

**Happiest
Places
to Work®**



HAPPINESS RESEARCH ACADEMY®



How Happy is India's Workforce?

**The Happiness Research Report by
Happiest Places to Work®**

“Leaders who put human happiness at the centre will build organizations that truly last.”



FOREWORD

The 2025 Happiness Research reminds us of a truth that is easy to miss. Happiness is not only personal, it is deeply connected to the workplace. Across industries and regions, the study shows that when people feel involved and cared for, their happiness rises. And when happiness rises, performance, loyalty and innovation follow.

One of the most revealing findings is that employees who are earning between ₹5–10L a year report the highest levels of happiness. This makes it clear that pay alone does not define well-being. What makes the difference is whether people feel trusted, valued and recognised. Culture, not compensation, is what creates lasting commitment.

Happiness is no longer a soft concept. It can be measured, it can be improved, and it directly impacts growth. Productivity and profit without well-being are incomplete equations. Leaders who recognise this will shape workplaces that flourish; those who do not risk being left behind.

The message of this research is simple but urgent. Happiness at work is not a passing trend. It is the foundation of the future. If we want organizations that endure and inspire, human happiness must move to the centre of every decision we take.

Raj Nayak

Founder & Managing Director

House of Cheer Networks Pvt. Ltd.

(The company behind Happiest Places to Work®)

**Happiest
Places
to Work®**



FOREWORD

Workplaces today are at an inflection point. Productivity has risen, technology has accelerated, and organizations are operating in a world more connected than ever before. Yet, as this report reveals, emotional well-being has not kept pace. **66% of India's workforce reports being unhappy at work**, a signal that while the systems of work have advanced, the human experience of work has not.



Among the most significant forces shaping this reality is artificial intelligence, with **58% of employees believing that technical skill development is important**. Employees increasingly acknowledge AI's role in improving efficiency, simplifying tasks, and freeing up time for more meaningful work. At the same time, it also brings unease, from concerns about privacy to doubts over relevance and preparedness. The question is no longer about whether AI will be part of work, but about how it will influence the way people feel at work.

The findings in the report confirm that pay alone is not enough for employees to feel happy at work. Interestingly, it is not the highest income earners but **professionals earning between ₹5–10L who report the highest levels of happiness**, highlighting that an organizational culture built on trust and empathy is equally important.

The research underlines that happiness cannot be treated as an optional metric. It is measurable, it is actionable, and it is directly tied to outcomes such as lower attrition, stronger collaboration, greater creativity, and healthier teams. If technology is to truly strengthen the workplace, it must be integrated with an equal focus on human confidence, inclusion, and trust.

The 2025 Happiness Research Report is both a reflection of where we stand and a guide for organizations on where they need to go. It challenges leaders to think beyond performance numbers, to recognize that sustainable growth depends not only on the systems we build, but on the sense of happiness and meaning people experience while building them.

Achal Khanna

CEO of SHRM in India and the
Asia Pacific and MENA region



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EXECUTIVE SUMMARY

The professional landscape in India has transformed at breakneck speed. We're now part of a digitally driven economy that is hyperconnected, always on, and constantly evolving. Advanced technologies, robust digital infrastructure, and flexible work models have redefined how we work and live.

AI is everywhere now, helping with emails, meetings, schedules, and even hiring. It's made work faster and more efficient, no doubt. But while tech keeps evolving, something's getting left behind: how people actually feel. In the rush to do more, stay connected, and keep up, burnout is becoming real.

AI can help, but it can also add pressure.

66%
**OF EMPLOYEES
REPORT FEELING
UNHAPPY AT
WORK**



THERE'S A GROWING GAP. PRODUCTIVITY IS UP. EMOTIONAL CONNECTION IS DOWN.

Why This Report Matters?

While innovating rapidly, organizations may be leaving behind the very thing that fuels sustainable performance: the emotional well-being of their people. For leaders, this is the opportunity to shift from performance-first thinking to people-first strategy.

In the future of work, happiness is not a soft metric, it's a survival metric.

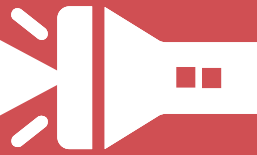


ROI OF HAPPINESS

Workplace happiness is a multiplier of performance, innovation, and emotional resilience. **When employees are happy, the entire ecosystem benefits: from customers to company culture to bottom lines.**



BROAD INSIGHTS



1

66% of India's
workforce
feels unhappy
at work



2

54% of employees
want to leave their
current jobs



4

Only 52% of
employees feel
confident using
digital tools



3

AI adoption is
rising,
but trust is
limited



6

4 in 10
employees
struggle to
adapt to AI



5

Delhi is struggling
with happiness



7

Mid-level
professionals
are the
happiest



8

Work-life balance
(18%) and growth
opportunities (16%)
are the top non
monetary priority



WORKING IN 2025: THE QUIET CRISIS

THIS ISN'T A
PASSING PHASE OF
DISSATISFACTION.
IT REFLECTS A
MUCH LARGER
EMOTIONAL
DISCONNECT

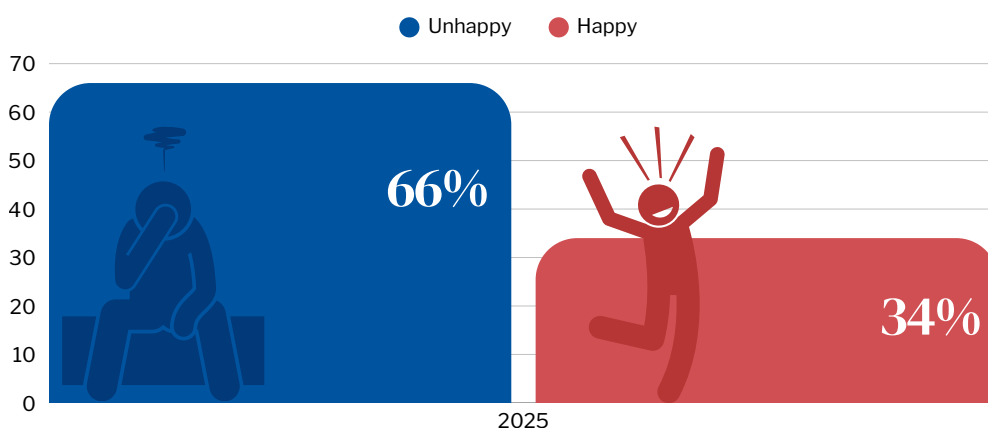
In 2025, 66% of employees in India report being unhappy at work. Only 34% describe themselves as happy.

