



# TITLE OF THE CASE STUDY: HAPPINESS

Name of the organisation: Desigual

Country and sector of the organisation: Spain. Fashion and retail

## Type of organisation:

- Business company
- Public organization
- Private organization
- NGO
- Other:

## Size of the organisation:

- small
- medium
- large

## Brief description of the organisation:

Desigual is a Spanish firm, which was founded in 1984 in Ibiza by brothers Christian Meyer and Thomas Meyer, who is the actual president of the company. His main aim was to design clothes that could generate positive feelings and emotions to people.

Desigual is present in 72 different countries with 200 own stores and contributing in 7000 stores with different brands. It is a company characterized by a constant growth and an unstoppable international expansion. The internationalization and the innovation are the main lines of growth.

## Short description of the case study (500 characters)

For Desigual, the concept of happiness is of vital importance. In fact, one of the characteristics that defined this company in its early days can be seen in this idea "Desigual is built around the concept that fun and business are not only compatible and complementary, but necessary. Work must go with pleasure".

Their own stores have the goal of creating singular and positive experiences to customers, trying to create spaces of imagination and illumination to make users to have fun creating alternative worlds. Buying has to be a different pleasure.



Key words: Happiness, pleasure, people first, values, efficiency

## **BEST PRACTICE PROFILE**

## **DETAILED DESCRIPTION**

This Spanish brand in the textile, clothing and fashion sector is characterised by its bright colours and optimistic prints that highlight the friendly side of life. Since 1984, when it was founded, the brothers Christian Meyer and Thomas Meyer wanted to give the consumer an alternative to "dress differently, with fresh and fun garments at good prices". That is how they chose slogans like "Real Life", "Magic Stories", "Luxury Feelings", "Me&You", "Better&Better", "Wow", "All Together", "Rainbow", "Life is Cool" and "Happiness is inside" which still accompanies them today.

Likewise, far from defining its mission as many brands in its category: "clothing and accessories for women, men and children", Desigual states its task in a rather original way: "Creating positive emotions through original, colourful and quality clothing for everyone, with a mission: to share the joy, love of life and its unconventional spirit". Since its creation in 1984, Desigual has maintained a trajectory marked by the creativity and fun that impregnate their garments and accessories, but also their way of approaching their customers, so their the relationship with its workers, the internal customer, could not be different. Based on one of its values, Fun&Profit, develop a people management policy that bets on proactivity and nonconformity hand in hand with efficiency and good results.

In this sense, in 2015 Desigual started a process of transformation with a very clear dream: to become a large, international, customer-focused company. A transformation that was to be reviewed from its business model, product and communication to the concept of their shops and their way of working. Of the more than 4,600 employees worldwide. Under this premise, a new approach emerged: to move from to be a product-focused company to a customer-focused company, so that, through unique creations, can feel authentic and, on everything, happy. To achieve this goal, it became essential to put people at the centre of all. Marta Sala, former Talent Acquisition Global Manager at Desigual, explained the keys to increasing employee happiness on Talent Day 2017. "The question of change lies in how to move from being a product-focused company to one that is customer-focused. People are the new axis around which Desigual's entire strategy revolves. As Sala commented, in the case of the people management area, this element can be found in the very name of the department: it went from being called 'human resources' to 'people first'.

She also explained the initiatives promoted such as the recent creation of a sports club, in which more than 500 employees participate, the introduction of new tools such as the "happymetro" or the holding of monthly meetings with the president for the global workers. The objective of all these actions is, according to Sala, the reformulation of policies towards closer formats that generate a sense of community and that turn workers into brand ambassadors or "mini CEOs".



One of the characteristics that define this company is their manner of working. Concretely, it shows an interesting trade-off between fun and profit that they call "the secret of Desigual success". It means that we can make money by having fun and being reasonably happy working every day. Thus, the company cares about their employees' well-being by creating an enjoyable and pleasant working area with places to rest, open agoras for coffee and breakfast, impressive views of the sea, creative showrooms for presentations of their collections, fun and colourful classrooms, libraries... And especially a charming atmosphere.

According to Franc Ponti, full-time teacher at EADA Business School in Barcelona (Department of Strategy, Leadership and People) "You can see that most people are delighted with their work, you see many people working in teams and creating, there is a lot of good humour, transgressive decoration... I spent a couple of hours and I had the feeling of being one of them, of having been there working for months and months. That had hardly ever happened to me before and it made me happy. That morning I woke up a little depressed: I had hard days of work and was very tired. But the people of Desigual made me leave their premises happy and content, breathing the sea breeze and thinking that we romantics still have a place in this world. Thank you, Desigual"

Moreover, as it is explicit in their corporate slogan: "We dress people, not bodies", the company also tries to improve people lives by providing them with clothes that make them feeling happier.

