



***Why Passion Pays: boosting morale can raise profits 40%.***

from Fortune Small Business, August 2002, by Anne Fisher

Over the past decade emotional intelligence, or EQ, has been a hot business topic. Do your workers have a high EQ? Do they relate well to customers? Are they passionate about work?

No one doubts that EQ is important. The trouble is, it's such a soft topic that it's been almost impossible to quantify -- until now. Using its vast polling power, Gallup has canvassed thousands of companies to better understand EQ and its relationship to your business. Let's say, for example, that you have 100 employees. If your company is anything like the 300,000 businesses in Gallup's worldwide database, between 50 and 60 of your people are not doing their best work, probably because you haven't found a way to get them excited about your goals or to make them feel that their own needs and contributions are important. On top of that -- again, if your company resembles those Gallup has studied -- you have 15 to 20 employees who are what Gallup would call "actively disengaged." They're just showing up (or, frequently, not) and going through the motions, and they might quit at any moment. So in all, 75% to 80% of your people are achieving much less and feeling far less enthusiastic about their work than they could be.

So what? Well, Gabriel Gonzalez-Molina, a Gallup senior scientist says this state of affairs is more costly than you probably realize. If all 100 of your employees were "fully engaged," meaning playing at the top of their game and happy about it, your customers would be 70% more loyal, your turnover would drop by 70%, and your profits would jump 40%. *Follow This Path: How the World's Greatest Organizations Drive Growth by Unleashing Human Potential* (October 2002, Warner Books, \$26.95), which Gonzalez-Molina co-wrote with Curt Coffman, aims to show you how to get there. If you read many business books, you will instantly feel at home with the rambling 'consultantese' of this one. Happily the ideas are worth the effort it takes to get past the prolixity.

Gallup's newest research found that most companies operate as if employees and customers were completely rational. "Not so," says Gonzalez-Molina. "We are first and foremost emotional beings. Our highest-level goals are set by emotion, not reason." By those lights, if you want charged-up employees and customers who love you, you have to grab 'em by the heartstrings: "The challenge for organizations is, How do you create emotional incentives?" he says.

One place to start: Put these 12 statements in front of each of your employees and ask them to agree or disagree. The more agreement you get, the more engaged -- and productive -- your people will be, and the more your customers will want to come back.

- \* I know what is expected of me at work.
- \* I have the materials and equipment I need to do my work.
- \* I have the opportunity to do what I do best every day.
- \* In the past week I have been praised for doing good work.
- \* My supervisor or someone else at work seems to care about me as a person.
- \* Someone at work encourages my development.
- \* My opinions seem to count.
- \* My company's mission makes me feel my job is important.
- \* I have a best friend at work.
- \* In the past six months someone at work has talked to me about my progress.
- \* I have had opportunities to learn and grow at work.

What's that you say? You gave this quiz to staff members and they doubled over with derisive laughter? Friend, you have work to do. *Follow This Path* just might help you build a stronger company, one employee at a time.