Many employees feel like they aren't seen or appreciated. They talk about unclear expectations, limited recognition, and a lack of trust in leadership. **These experiences don't just make work frustrating. They quietly reduce motivation, emotional connection and long-term involvement.**



In contrast, the 34% of employees who say they are happy tend to work in cultures built on trust, open communication, and inclusion. Their satisfaction is not based on perks or policies but on feeling heard, supported, and part of something meaningful.

This difference matters. The emotional disconnect doesn't just influence culture, it affects how people perform, how they collaborate, and whether they stay.



ARE WE HAPPY OR JUST SETTLING?

The average happiness score sits at 5.5, while intent to quit is 5.3, suggesting employees may not be job-hunting actively, but they're not fully content either. Most strikingly, they rate their emotional distance from the "ideal workplace" at 6.4, **highlighting a wide gap between current experiences and aspirations.**

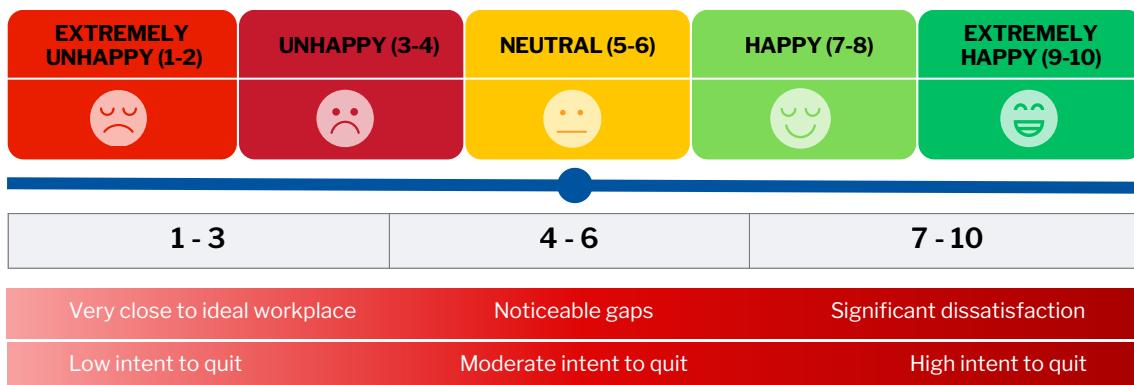
ULTIMATELY,
THE DATA
UNDERScores
ONE TRUTH:
INDIA'S WORKFORCE IS
SIGNALING SOMETHING
SUBTLE YET SERIOUS:

*We're staying,
but we're not
truly happy.*



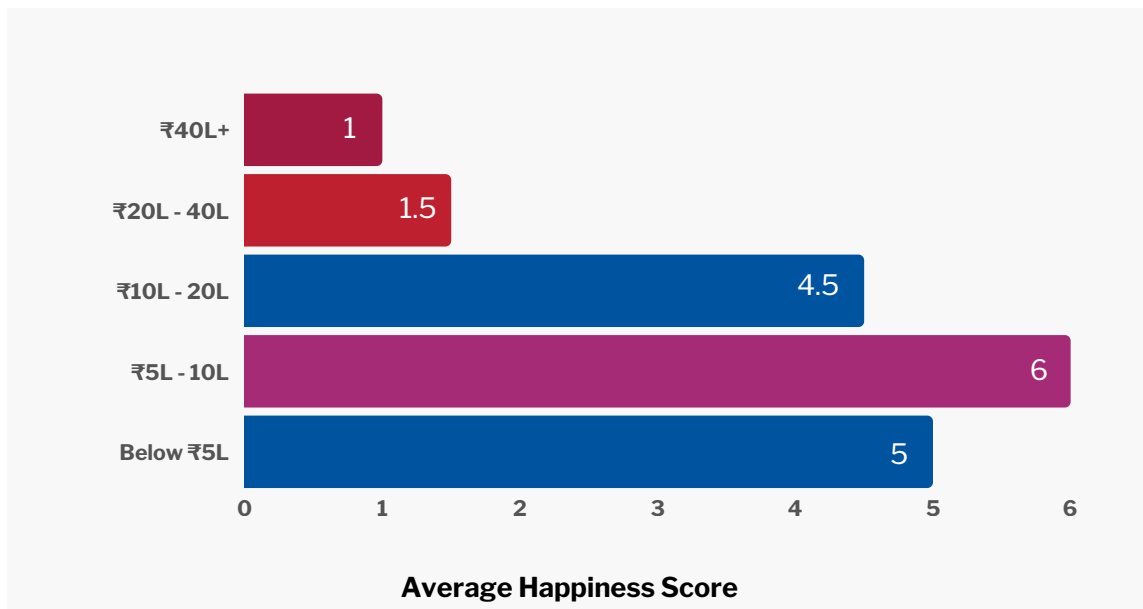
Metric	Average Happiness Score
Overall Work Place Happiness	5.5
Intent to Quit	5.3
Gap from Ideal Workplace	6.4

This disconnect stems from multiple factors. Many professionals continue in roles that feel secure but emotionally unfulfilling, lacking autonomy, growth, or recognition. Loyalty and low attrition aren't always signs of a healthy workplace. Some employees stay but feel disconnected, while others remain not out of satisfaction, but because they need the job and switching feels too difficult.



THE NEW EQUATION MEANING > MONEY

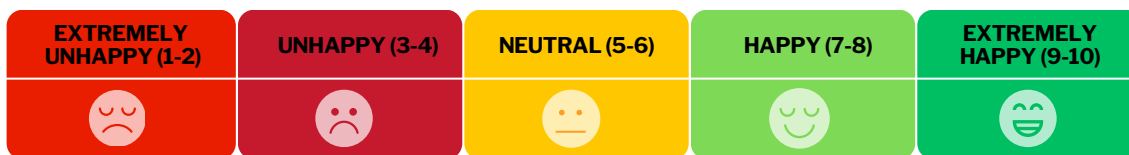
DATA SHOWS THAT AS INCOME RISES, HAPPINESS OFTEN DECLINES;
REVEALING THAT HIGHER SALARIES DON'T ALWAYS LEAD
TO GREATER FULFILLMENT



Professionals earning ₹20L+ have often reported the lowest happiness levels, owing to burnout, constant pressure, and emotional isolation from being in senior roles. Further, being constantly plugged in makes it harder to recharge and focus on personal aspects.

In contrast, professionals in the ₹5-10L range report the highest happiness, seeming to benefit from structured roles, clear boundaries, and collaborative environments. Organizations that build cultures of trust and empathy will unlock stronger involvement and lasting loyalty.

