



Happily Orange After

New joint research conducted with *Training* magazine and an experiential workshop based on “The Orange Frog” parable showcase the impact of positive psychology on organizational development. **BY SHAWN ACHOR**

Conventional wisdom holds that if we work hard, we will be more successful, and if we are more successful, *then* we’ll be happy. If we can just win that next promotion, get the big raise, beat the competition, happiness will follow. But recent discoveries in the field of

positive psychology have shown that this formula is actually backwards: Happiness *fuels* success, not the other way around. If people raise their success rates over their entire life, their happiness rates flatline, remaining relatively unchanged. But when we cultivate positive brains first, nearly every business outcome we can test for rises significantly. As I have described in my books, “The Happiness Advantage” and “Before Happiness,” this discovery repeatedly has been borne out by rigorous research in psychology, neuroscience, and management studies. And in an article that made the cover of *Harvard Business Review* based upon the research I performed at KPMG and UBS, I concluded, “the greatest competitive advantage in the modern economy is a positive and engaged brain.”

Happiness, however, is a loaded word, which is exactly why I use it. There are more innocuous terms, but “happiness” gets to the core challenge of creating positive change. Poet Robert Frost wrote, “Happiness makes up in height what it lacks in length.” This line sums up what many think about happiness, especially in the workplace: It’s short-lived and situational. The deeper inference is that we’re powerless to consciously sustain happiness. Thus, many believe that our happiness at work remains solely under the tyranny of our genes and our external environment. However, the exciting pattern we are seeing emerge in the research is that this conclusion is false. Happiness *can* be a choice. If we link mindset and behavioral change created by small positive habits, we can create long-term, quantifiable positive change at any level and at any age.

In this article, I will share the results of new research that I jointly conducted with *Training* magazine, evidencing the links between happiness, optimism, and productivity—as well as showing that change is possible. Using Nationwide Insurance as a primary case study, we will show how embracing the happiness advantage can enable a culture of adaptive, proactive leaders at all levels. In short form, there are three main conclusions from our research:

1. **Happiness is a choice.**
2. **Happiness spreads.**
3. **Happiness is an advantage.**

ENSURING HAPPINESS

If happiness is an individual choice, what can an organization do to foster positive change? To explore this question, I recently took a trip to Nationwide in Columbus, OH, with my partners, Greg Kaiser, Kevin Karaffa, and Greg Ray from International Thought Leader Network (ITLN), to visit with people involved in the ground-breaking rollout of The Happiness Advantage/Orange Frog Initiative.

This customizable experiential workshop is based upon a parable I wrote called “The Orange Frog.” Why a parable? I love research, but I also know that many people don’t take time to read whole books. If one cannot assimilate information quickly and with an emotional hook, this research might go unheeded. As an undergraduate at Harvard, I studied how one communicates their beliefs so that those beliefs become adopted by others, and I found that parables are one of the most effective ways of creating paradigm shifts.

As the parable goes, Spark was exactly like every other frog in his pond with one notable exception. Spark emerges from a tadpole with a slight but noticeable orange spot. And this orange spot makes Spark feel uncomfortably different. Spark begins to make a disconcerting observation; when he does things that make him feel positive, his orange spots increase. Spark is left with a difficult decision: Be normal, which makes him less conspicuous and helps him “fit in,” or continue doing those things that make him happier, more productive, and become completely orange. Spoiler alert: Through the positive habits and leadership of Spark, he infects the other three ponds on the Island with his orange-ness. And the reader learns that being orange is both adaptive and contagious as the frogs

deal with Herons and Storms. The Orange Frog parable is designed to deliver several key lessons about the happiness advantage and serve as rallying language for teams.

Here’s how it worked at Nationwide: Early in 2012, Nationwide invited me to speak at its Leadership Council meeting led by CEO Steve Rasmussen. Afterward, Vice President of Sales Planning & Development Curt Wohlers and Associate Vice President of the Nationwide Sales Academy (NSA) Jeff Pireu brought together a team that could influence a wide variety of “touch points” in the organization. Together with this team, we came up with an “operational charter” connecting happiness to their business strategy. This was a critical first step and one that organizations often fail to take when instituting trainings, which results in doing “flavor-of-the-month trainings,” which have no long-term impact upon the culture. If long-term change is the goal, you cannot throw individual pilot programs at a wall to see what sticks; you need a chartering session to talk about sustainability from the get-go. And you need buy-in from the leadership. As Pireu says, “At NSA, we practice what we teach. Jeff and Mike Lewis, director of Learning & Performance at NSA, required everyone who works at NSA to attend an Orange Frog workshop and participate in post-workshop activities to sustain the effort. The results have been incredible in setting the stage for the positive and effective learning culture they want to be recognized for.”

