Education	4.444	0.000
Living Standards	3.704	3.704
Good Governance	6.944	6.944
Cultural Diversity	3.704	7.407
Community Vitality	6.349	7.937
Ecological Diversity	9.524	6.349
Overall assessment score	47.897	45.304

The following section summarises the findings from the case study of two business entities.

Case Study 1: Company-A

For the Company-A, performances in domains of Ecological Diversity, Good Governance, Health, and Community Vitality are quite good (Fig. 10). In Ecological Diversity domain, their use of clean energy, energy conservation initiatives, and solid waste management are exemplary. For instance, the company has been putting substantial efforts to collect all their recyclable wastes and hand it over to a third party business entity. The company even pay fees to this third party business entity to makes sure that the wastes are recycled.

In Good Governance domain, the company performed well in the indicators of regulation, compliance, employee turnover, and provision of common spaces for employees to interact.

However, strengthening the board, in-terms of gender and independent member representatives, could be considered. Similarly, the floating of shares either to public or to employees could be considered as well. This could help share the benefit of the business to the community and the society at large.

The company also performed well in the indicators of work-related illness/injury, disability, support for return-to-work (RTW), and fatal injury under Health domain. However, about two in five employees reported suffering from occupational stress, especially during the tourist peak seasons.

In Community Vitality domain, the company did well in terms of promoting local businesses, sourcing inputs from local suppliers, promoting local employment, and protecting community infrastructures. Although the company also provided both cash as well as in kind donations to various beneficiaries, the donation indicator could not be computed due to unavailability of additional information such as the revenue figure which the company policy forbids management to share it with outsiders. The company also organised corporate voluntary activities towards clean-up campaigns and renovating old monasteries in the locality. However, the amount of corporate voluntary activities could be increased to at least two per capita days per employee in a year, which is the threshold set for this indicator, to attain sufficiency.

The scores for domains of Psychological Wellbeing, Time Use, Education, Living Standards, and Cultural Diversity are currently very low. Therefore, initiatives towards improvement in these domains may be necessary. For instance, about one in four employees reported that there are chances that they might lose their job in the next 12 months. It was found out that the company carried out organisational development exercise few years back which resulted in substantial retrenchment of its employees. This seems to have instilled sense of job insecurity, one of the indicators under Psychological Wellbeing domain, among the current employees. Likewise, about one in three employees also perceived being discriminated and harassed at the workplace. Substantial proportion of employees also reported suffering from negative emotional experiences on the one hand and lack of positive emotional experience on the other hand. However, not all is bleak for Psychological Wellbeing domain. On a positive side, employees reported high satisfaction with the job as well as with the organisation as a place to work. Employees also reported high levels of workplace trust which was measured through the employees' degree trust in management, immediate supervisor, and co-workers.

In Time Use domain, the company did well in working hours and work pressure indicators. However, improvements may be necessary in enhancing flexi-timing arrangement, improving

work-life interaction, sleeping hours, and adequate breaks at workplaces.

The company's support for long-term study for its employees is exemplary. For instance, the company supported long-term study, either leading to a higher degree or a diploma, to about 12 percent of its employees, which is unheard of in private businesses. The company also provided trainings to a substantial number of employees and has been doing so for the last few years. However, the company could improve the performance assessment of its employees, increase involvement of employees in decision-making, and increase support for short-term studies.

Under the Living Standards domain, two of the six indicators could not be evaluated due to lack of data. Pay adequacy and pay gap indicators could not be assessed as the company policy does not allow sharing information pertaining to pay and allowances of its employees. The company performed well in terms of provision of fringe benefits and insurance coverage through Group Saving and Insurance Scheme (GIS). Although the pension and provident fund (PPF) and various forms of leaves were also granted to its employees, the company may assess and make the PPF and leave provisions at par with the Bhutanese civil servants.

The Cultural Diversity domain, at the moment, is assessed through only three indicators. The company could think about incorporating some cultural aspects in its provision of services as well as promote cultural participation through granting of leaves to employees during cultural festivals and events.