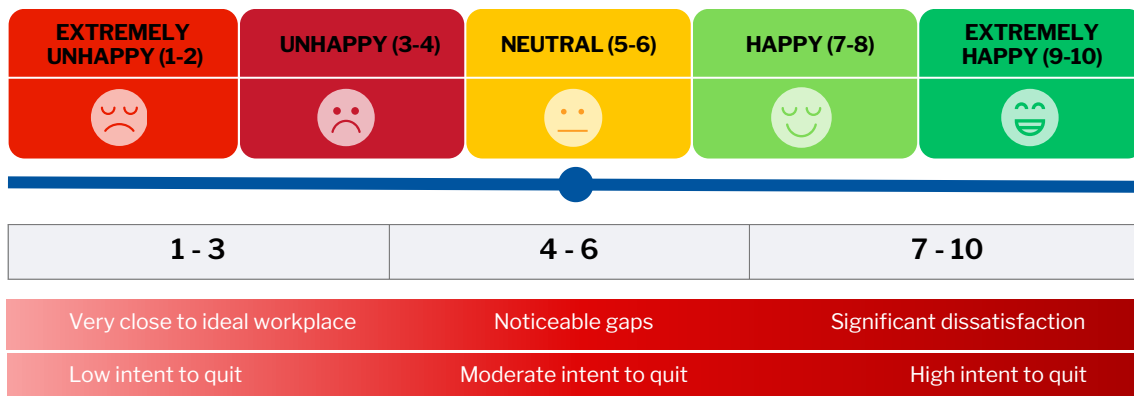
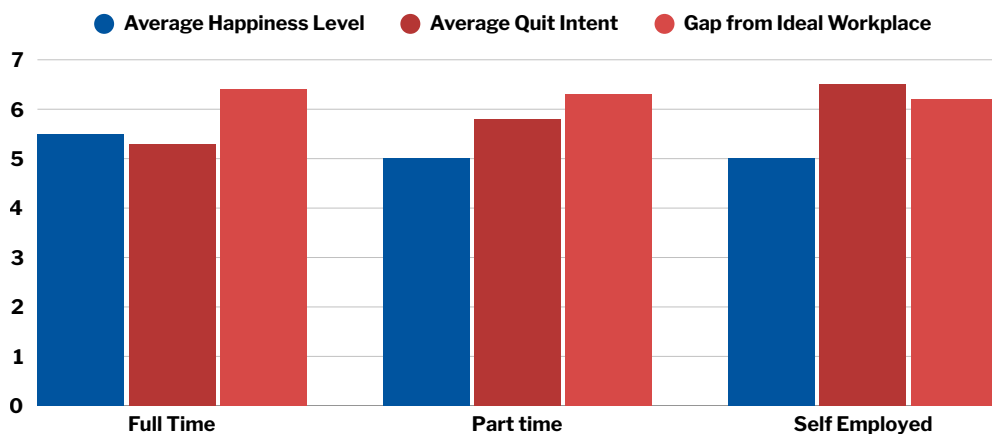
EMOTIONAL COMPENSATION IS JUST AS IMPORTANT AS MONETARY COMPENSATION



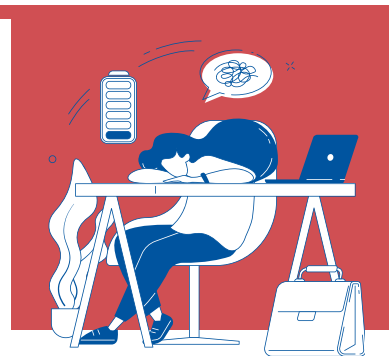
DOES YOUR JOB TYPE SHAPE YOUR EMOTIONS AT WORK?



While income certainly influences happiness, it's not the only factor shaping experiences at work. Different work setups bring their own blend of structure, autonomy, and emotional load. Environment and work format play a major role in how an employee feels.



THE EMOTIONAL TOLL OF MOVING UP



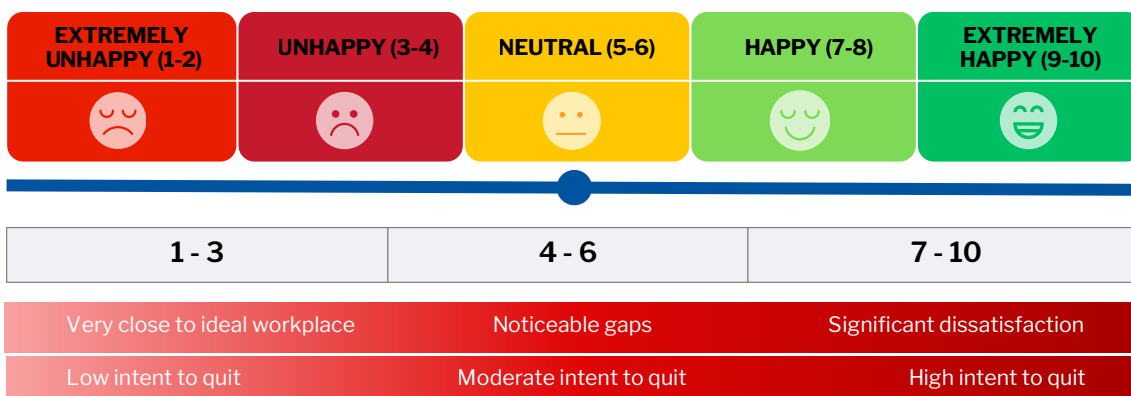
Salary Band	Happiness	Quit Intent	Gap from Ideal Workplace
Entry-level	5.2	6.9	6.6
First-level Management	5.5	6.9	6.7
Middle-level Management	5.6	6.9	6.7
Senior Management	5.5	7.3	6.9

Emotional Metrics by Job-Level

New professionals often enter the workforce with optimism and drive, but reality sets in quickly. They report the lowest happiness score (5.2) and a high intent to quit (6.9). Contributing factors include limited autonomy, micromanagement, and a mismatch between expectations and actual responsibilities.

As professionals rise to first and middle-level management, these roles bring more responsibility, but not enough control, which leads to a paradox of being promoted but not empowered. They're the bridge between the top and bottom, yet often feel like they're being pulled apart from both sides.

Surprisingly, senior management doesn't offer emotional respite. Though they report a stronger say in shaping the ideal workplace (6.9), their happiness dips to 5.5, and intent to quit peaks at 7.3; the highest of all. Leadership brings power, but also isolation, pressure, and burnout.