The operational charter is required homework to be memorized by all employees in the training, serving two purposes:

1. **To set the social script that a positive mindset is crucial to the business.**
2. **To provide an effective communication vehicle for spreading the message internally and externally.**

The charter, in turn, helps empower champions of this approach, who help promote the positive change internally. As Gary Baker, president of Insurance Intermediaries, Inc. (III), a wholly owned Nationwide affiliate company, told me, “We want to empower folks to be a part of the process of growth.” Here is the script of their charter:

We are catalyzing a culture shift toward a more positive mindset...by showing people that what they think and what they do matters.

Supporting Nationwide strategies by: Strengthening Relationships, Embracing New Opportunities, and Adapting Positively to Member Needs

Behind the Research

The research referenced in this article was conducted as a joint project between *Training* magazine, GoodThink Inc., and International Thought Leader Network. Preliminary and ongoing analysis of the data is being provided by Karl Haigler, a leader in connecting research to business outcomes, and Shawn Achor. A more definitive study is available to all *Training* magazine participants and may be obtained by contacting: **Research@iThoughtLeader.com**. Organizations interested in participating in future research regarding happiness in the workplace should send an inquiry to the e-mail address above.



These last three items were directly incorporated from Nationwide's business strategy, thus connecting the training to the overall mission of the organization.

We then partnered to execute a series of two-day workshops called "The Happiness Advantage and The Orange Frog—A Pathway to Success." The workshop uses a proprietary mapping methodology to align Orange Frog core content to leadership competencies and the company's objective. Using Gallup's Q12 and our Workplace Environment survey to measure success, two business units (NSA and III) were shown to experience significant positive shifts in their associates' engagement levels and created a more positive culture. The NSA's Grand Mean engagement score increased to a 4.25 out of 5.0 (an above-average increase and up from 4.02 the previous year). The organization also experienced an overall increase of 9.69 percent in six areas of Q12 employee engagement scores. Significant progress was made in the category Q12—"This last year, I have had opportunities to learn and grow"—increasing from 3.83 to 4.43. The Q6 category—There is someone at work who encourages my development—also experienced a positive increase to 4.40 (up from 3.88). The Orange Frog Principles of Falling Up and Mindset Matters can be tied directly to these increases as they allow associates to rewrite the way they mentally record setbacks and deliberately position themselves for success.

The workshop also includes a process where Level 3 results (related to the three strategic business imperatives) are observed, recorded, and measured in a process called "Pond 4 Reports." Some 87 reports have been recorded within a 12-month period. A sample testimonial from an associate who completed a Pond 4 Report includes: "I had a co-worker I made a habit of

avoiding... it finally got to the point that we could not effectively work together. I decided at that point to focus on what I could do to make relations better, going out of my way to know more about my co-worker. I started to see their point of view, which led to barriers breaking down. Now we have a strong relationship that has led to more success for both of us."

As Pireu says, "The chartering, immersion, and train-the-trainer phases included lots of hard work...but the end result was all worth it. To date, the Happiness Advantage/Orange Frog workshop is one of the highest-rated courses we offer at the academy." That was just the beginning. Nationwide is now at the vanguard of Fortune 100 companies adopting positive psychology to create more successful cultures.

MAKING RESEARCH JUMP OFF THE PAGE

When I visited Gary Baker's team at Nationwide, I was thrilled to see that the walls of his office were painted orange and there were stuffed frogs scattered among the cubicles. There were even large framed pictures on the wall of their teams serving at soup kitchens wearing bright orange shirts. But it's not about externals, as you could see by the enthusiasm and positivity of the teams in those offices. They actually seemed to be having fun while doing their work.

In our fast-paced modern world, an insidious behavioral norm or "social script" has been created that essentially says, "If you are having fun or enjoying your work, you must not be working hard enough." This creates an internal conflict with our own nature, for science definitively has shown that when we are filled with positive emotions, our brains actually work much better and our results improve. And while we all know this instinctively, this negative social script puts us at odds with our most human instincts—creating stress and an epidemic of dis-engagement. Unfortunately, the power to conform is immensely strong and after a bit of time, most of us conform and slowly we disengage.

The Happiness Advantage/Orange Frog workshop we developed with Nationwide directly confronts and rewrites this social script and provides a narrative pathway for people to reach a more positive mindset, attain higher levels of optimism and deepen social connection. Through the stories of the various frogs, they also learn the best practices of resilient leaders, become more adaptable, develop a capacity to "see" more opportunities, which leads to better results. From an organizational perspective, such shifts can best occur when the individual and the organization mutually demonstrate that *what we do* matters and *what we think* matters.