## RATIONALE

For Desigual it is essential to place employees in the centrepiece of any decision. This is one of the reasons that led Desigual to even change the name of the department, from HR to People First. People First is responsible for maintaining a culture and behaviour based on authenticity, constant learning in a work that does not have to be at odds with performance. Have fun and at the same time have a high level is fully compatible. A good portion of their employees are made up of millennials and Generation X professionals. Desigual is a example of a diverse and international company. Among its employees, more than 100 nationalities are counted. No celebrates diversity because they are diversity.

Juan de Mora, former director of People First explained that "People First, more than the name of a department, is a philosophy, a culture, a statement of intent. Therefore, the first step was to become in People First with a first declaration of intent: to put people where they need to be, in first place and above anything else in the heart of the company itself. When Desigual talks about Fun & Profit, everyone celebrates his/her successes and achievements, but also his/her work well done, which also, but to enjoy with what we do, work with a high level of demand, live each day with passion and intensity, always with energy It is also highly contagious We believe that things go well because we do it with enjoyment. And this you can breathe from the first day you enter the door"

Desigual's central offices, opened in 2012, are a clear example of that culture, governed by creativity and the 'good vibes'. Located in a unique enclave, opposite the Barceloneta beach (in Barcelona) the architecture arrangement of the spaces, the decoration, everything helps working as a team, with demands and professionalism, but always enjoying. The environment encourages cooperation: there are no fixed sites and all the spaces are designed for employees to work with people from different areas, promoting creative synergy.



Every space, every moment of the day, a meeting, an informal chat, a coffee... can always be the start of a big project.

Both inside and outside the company, Desigual's main focus is on people. For this reason, the company has been developing a series of initiatives that respond to the commitment to the environment, health and, especially, to their obsession with happiness.

Juan de Mora remarked that: "For us leisure time has the same importance that the working day, that is why we have policies of conciliation with time flexibility and we promote the practice of sport all together. This year we launched the Club de Sports, in which almost 500 employees practice yoga, Pilates, running, open sea swimming, dancing, volleyball beach, paddle surfing, trekking... All activities managed by the employees themselves, who have helped improve motivation, as well as helping to create equipment. I assure you that we are happier and also more productive because these initiatives have generated a great impact and represent a very profitable investment for both employees and the company. Healthy and happy employees generate loyal customers and aligned with the brand. If you visit the central offices in Barcelona, you will find professionals taking the paddle surf boards at the end of the working day, or practicing yoga or Pilates on the terrace at first time in the morning. The Home Offices have a canteen service, the 'Kantina', which serves more than 20 different menus adapted to all types of intolerances and also has a picnic option to eat at the beach".

#### GOALS

According to Alberto Ojinaga, general manager of Desigual, "the main strategy in terms of people management is based mainly on attracting and motivating employees. To achieve this, we have developed, by one hand, the Employer Branding Plan in which we put in value our corporate culture and our value proposition as employers. By other side, and in order to motivate our employees - regardless of where they work - we work continuously to provide challenging projects involving decision-making, team cooperation and learning continuous. All this, wrapped in one of our main values, Fun & Profit, through which we prove that high performance and the celebration of success and enjoyment go hand in hand. For that reason, the people who are part of the organisation feel committed and empowered to make the best decisions to enable them to achieve the results we set out to achieve"

Desigual employs over 4,600 people worldwide and a good portion of them is made up of millennials -and professionals from the Generation X -10 per cent-. These profiles have new needs and motivations and, through their philosophy People First, they try to transform their employee journey in a unique and differential experience. It is, by on the one hand, to generate new initiatives with their clearer needs: flexibility, challenges that motivate them multidisciplinary projects, continuous learning... and also to put into value many actions that they do and they have been promoting Desigual for a long time, because their employees are part of their DNA. As Ojinaga points: "One of our values, almost the one that most identifies us and for which the more we are recognized, is the Fun & Profit, which more than a is a way of doing things and understanding our brand and our culture"

On the other hand, it is essential for them the concept of teamwork. As Ojinaga explained "In Desigual, we all are part of a team that shares the same objective. In this way, listening, communication and networking and project work are encouraged motivation. We do not conceive our task if it is not based on the collaboration of



equipment. We work in a transversal way, with the following objectives common, but always providing different points of view and experiences. The decision that the offices should have a structure open space is no accident: many areas are organized not by the classically known departments but by tables of expertise, where each person who composes it is an expert in an area and complements the rest of the members of table, all with a shared goal. If we talk about point of sale, the scenario is similar: the training works in a network, training trainers to that they then provide that knowledge to other profiles.

For example, we are working on a differential onboarding in our points of sale, in which different people from different backgrounds and experts in an area of knowledge are trainers of new store managers, assistant store managers and other shop profiles".