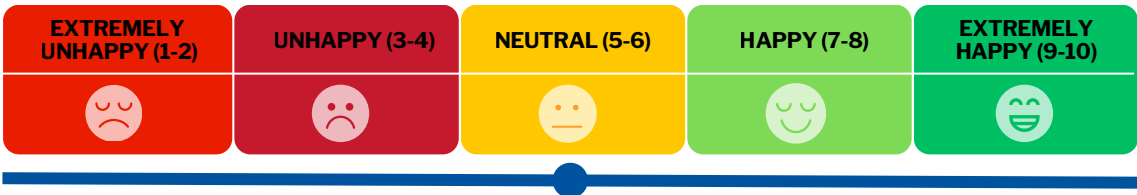


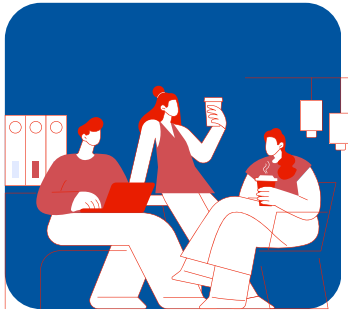
WORKPLACE HAPPINESS: GENERATIONAL & GENDER INSIGHTS

Age brings its own emotional context, shaped by life stage, work values, and societal roles. Add gender to that equation, and the emotional picture becomes even more nuanced.

Average Happiness Scores by Generation and Gender			
Generation	Overall	Female	Male
Baby Boomers (Before 1964)	6.1	5.0	6.2
Gen X (1964-1980)	6.6	6.6	6.6
Millennials (1981-1996)	6.4	6.3	6.5
Gen Z (1997-2012)	6.4	6.4	6.4

THE DATA REMINDS US: EMPLOYEE
HAPPINESS IS NOT ONE-SIZE-FITS-ALL.
GENERATIONAL PRIORITIES AND GENDER
REALITIES SHAPE HOW PEOPLE
EXPERIENCE WORK.





Gen X employees report the highest happiness scores, 6.6 for both men and women. This points to a generation that has matured into roles of influence, achieved greater career stability and settled into life stages where personal and professional identities are better aligned.

On the other hand, **Baby Boomer women report the lowest happiness (5.0), while their male peers score much higher (6.2).** This 1.2-point gender gap hints at deeper structural inequalities, possibly related to outdated workplace norms, lack of visibility, or limited support for older women in the workforce. **Overall, Baby Boomers report the lowest happiness scores.** Yet when offered structure and respect for their experience, they remain steady, valuable contributors.



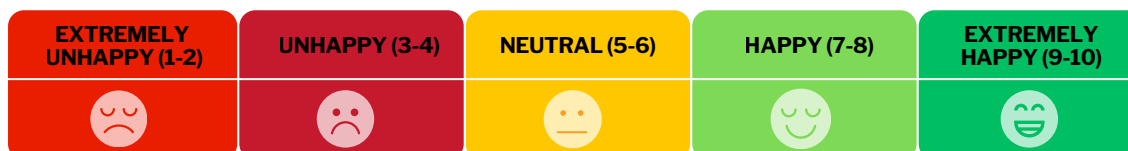
Millennials land in the emotional middle, women scoring 6.3 and men scoring 6.5. Working through different workplace landscapes, they are defined by unrelenting ambition and a drive for growth. While they adapt quickly to high pressure situations, sustained over-performance does come with an emotional cost.

Gen Z, with an average happiness score of 6.4 across both men and women, shows a consistent experience regardless of gender. They come into the workforce expecting fast responses, inclusive cultures, and work that feels purposeful. They tend to thrive in flexible and progressive environments. Having grown up with instant access to information and constant feedback, they see slow processes or lack of communication as a red flag. They're looking to contribute and be acknowledged early in their careers, not wait years to be noticed.

CITY-WISE HAPPINESS SCORES

This table highlights regional differences in employee happiness across Indian cities.

City	Average Happiness Score
Rajkot	7.2
Ahmedabad	6.9
Surat	6.7
Mumbai	6.4
Vadodara	6.3
Pune	6.0
Srinagar	6.0
Shillong	5.9
Bangalore	5.8
Patna	5.6
Ludhiana	5.6
Visakhapatnam	5.5
Lucknow	5.5
Raipur	5.5
Kanpur	5.5
Guwahati	5.4
Dehradun	5.1
Hyderabad	5.0
Nagpur	4.8
Kolkata	4.8
Jaipur	4.7
Varanasi	4.5
Chennai	4.4
Agra	4.4
Kochi	4.2
Delhi/NCR	4.1



DIFFERENT CITIES

DIFFERENT GENERATIONS. DIFFERENT JOY.

The city you live and work in can significantly influence your emotional experience, sometimes more than your generation alone. To explore this further, we selected cities with the most significant gaps in happiness scores across generations, offering a balance of metros and emerging urban centers.

City-Wise Happiness Scores Across Generations

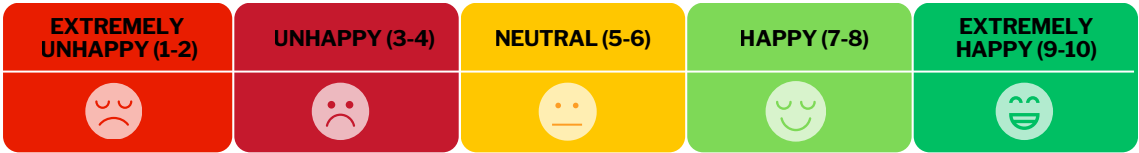
City	Baby Boomers	Gen X	Millennials	Gen Z
Rajkot	6.0	8.0	7.3	6.5
Mumbai	4.5	6.6	6.5	4.9
Srinagar	6.0	5.7	5.8	6.6
Bangalore	1.0	4.4	5.9	5.9
Lucknow	4.0	6.3	5.1	5.6
Guwahati	6.0	4.8	5.5	5.0
Kochi	6.0	3.7	3.9	4.4

*cities with significant gaps in happiness scores

Rajkot emerges as the most emotionally balanced city, with high scores across all age groups. Gen X leads with an 8.0, but even Gen Z and Millennials report above-average satisfaction, suggesting a culture rooted in community, stability, and manageable pace.

Bangalore and Kochi reflect the opposite trend. Baby Boomers and Millennials, respectively, report the lowest scores here, hinting at stress from rapid urban growth, limited inclusivity, or environments not suited for older or mid-career professionals.