On this point, I had an interesting conversation at 7 a.m. with a Nationwide associate named Mark in his office in Columbus about the role of habits. Perhaps Mark had read Robert Frost's poem because we spent awhile discussing how happiness, and its resulting advantages, can be short-lived if you do not develop mindset change and behaviors that can lead to lasting, sustainable positive change. When I asked

THE SPARKETTE

As a researcher, I'm fascinated by what sparks positive change. At Nationwide, I heard stories about and finally met "Sparkette" (as she refers to herself). She is definitely a woman who exhibits the defining characteristics of a positive outlier (believes both her mindset and her behavior matter) and is out to make a difference. Having attended a test pilot of the Orange Frog Workshop, Julie Hoover says, "I recognized there was something here that we needed. I didn't have the formal authority to make a decision to bring this in, but I realized *I did have the wherewithal to do something about it.*"

"I started riding the elevator with a stuffed orange frog," she revealed. "Getting strange looks was part of my strategy—I rode that elevator up and down and talked to everybody who asked about the frog. I shared the book, the research (and a fair number of orange frogs) until I finally figured I had enough interest and support to take my case forward."

Nationwide Vice President of Sales Planning & Development Curt Wohlers says Julie presented the idea to him, and the changes evident in her own behavior and convictions convinced him that this program must have merit. It wasn't long after that Wohlers and Jeff Pireu, associate vice president of the Nationwide Sales Academy, brought together a team of people around the organization who could influence a wide variety of positive influence touch points. This is the team that eventually came up with the Operational Charter connecting happiness to business strategy.





Nationwide's Insurance Intermediaries, Inc. (III) business unit team dressed in their best orange and spread the positive word at a charitable outing.

him if he did any daily habits, Mark shared his simple ritual of frequently starting his day by writing down things for which he is appreciative. Some mornings, Mark is inspired to share his gratitudes on the company's internal social media platform, Yammer. Such a small habit, one minute in length, by one person—it seems so insignificant. But small changes spread.

Mark Pizzi happens to be the president and COO of Nationwide Insurance. He says, "I have to work at it; I am no different than anyone else. The boldness with which we act to rebuild people's lives, and our business results, ties to how we think. We want to embed positivity into Nationwide's DNA."

As I note in "The Happiness Advantage," and as I'm about to describe in our joint research with *Training* magazine, small changes lead to huge advantages for an individual and an organization.

RESEARCHING POSITIVE CHANGE

Pizzi's conclusions are confirmed by the new joint research we just completed with *Training* magazine, in which 900 professionals, mostly in the field of organizational development, participated in a project that consisted of a two-week assignment to incorporate a new positive habit into their daily work routine: writing down three gratitudes (similar to Pizzi's habit), writing a positive e-mail for two minutes a day to someone they know, or journaling for two minutes about a positive experience. Some 436 of the participants responded in the post-survey regarding their ability to sustain the positive habit.

We assessed multiple variables about perceived well-being, social support, productivity, stress, creativity, optimism, etc. The first thing we discovered was the average score for the entire population rose when they created a habit out of just one of the three activities we suggested. Every metric showed a positive effect compared to the control group of individuals who did not create a positive habit. Then we started looking even closer, specifically focusing on optimism, productivity, and stress. We also examined two sub-groups: people who were most diligent in incorporating the habit and those who were less diligent.

Those who incorporated the positive habit moved from a

3.09 to a 4.10 on a 5-point stress scale (with higher being lower stress). The diligent group also moved from a 4.62 on energy to 5.24 on a 7-point scale. In addition, we found a significant correlation between optimism and workplace productivity, statistically significant at a 95 percent level ($r=.31$). In addition, people who provided social support at work showed strong correlations with being happier at work ($r=.40$), confirming previous research showing that social connection is crucial to job satisfaction and life satisfaction. **All in all, those who successfully created the positive habit for two weeks during the experiment with *Training* magazine showed a 20 percent decrease in stress, had 12 percent higher energy, and were twice as likely to rate themselves as higher on the happiness measure.**

Our joint research project reflects findings consistent with previous research. We were not surprised to find there was also a high degree of consensus among survey respondents (pre- and post-) that "increased happiness in an organization could positively improve business results"—83.3 percent of the more diligent completers and even 76.65 percent of the less diligent at creating their habits.

As the president of Nationwide Insurance says, "Nothing gets better when we look at it negatively. As a leader, you must care about people, so as a leader, genuinely helping the 'whole person' improve their outlook and behavior (while maintaining accountability) is essential to people embracing growth and working with a competitive edge."

COLORING CHANGE

Creating positive change affects more than just performance and mindset metrics; it affects the bottom line. One of the best examples of this research coming to life is III, an insurance brokerage company that provides insurance outside of Nationwide's primary personal coverage lines (auto and home), including a mix of personal, commercial, life, and health insurance lines, as well as financial products. In 2013, the company undertook a major strategic initiative that included incorporating new lines of business, establishing bold new diversification



targets for agents, innovating its entire marketing and product delivery strategy, and augmenting its traditional relationship with agents and policyholders. III executives knew the levels of organizational change, process change, and technology change required to achieve their business objectives demanded a new mindset of positive empowerment, an ability for employees to be adaptive beyond current levels, and a culture of positivity to accomplish these aggressive change efforts.