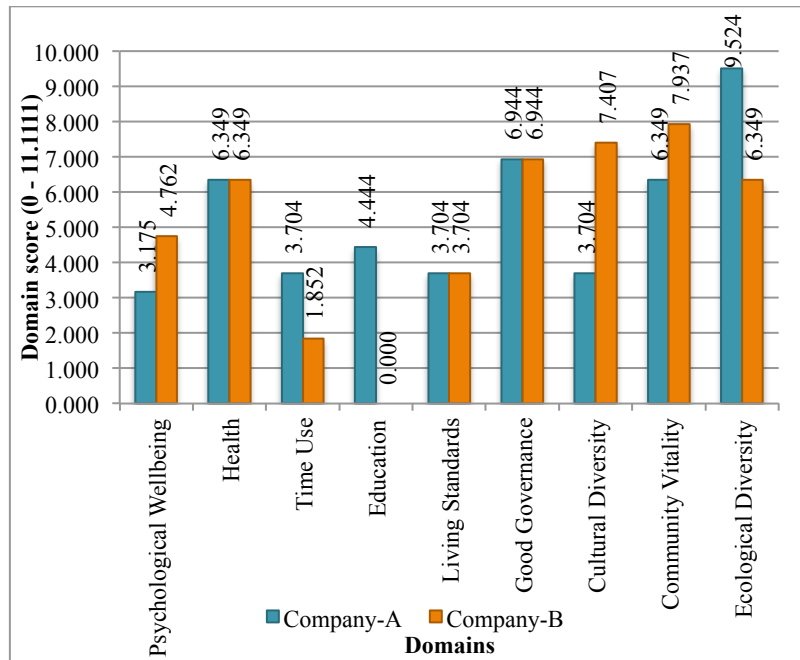


Figure 10: Assessment score at domain disaggregated level

Case Study 2: Company-B

The Company-B performed quite well in the domains of Community Vitality, Cultural Diversity, Good Governance, Health, and Ecological Diversity (Fig. 10). Under the Community Vitality domain, the Company-B performed well

in providing corporate donation, promoting local businesses, supporting local suppliers, helping local employment, and protecting local infrastructures. However, the company could initiate corporate volunteerism, and incorporate social design aspects in its services. Similarly, the company could also explore to incorporate cultural aspects in designing its products or services. The company's support towards cultural participation, through granting of paid leaves during cultural festival, is noteworthy and must be continued to preserve cultural festivals.

In Good Governance domain, the company performed well in terms of having regulations in place, having a system of receiving complaints of misdoing in complete confidentiality, low employee turnover, and having a system to assess the client or customer satisfaction with their services. However, the company could think of providing adequate common spaces for employee to interact at workplaces, institute a board (though it is not a statutory requirement in India for private limited companies) to incorporate independent and minority interests in corporate decisions, and also consider providing shareholding opportunities to its employees and general public. This could help share the benefit to the community and the society at large.

In Community Vitality domain, the company did particularly well in terms of corporate donations. During the period under

review, the company donated about 1.9 percent of its revenue towards helping various beneficiaries. The company also deliberately aimed at promoting local businesses by encouraging small independent businesses to supplement the service requirement of the company and also sources inputs of its business from local suppliers, as far as possible. The company also has special consideration towards maximising local employment, and protecting community infrastructures. The company, besides donating, also organised corporate voluntary activities towards providing relief services to affected villages during the flooding in August 2017. However, the amount of corporate voluntary activities could be increased to at least two per capita days per employee in a year. The company may also incorporate social design aspects into its products and services.

The company supports return-to-work (RTW), provides and monitors the usage of personal protective equipment (PPE) wherever necessary, has no case of fatal injury or work-related injuries leading to disability. However, about two in five employees reported suffering from occupational stress, and significant proportion of employees also reported exposure to workplace health risks. There was also a case of work-related injury during the period under review. The company should try to avoid such mishaps.

In Ecological Diversity domain, the company performed well because it does not produce hazardous wastes, does not emit harmful gases, does not discharge harmful liquid wastes, and has an energy conservation policy in place. However, the company could think of switching to cleaner energy based transportation system, device a concrete policy to minimise and manage solid wastes, and also consider incorporating eco-design aspects into their products and services.