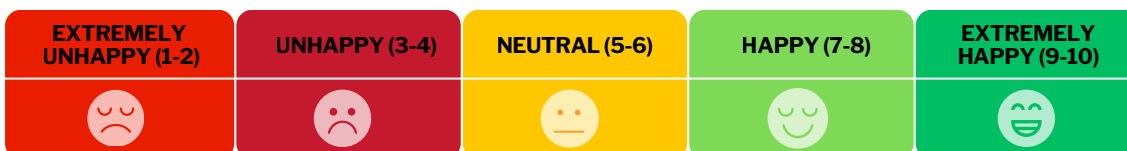
Mumbai shows a clear generational split. Millennials and Gen X are fairly happy at work, while Baby Boomers and Gen Z score lower. For Baby Boomers, it is the uncertainty of what comes next as they prepare to move on. For Gen Z, it is the uncertainty of stepping into something entirely new. **A city’s culture, infrastructure, and pace significantly impact how employees across generations experience happiness at work.**



WORKPLACE HAPPINESS ACROSS INDUSTRIES

The following table reveals how happiness scores vary widely across industries.

Industries	Average Happiness Score
E-commerce & Allied	7.2
Infrastructure (Roads, Ports, Railways)	6.9
Gems & Jewellery	6.7
BFSI	6.7
FMCG & Food Processing	6.6
Services (Gig Economy)	6.5
Pharmaceuticals	6.3
Aviation	6.2
Media & Entertainment	5.9
Automobiles	5.9
Agriculture & Allied	5.6
IT & BPM	5.6
Renewable Energy	5.6
Power, Oil & Gas	5.5
Steel	5.5
Chemicals	5.5
Telecommunications	5.3
Tourism & Hospitality	5.1
Electronics System Design & Manufacturing	5.0
Retail & Textiles	4.8
Metals & Mining	4.8
Real Estate & Allied	4.7
Manufacturing	4.7
Science & Technology	4.2
Education & Training	4.2
Consumer Durables	3.8
Healthcare	3.8



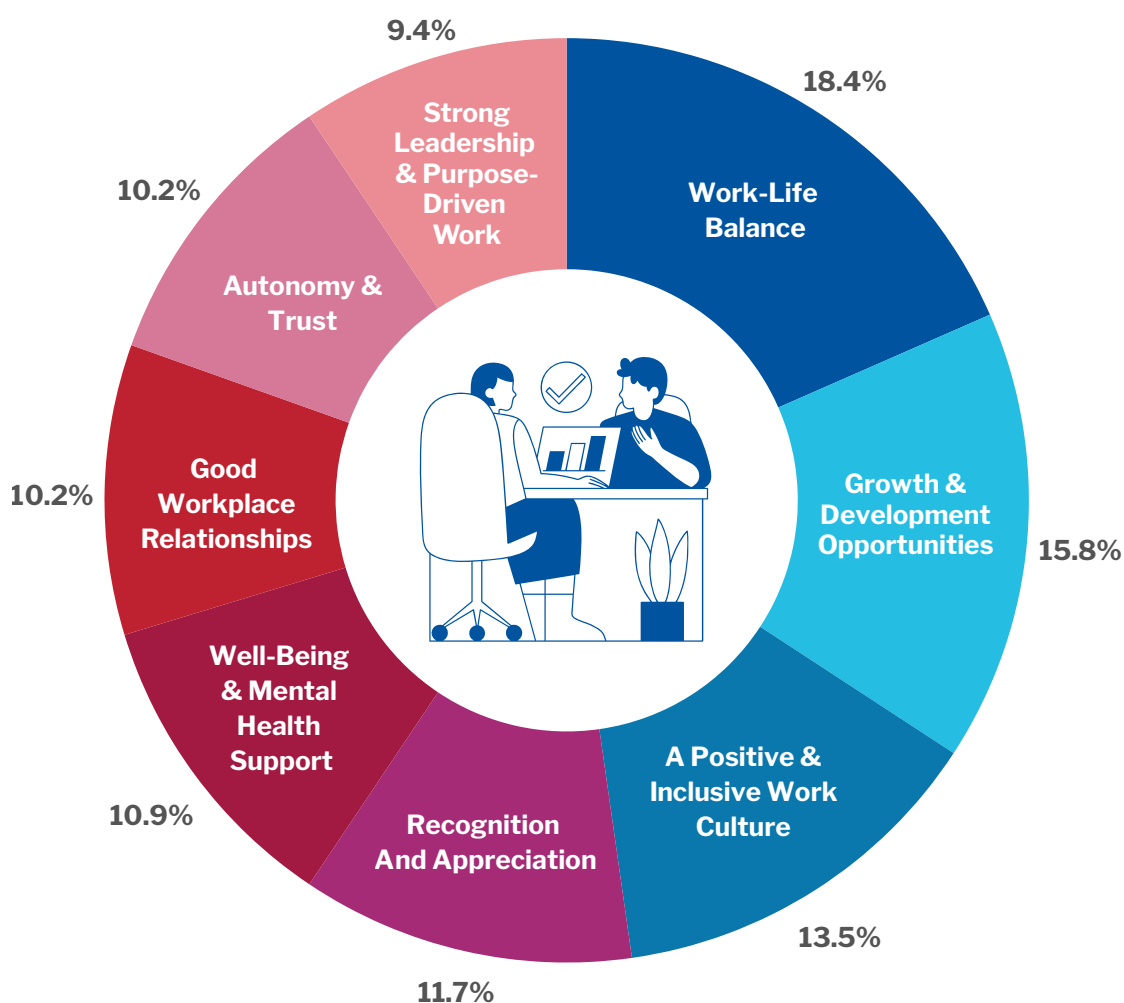
INDUSTRY INSIGHTS

Elevated scores in either dimension suggest underlying dissatisfaction, while high scores in both signal a critical need for organizational attention.

Industries	Avg. Quit Intent	Avg. Gap to Ideal Workplace
E-commerce & Allied	3.0	5.1
Infrastructure (Roads, Ports, Railways)	3.1	6.4
Gems & Jewellery	2.8	6.6
BFSI	6.8	6.6
FMCG & Food Processing	7.0	6.4
Services (Gig Economy)	5.2	6.1
Pharmaceuticals	3.8	6.0
Aviation	6.9	6.3
Media & Entertainment	6.0	6.9
Automobiles	6.4	6.5
Agriculture & Allied	6.1	6.6
IT & BPM	6.8	6.3
Renewable Energy	3.8	6.5
Power, Oil & Gas	4.3	6.5
Steel	5.1	6.6
Chemicals	4.9	6.9
Telecommunications	4.9	6.5
Tourism & Hospitality	6.2	6.5
Electronics System Design & Manufacturing	4.9	6.3
Retail & Textiles	4.3	6.7
Metals & Mining	5.9	6.2
Real Estate & Allied	5.1	6.3
Manufacturing	5.1	6.2
Science & Technology	5.9	6.2
Education & Training	6.0	6.7
Consumer Durables	6.4	6.7
Healthcare	6.5	6.8

1 - 3	4 - 6	7 - 10
Very close to ideal workplace	Noticeable gaps	Significant dissatisfaction
Low intent to quit	Moderate intent to quit	High intent to quit

WHAT EMPLOYEES VALUE BEYOND MONEY



Employees want more than just a paycheck, they look for personal well-being, emotional fulfillment, and paths to grow. **Ultimately, emotional investment, not just financial reward, is what transforms a job into a long-term commitment.**

WHAT EMPLOYEES WANT THEIR EMPLOYERS TO FIX

19%

Working Hours & Office Timing

Employees are prioritizing flexibility. Rigid schedules can lead to burnout and poor work-life balance.



