Study Investigates ROI of Positive Psychology Training

KPMG and Researcher Shawn Achor uncover benefit of positive psychology in economic crisis

CAMMRIDGE, Mass. – January 2011 – Tens of billions of dollars are spent worldwide every year on employee training, but the ROI remains questionable. A new groundbreaking study from researcher Shawn Achor and KPMG investigates this issue and finds that a new kind of positive psychology training exhibits a valuable ROI. A single training session on the principles of positive psychology was shown to improve the overall happiness and stress management skills of 77 managers against a control group. Subjects were evaluated again four months later, and impressively, the benefits persisted.

"No one has conducted any data-driven studies evaluating whether trainings on positive psychology will create a clear ROI," said Shawn Achor, researcher, lecturer and consultant to Fortune 500 companies. "This research sets a new standard."

In December of 2008 as the worldwide economic crisis was beginning to take shape, a ten minute survey was administered to 77 KPMG managers getting a baseline reading of 14 different metrics including stress, social support and optimism. Then, Achor delivered a training entitled "Positive Psychology: the Science of Happiness and Potential" to the 77 mangers. A week after the training, the survey was re-administered to the experimental group and compared with a control group (managers who did not go through the training but took the surveys). In April 2009, both groups were tested again. Even after four months, the group of trained managers showed significant increases to optimism and life satisfaction - one of the greatest predictors of performance and success. Extensive studies have shown that employees with higher levels of life satisfaction are more productive, produce greater sales, and are more resilient in the face of challenge.

The study detected three conclusive findings. First, teaching managers the principles and strategies of positive psychology is vital to arming them to deal with the challenges of a

- DRAFT (not intended for immediate release) -

modern work environment. Second, as extensive research has already found that employee life satisfaction is a direct contributor to productivity and performance, a training that conclusively enhances this quality could have far-reaching implications. Lastly and most importantly, this research indicates that trainings on positive psychology will create a clear ROI, and one which appears to last. An indication, that it may be increasingly important for companies to start training their employees on the skills of positive psychology.

Over the past year, Achor has delivered these lectures and trainings to leaders in 36 different countries. "This is an emerging field and we are excited about its potential," said Achor. "More studies need to be done to determine how long these benefits endure. The same experiment should be performed with larger groups of managers and across the U.S. and the globe." Achor and Director of Research Elizabeth Peterson are currently continuing research in this field with Yale University.

Shawn Achor is the Founder of Good Think Inc. and author of the bestselling book <u>The</u> <u>Happiness Advantage</u>. Shawn spent over a decade at Harvard University where he won numerous distinguished teaching awards for his work. He graduated magna cum laude from Harvard and earned a Masters from Harvard Divinity School in Christian and Buddhist ethics. In 2006, he was Head Teaching Fellow for "Positive Psychology," the most popular course at Harvard at the time. When the global economy collapsed in 2008, Shawn was immediately called in as an expert by the world's largest banks to help restart forward progress. Subsequently, his lectures on happiness and human potential have received attention from the New York Times, Boston Globe, Wall Street Journal, CNN, and NPR. Shawn has now spoken in 45 countries to a wide variety of audiences: bankers on Wall Street, students in Dubai, CEOs in Zimbabwe. The New York Times recently named Shawn a "world-famous expert" on positive psychology. For more information about Shawn Achor, please visit <u>www.goodthinkinc.com</u>.

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