The Company-B drew a blank in the Education domain. Therefore, the company may consider supporting education and training of its employees, strengthen transparent employee performance assessment systems, and increase involvement of employees in decision-making processes.

The company also scored low in Time Use, Living Standards, and Psychological Wellbeing domains. Therefore, initiatives towards improvement in these domains may be necessary. In Time Use domain, the company did well in limiting working hours to eight hours a day or 48 hours a week. However, improvements may be necessary in enhancing flexi-timing arrangements, improvement in work-life interaction, adequate sleeping hours, adequate breaks at workplaces, and managing workplace stresses among the employees.

Under the Living Standards, the company performed well in terms of provision of insurance coverage through Group

Saving and Insurance Scheme (GIS) or Employees' State Insurance (ESI) scheme. The company also provides pension and provident fund (PPF) scheme for its employees at 12 percent of the employee's pay with a matching contribution from the company. Although, various forms of paid leaves were also granted to its employees, the company may assess and consider including other leaves such as the bereavement and paternity leaves. Although, the company also has a unique child welfare scheme in place where the first child of an employee is paid Rs 1,000 per month or a maximum of Rs 1,500 per month for more than one child until the child attains 12 years of age, the company may consider extending the maternity leaves from three to six months in order to encourage exclusive breastfeeding. In addition, the company may also consider granting paternity leaves to its male employees.

The company did well in workplace trust, job security, and workplace harassment indicators under Psychological Wellbeing domain. The job satisfaction and workplace discrimination indicators also did well, although it is slightly off the threshold. However, substantial proportion of employees reported suffering from negative emotional experiences on the one hand and lack of positive emotional experience on the other hand.

Table 5: *The score of each indicators used in constructing the index*

Indicators	Index Score	
	Company-A	Company-B
Job satisfaction	1.587	0.000
Workplace trust	1.587	1.587
Job security	0.000	1.587
Discrimination at workplace	0.000	0.000
Harassment at workplace	0.000	1.587
Negative emotions	0.000	0.000
Positive emotions	0.000	0.000
Occupational stress	0.000	0.000
Workplace health risk exposure	0.000	0.000
Safety equipment	0.000	1.587
Illness/injury incidence	1.587	0.000
Disability incidence	1.587	1.587
Support for RTW	1.587	1.587
Fatal injury incidence	1.587	1.587
Working hours	1.852	1.852
Work pressure	1.852	0.000
Flexi-timing	0.000	0.000
Work-life interaction	0.000	0.000
Sleeping hours	0.000	0.000
Adequate breaks at workplace	0.000	0.000
Long-term study	2.222	0.000
Short-term study	0.000	0.000
Training	2.222	0.000
Fairness of performance assessment	0.000	0.000
Worker involvement	0.000	0.000
Adequate pay	0.000	0.000
Pay gap	0.000	0.000
Adequate leave	0.000	0.000
Pension & Provident Fund scheme	0.000	1.852
Insurance	1.852	1.852
Fringe benefits	1.852	0.000
Regulation	1.389	1.389
Board effectiveness	0.000	0.000
Public shareholding	0.000	0.000
Whistle blowing channel	1.389	1.389
Employee turn-over	1.389	1.389
Compliance	1.389	1.389

Indicators	Index Score	
	Company-A	Company-B
Customer/client satisfaction	0.000	1.389
Common space	1.389	0.000
Culture design	0.000	0.000
Cultural property damage	3.704	3.704
Cultural participation support	0.000	3.704
Corporate volunteering	0.000	0.000
Corporate donation	0.000	1.587
Local business	1.587	1.587
Local supplier	1.587	1.587
Local employment	1.587	1.587
Community infrastructure	1.587	1.587
Social design	0.000	0.000
Renewable energy	1.587	0.000
Energy conservation	1.587	1.587
Emission control	1.587	1.587
Solid waste control	1.587	0.000
Hazardous waste control	1.587	1.587
Liquid waste control	1.587	1.587
Eco-design	0.000	0.000
Overall score	47.897	45.304