Management & Internal Policies

Streamlined, consistent and clear internal systems are essential for employee confidence and organizational credibility.

12%

11%

Salary, Incentives & Timely Payments

Timely and fair compensation when unmet can directly impact motivation, trust, and retention.



Facilities & Infrastructure

A functional, well-equipped work environment supports productivity and morale.

5%

5%

Work Environment & Culture

Positive day-to-day interactions foster collaboration, loyalty, and emotional well-being



WHAT THE WORKPLACE IS REALLY SAYING

IF A WORKPLACE COULD SPEAK, WHAT WOULD IT SAY?

"I feel managers should really take the time to know their team — what we're good at, what we want to achieve. Recognition shouldn't just be about targets, but also about the effort, creativity, and initiative we put in. When people feel truly valued, they naturally stay engaged."

34, Woman, Maharashtra

"AI can make life easier, but it also makes me worry. If machines do everything, will people lose their jobs or stop building skills? Sometimes it's scary not knowing if your work will still be needed. Promotions and proper growth opportunities."

23, Man, Uttar Pradesh

"There should be clear guidelines on breaks and working hours. Sometimes people work late or skip breaks, and over time that really affects health and concentration."

42, Man, Meghalaya

"I think the company could do a lot more for skill-building. Many of us want to grow but don't always know where to start. Between daily tasks, learning often takes a backseat, so regular, practical workshops on both technical skills and things like communication or time management would really help."

27, Woman, Chhattisgarh

"It would be nice if the company could plan a trip every six months, just to break the routine and bond as a team. Weekly games or activities would help with stress, and a clear process for how work should be done would make things easier. Even small gestures like salary hikes or gifts for good work can be a big motivator."

22, Woman, Bihar

"For me, AI works best when it takes care of boring, repetitive tasks so we can focus on problem-solving, creativity, and building relationships. It should be there to help us, not replace what humans do best."

34, Man, Uttar Pradesh



FUTURE- PROOFING THE WORKFORCE: WHERE SENTIMENT MEETS SKILL

With 66% of employees feeling unhappy, only 34% feel fulfilled, sentiment is only half the picture. An equally decisive fault line runs beneath the surface: digital readiness.

In boardrooms and strategy decks, the future of work is defined by automation and AI. But for the people behind the screens, that future arrives more quietly, through unfamiliar interfaces, surprise software roll-outs, and growing pressure to stay current or relevant.



This is where the **three pillars of digital readiness** come into play

ADAPTABILITY

How easily do employees adjust when new technologies land on their desks?



UP-SKILLING MINDSET

Do they believe constant skill refresh is essential to stay relevant?



TOOL CONFIDENCE

How comfortable are they using digital tools in day-to-day tasks?



These questions might sound straightforward, but the responses reveal a complex, uneven reality. **Some employees instinctively lean into change; others hesitate, worried they'll fall behind or be judged for mistakes.**

At the intersection of confidence and capability lies the real test of digital transformation. And as the subsequent section illustrates, not everyone is crossing that bridge with equal ease.



ARE EMPLOYEES READY FOR THE DIGITAL WORKPLACE ?

With 63% of employees finding it easy to adjust, this signals that digital change isn't always met with resistance. Employees who report ease of adaptation often:

- Have prior exposure to tech tools
- Receive peer support during adoption
- Work in roles where technology is seamlessly embedded in daily workflows



However, **4 in 10** employees struggle to adapt



These individuals often encounter -

- Unclear instructions during technology rollouts
- Limited role-specific examples to guide application
- Inconsistent exposure to digital systems

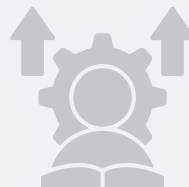
Many express fear of making mistakes or a lack of psychological safety to learn through trial.

The result? **Delayed adoption of new tools, over-reliance on peers for support and avoidance of unfamiliar systems altogether.**

WHY 42% STILL DON'T PRIORITIZE UP-SKILLING

58%

Of employees believe continuous technical skill development is important; indicating growing awareness that digital relevance is a moving target.



Do not consider up-skilling a priority. This mindset gap is not always due to resistance.

42%

Without a clear link between skill upgrades and career growth, learning becomes optional; often deferred to “when there’s time,” which seldom materializes.

While some employees are willing to learn, they feel overwhelmed by jargon, heavy programs, and irrelevant training modules. The absence of role-specific guidance, bite-sized content and applied learning formats only deepens disengagement and widens the digital readiness gap.

The consequence?

As technology advances, employees who don't up-skill face risks including

FALLING
BEHIND
IN DIGITAL
PROFICIENCY



LIMITED
CAREER
MOBILITY



RELIANCE
ON PEERS
OR OUTDATED
METHODS



REDUCED
CONFIDENCE



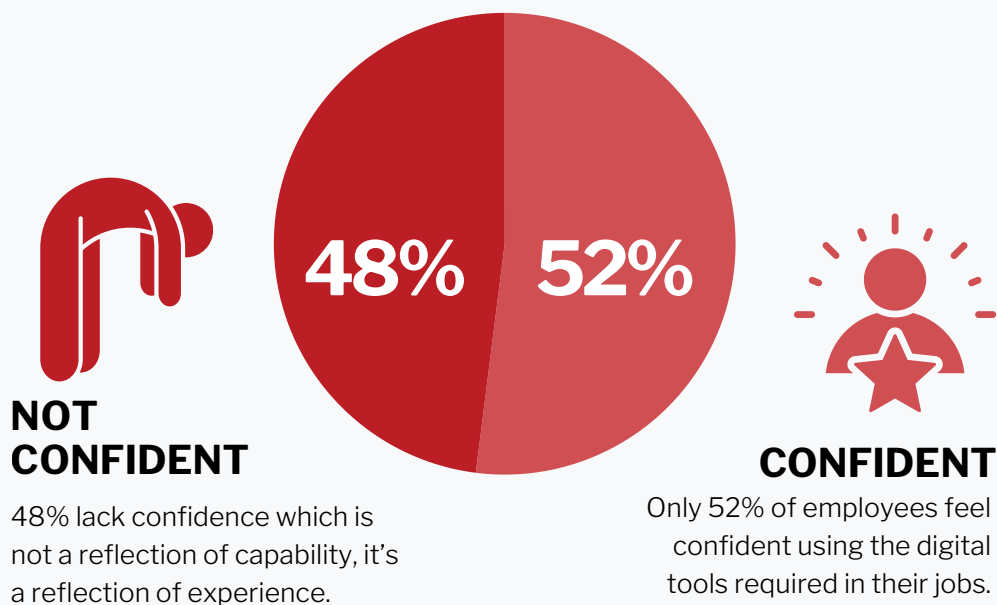
WEAKENED
TEAM
COHESION



WHY DIGITAL TOOLS ALONE DON'T GUARANTEE ADOPTION

A widening readiness gap, not due to lack of ability, but lack of support.