## IMPACT

Thanks to its philosophy of placing the employee at the heart of the company. Desigual has succeeded in making its employees more creative and efficient, with greater productivity and faster career advancement. In addition, its employees are more committed and motivated to work, and are more willing to contribute beyond their job descriptions.

On the other hand, in the face of adversity and setbacks, people in happier workplaces tend to see the bigger picture, which allows them to be less stressed; they are better able to cope with and recover from work stress, and also better able to reconcile conflicts.

According to Thomas Meyer: "For six years we have been immersed in a plan for radical transformation. A change of cycle based on five pillars. Product, brand, distribution channels, sustainability but, above all, making Desigual a great place to work. That's why we have promoted many changes in the company's internal culture to do things differently (to continue doing things differently, that's our DNA). Optimism, difference and joy of life are and will always be the reasons we exist. The COVID has been a very hard blow. When there is such an abrupt change, the move towards a new order always means a process of certain chaos. In moments of total confinement, with the streets empty and the shops closed, the situation seems terrible because it is. But even in those circumstances I understood that the priority was to protect both the employees, who during these months have shown an enormous commitment to the company and to which I would like to give special thanks for the effort made, and the customers who continue to trust the brand and buy our collections. I think we have done quite well and we have all understood that we have to take better care of ourselves and the world".

For Desigual the employees are the basis and in this sense the president of the Catalan fashion distribution company addressed his employees through a letter in which he explains that the coronavirus will bring new opportunities. "In 1984 life gave me the opportunity to create Desigual". This is how Thomas Meyer begins a letter to his employees in which he reflects on the situation that has led to the coronavirus pandemic. In the letter, the company's founder points out that this situation "will teach us something" and "will bring new opportunities". "We have hit bottom several times, and each time we have managed to recover," acknowledges Meyer in the letter. "And each time we have learned something significant and beautiful, what really matters and what doesn't," the businessman adds in the letter. "We have learned to be more human, because we have lost a lot, but proportionally we have gained in focus and values," confesses Meyer. "We have learned a lesson in humility and that things must change," he adds. "We are united, we are stronger and we are more confident



about how our future should be," the letter concludes. From his words we can deduce that for Desigual, for its president the most important thing is the relationship with his employees even in difficult times.

## **LESSONS LEARNED**

## 1. People are More Likely to Be Passionate

When someone is happy, they are more likely to be passionate about what they are doing. After all, if you're deeply unhappy and unfulfilled in your life, it's hard to get hyped up about paperwork. On the other hand, if you like your job and the values that your organization stands for, then the likelihood about you being more passionate, even about seemingly menial tasks, is much greater! On the other hand, a positive attitude can do wonders in turning a department or company around. Having employees who possess a positive attitude can also be contagious; for employers, it's important for them to have that energy in the workplace. It keeps people going when under stress, makes difficult work seem easier, and can make a work environment more enjoyable.

2. Teamwork and Collaboration Happen Seamlessly

People are much more likely to come up with brilliant ideas while <u>gathered around in the coffee room</u> if they're genuinely engaged and happy with what are doing. Happy people will much more effortlessly bounce their ideas off one another, brainstorm, collaborate, and communicate about struggles they are facing in the workplace and about completing projects. With this, it is much more likely that workers will come up with creative and effective solutions. Not only that, but after being able to solve problems together and make progress for the organization as a team, office morale is likely to go up in conjunction with that.

## 3. Enthusiastic Workers Get Things Done Faster and Better

When workers are enthusiastic and happy with their life, they are going to get things done more quickly and efficiently, all the while producing better results. This only makes sense. Think about it: workers who are unhappy will likely spend a lot of time trying to think of other things they can do besides work, like get up and get another coffee, or take an extra long time replying to an email just because they don't want to get back to what they are supposed to be dedicating their time to.

Those that are enthusiastic about what they are doing will be more likely to throw themselves completely into it, get in the zone, and finally, get results. With this, it only makes sense that happier, more enthusiastic employees are going to be more productive and a better asset to an organization overall. And the data proves it! Studies have shown that happy employees are as much as 12% more productive!

## MATERIAL

- <u>https://www.youtube.com/watch?v=sFK\_nK-Lm8A</u>
- <u>https://www.youtube.com/watch?v=Bp4UMOqklds</u>



Slogan

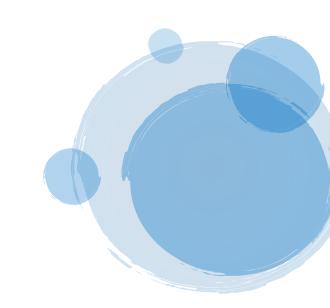
happymeter



Yoga terrace



Kantina









Paddle surfing

Spaces to work

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