In early 2013, III took part in The Happiness Advantage/Orange Frog Workshop conducted jointly by ITLN and the NSA. Shawn, one of the first III participants, says, “The orange mindset soon became a new way of thinking inside the organization, and soon the entire III staff participated.”

As another associate, Michelle, describes, “there has been a healthy mindset shift among our staff away from the ‘chain-of-command way of thinking.’ Many of us used to feel like we had to wait for changes to come from the top and eventually trickle down to us. Now we have more of an empowerment mentality, and we’ve learned to meet change head on with a positive mindset. We also understand we have a voice and there are many ways to not only feel empowered but to improve the way we work together and individually. Change is no longer dreaded but seen as positive steps for our company and our own career growth.

III completed our Workplace Environment survey where the Subjective Happiness metric went from a 5.8 to 6.0 (out of a 7.0 scale), and the Satisfaction with Life metric went from a 27.3 to a 28.2 (out of a 35.0 scale). The III data support the theory of the happiness advantage, and the organization is experiencing growth among its competitors. III is currently more than \$25 million over its plan with revenues of more than \$100 million over the prior year, success III President Gary Baker attributes in part to Orange Frog, stating that some of the organization’s best production came in the months following the workshop. III associates now have started a program whereby they track the important things they accomplish each day and have an accountability partner review their accomplishments each day. Baker says his team now is “embracing new opportunities through noticeable and numerous examples of business process improvements. People are providing ideas; they are not afraid to share; and positive change is starting to flow.”

To sustain the happiness advantage, III began instituting changes based upon the trainings. I had the opportunity to witness firsthand one of my favorites, called “Huddles.” Teams in the call center are brought together once a day to assess the progress made by each person, recorded on a large erase board with goals set for various business objectives and daily/weekly outcomes. There is also an emotional barometer with pictures of each team member that they move according to their positivity or negativity that day. When someone is down emotionally, the team rallies to help them accomplish their goals, return to positive, or just feel socially supported.

Positive interventions like this one are working. Growth in applications at III is up 237 percent compared to last year with record revenues. According to Baker, who sported an orange tie during my visit, “While we can’t say exactly how much yet, we

definitely attribute part of our success to the Orange Frog training. We now celebrate the power of social scripts we believe in as an organization. They come alive generating stronger relationships internally and with our customers, too. Our positive behaviors have facilitated positive results. The Happiness Advantage/Orange Frog Workshop has given everyone a framework of seven different methods to generate positive impacts and take change head-on.”

As we see far too often, change efforts without true engagement is hard to sustain. Eventually, business as usual begins to set in. Real culture change must be long term and quantifiable. As we have seen at Nationwide, continually connecting desired business outcomes with actionable positive principles and pro-active engagement can yield surprisingly impressive results.

THE HAPPINESS ADVANTAGE

The more we research, the more we are convinced that while intelligence and technical skills are crucial, the greatest competitive advantage in the modern economy is a positive and engaged brain. My work in 50 countries with more than a third of the Fortune 100, and one of the largest studies at Harvard on happiness further is confirmed by the joint research project with *Training* magazine and ITLN, and the case study at Nationwide (To view videos of my interviews with Nationwide executives, visit [LINK TO COME.](#))

One of the most powerful forces in human nature is our belief that change is possible. **We have learned that reprogramming our brains to become more positive, more adaptive, and more resilient in order to gain a competitive advantage at work is not only possible, it is essential in rapidly changing environments.** But information alone is not transformation, which is why the next step is so important: cascading these findings and trainings to more organizations to create deep and sustained change so that happiness becomes not a short-term, chance event at work, but a sustained lifelong practice. Happiness does not have to be short in length; it can be a continual choice. And the more we establish researched ways for individuals to make this choice, the greater the advantage we gain.

Our project further confirms the link between optimism and productivity. As we continue to delve deeper into the *Training* magazine data, we expect to find even more interesting results—and we will continue to try and find organizations that will collaborate on research with us to test new hypotheses and connect findings directly to quantifiable business results. This field until now largely was confined to academia and laboratory experiments. The true nature of happiness and its value lies in better understanding it in the context of business and our lives at work. **1**

Shawn Achor is the internationally best-selling author of “The Happiness Advantage” and “Before Happiness.” Achor spent 12 years teaching at Harvard before traveling to 50 countries, bringing his positive psychology research to more than a third of the Fortune 100. His research with collaborators at Yale University made the top social psychology journal in 2013; his work was featured on the cover of *Harvard Business Review*, and his TED talk has nearly 5 million views.