Confidence may be the most significant metric of all



Many employees feel uneasy with digital tools but stay silent. They find workarounds, depend on teammates, or avoid the tools completely, which leads to uneven workloads. Those more comfortable with tech end up taking on more, while others get left out of important projects. Over time, this creates quiet hierarchies based on digital ease rather than actual talent or potential.

Real transformation takes more than new tools. If half the team is unsure about using them, progress slows. **What's needed is a culture that supports learning, welcomes mistakes, and helps people grow their confidence through guided experience.**

AI IN ACTION

Our recent qualitative exploration revealed that while AI usage may vary depending on the role, employees across functions consistently showed curiosity about AI's potential. There is a strong willingness to experiment with it and integrate it into their workflows. Employees across industries largely view AI as a support mechanism, not a replacement.

AI was widely seen as both a time-saver and a problem-solver helping teams work "smarter, not harder."

"You still need to validate everything manually, can't rely fully."

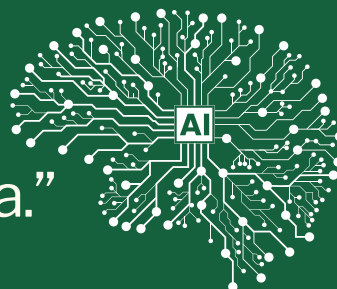
"AI saves me hours every day, what used to take 3 hours now takes 30 minutes."



"AI helps me go faster, but I still make the calls."

"I like how quick it is, but I still prefer human intuition in some cases."

"I am always worried about what it is doing with my data."



AI THROUGH THE EYES OF THE WORKFORCE

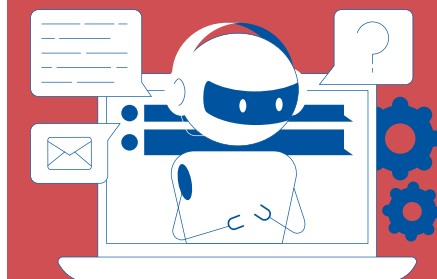
HOW EMPLOYEES FEEL ABOUT AI DEPENDS ON THEIR JOB AND HOW MUCH THEY INTERACT WITH IT.

Job Domain	Verbatim	Sentiment	Perceived Benefits
 Coding	"AI helps me find exact errors in code quickly."	Positive, solution-oriented	AI acts as a reliable co-pilot, streamlining error detection and reducing repetitive tasks, driving major performance improvements.
 Creative	"Efficiency is good but there is a little risk in data."	Positive but cautious	AI is often seen as helpful, yet sometimes feels generic or misaligned with artistic intent.
 HR	"Helps assess candidates effectively, no major confusion."	Positive, practical use	AI is seen as a helpful tool for streamlining processes, especially for talent acquisition.
 DBMS	"Complex data is tough but AI is useful in small parts."	Mixed; aware of challenges	While the automation of routine data tasks is appreciated, challenges persist around data complexity, accuracy concerns and system sensitivity.
 Admin	"Workload reduced, time saved used for learning more AI."	Very positive, training important	Admins find AI empowering; liberating their time and enabling upskilling opportunities.

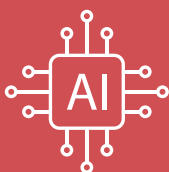
As seen in the table; sentiments toward AI adoption span from enthusiastic and solution-focused to cautiously optimistic.



HOW AI IS BEING USED FROM ROLES TO ROUTINES



Our analysis surfaced four distinct usage patterns, shaped by job roles, work habits, and openness to automation.



Professional Usage is common among technical roles where AI is used to streamline coding, error detection, system checks, or analytics. **Acting as a co-pilot, AI not only reduces workload but also accelerates learning, helping them move past mundane tasks and focus on problem-solving.**

Functional Usage is prominent among non-tech employees who treat AI like a smart assistant for task planning, documentation, and communication. They often learn its value on their own without formal training, which builds digital confidence and boosts satisfaction at work.



Creative Usage is where AI intersects with storytelling, branding, and content development. **While using AI to ideate, visualize, and scale their output, concerns about authenticity and quality remain.** The trade-off between speed and originality affects their creative fulfillment.

Habitual Usage reflects AI's role in everyday tasks. By offloading manual tasks, AI gives time back to employees, reducing stress and freeing them up for more meaningful contributions. **Still, trust and privacy concerns sometimes get in the way.**



Collectively, these usage styles show that AI isn't just automating work, it's shaping how people feel about work. **Where AI improves clarity, control, and learning, employees report greater happiness.**

PERCEIVED BENEFITS OF AI

Employees are not just using AI, they're feeling the difference it makes.

Increased efficiency



Decreased time spent on mundane tasks



Enhanced innovation



Standardized workflow and quality



Increased collaboration & communication



Round the clock support



Improved access to information



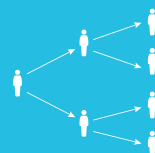
Flexible work enablement



Better decision making



Scales easily



Better personalised and continuous learning



Better work life balance



Together, these benefits help foster a sense of empowerment, where AI is seen not as a threat but as a supportive partner.



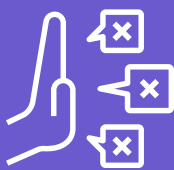
BARRIERS TO TRUST: HOW AI GAPS IMPACT WORKPLACE WELLBEING

While AI continues to enhance workplace efficiency, employee feedback highlights a parallel narrative. The perceived limitations of AI aren't just technical, they directly impact how employees feel their sense of control at work.



Accuracy issues are a top concern. Employees say AI often produces results that seem correct but miss context or have subtle errors, forcing them to double-check. **This reduces trust in the tool and undermines the ease AI is meant to provide.**

Ethical ambiguity is a major barrier to trust. Many employees feel uneasy about how AI is trained, who controls it, and whether it's being used fairly. **When there's little transparency, it creates a sense of exclusion and doubt.**

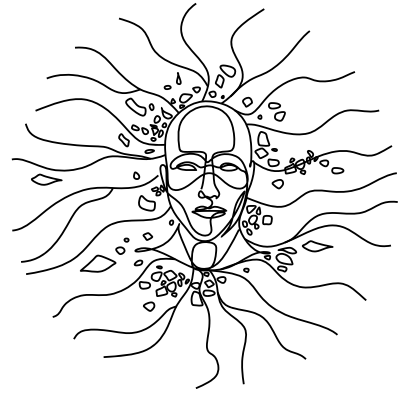


Overreliance creates quiet resistance. When AI is used as a substitute rather than a support, people worry about losing relevance, skills, or creative autonomy. **This can subtly impact confidence, reduce ownership, and lead to disengagement over time.**

AI systems often rely on personal or behavioral data, giving rise to privacy concerns. **Without clear boundaries and consent, employees may feel exposed or under surveillance,** triggering anxiety and reducing their sense of control and safety.



THE FUTURE OF HAPPINESS IS ARTIFICIALLY INTELLIGENT



AI's impact at work goes far beyond automation; it's reshaping how people feel about their jobs. For many, it acts as a quiet enabler, easing the mental load, improving efficiency, and creating space for balance and focus. Used well, this translates into better work-life balance and lower stress levels, both essential ingredients for long-term happiness.

Employees today are optimistic but cautious. **Most use AI with a “trust but verify” mindset, leveraging its speed while relying on human judgment to validate. Their key asks are simple: more personalization, memory, ease of use, and better integration into everyday workflows.**

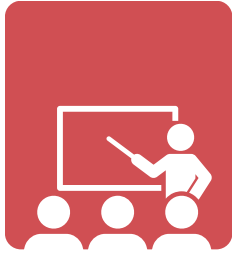
The real opportunity lies in what AI makes possible. When it enhances self-efficacy, helping people feel more capable and in control, it drives pride, confidence, and happiness.

But its future depends on trust, which is built through ethical rollouts, clear communication, and role-relevant training. It assures employees that AI is here to elevate them, not edge them out.

Ultimately, when AI supports rather than replaces, guides rather than overrides, and empowers rather than overwhelms, it becomes more than a tool. It becomes a partner in building happier, more human workplaces.

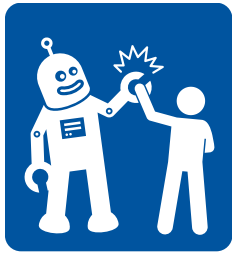


BUILDING A HAPPIER AI-READY WORKPLACE



1. PRIORITIZE TRAINING AND SUPPORT

Offer employees dedicated time, resources, and hands-on guidance to learn AI tools. This reduces fear, builds confidence, and fosters a sense of inclusion.



2. PROMOTE HUMAN-AI COLLABORATION

Position AI as a partner, not a replacement. This shift in messaging encourages optimism over fear, strengthens psychological safety, and helps employees see AI as a tool for growth.



3. ESTABLISH ETHICAL AND PRIVACY GUIDELINES

Ensure AI systems are deployed with clear ethical standards, respect for employee privacy, and sensitivity to cultural and role-specific needs. This builds trust and makes employees feel seen and protected.



4. ENABLE FEEDBACK AND CHOICE

Create channels for employees to provide feedback and access multiple AI tools that suit their working styles. When employees have agency and influence over the tools they use, it deepens their sense of ownership and satisfaction.

Together, these don't just make AI functional, **they build a workplace where people feel empowered, respected, and hopeful.** And that's the foundation of true workplace happiness.



DEMOGRAPHICS

To understand whether India's workforce can keep pace, we spoke to 2,123 professionals across roles and sectors, featuring 24 working professionals across four online focus groups



Gender Distribution

Male - 59%
Female - 41%



Relationship Status

Engaged - 1%
In a Relationship - 10%
Married - 61% Single - 28%



Employment Status

Full Time - 95%
Part Time - 4%
Self-employed - 1%



Job Level

Mid-Level Management - 22%
First-Level Management - 53%
Senior Management - 9%
Entry Level - 12% Other - 4%



Work Experience

1-2 years - 18% 3-5 years - 36%
6-10 years - 20% 11-15 years - 19%
16-20 years - 6% 21+ years - 1%



Current Organization Tenure

1-2 years - 44% 3-5 years - 41%
6-10 years - 13% 11-15 years - 2%



Zone

South - 27% West - 38%
North - 24% East - 7%
Central - 4%



Education

Undergraduate - 7%
Graduate - 65%
Post graduate - 23%
Diploma - 5%



Personal Income

Below ₹5 lakhs - 46%
₹5-₹10 lakhs - 34%
₹10-₹20 lakhs - 19%
₹20-₹40 lakhs - 1%



Age Group

Gen Z - 19%
Millennial - 67% Gen X - 13%
Baby Boomer - 1%



Family Size

Up to 2 children - 93%
More than 2 children - 7%

METHODOLOGY

This study followed a structured, three-phase mixed-method approach to capture a comprehensive view of workforce sentiment, digital readiness, and emotional engagement across India.

Phase 1: Instrument Development

We began by designing two core research instruments tailored to the study's objectives. A quantitative questionnaire was developed to capture key metrics such as happiness levels, quit intent, digital adaptability, and perceived alignment with an ideal workplace. In parallel, a qualitative discussion guide was created to explore deeper themes such as perceptions of AI, emotional drivers, and everyday workplace experiences through in-depth conversations. This ensured a balance between data breadth and narrative depth.

Phase 2: Panel Selection and Sampling

To ensure representativeness, respondents were selected using a stratified sampling framework covering generations (Gen Z to Baby Boomers), employment types (full-time, part-time, self-employed), job levels (entry to senior), industries, and cities across different tiers. A detailed sampling matrix ensured diversity and balance, reflecting India's dynamic workforce landscape.

Phase 3: Data Analysis

A blend of qualitative and quantitative techniques was applied.

Thematic analysis uncovered recurring patterns and sentiments from qualitative inputs

- Descriptive statistics summarized trends across key variables.
- P.C.A (Principal Component Analysis) helped identify the most influential factors driving engagement and disengagement.
- Miller's T-Test assessed significant group-level differences.
- Logistic regression modeled predictors of quit intent, while cluster analysis segmented the workforce into meaningful cohorts based on emotional and digital readiness profiles.

Robust data hygiene checks ensured reliability and consistency throughout.

TALK TO US

At **Happiest Places to Work®**, we're passionate about fostering happiness and well-being in the workplace. Whether you're interested in learning more about our research, the certification process, or how we can help your organization, we're here to assist you.



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