Emotional Intelligence &

Return on Investment

Return on your EQ-i® investment

The EQ-i® is the first scientifically validated emotional intelligence tool in the world. That's impressive, we agree… but your next question is likely, "but does it work?"

EQ-i 2.0
assess. predict. perform.

MHS

Like most business people, you need to be bottom line focused and show real results in order to get buy-in from your key decision makers and clients.

In other words, you need to prove how the EQ-i will really make a difference in:

- the TRAINING and DEVELOPMENT of your employees,
- the development of your LEADERS, and
- the SELECTION of highly qualified future leaders to your organization

We know what you're up against. It's not enough to say that it will work. You need to bring to the table evidence of a clear **return on investment**; that is: clear statistics and research that link the EQ-i to:

- Higher sales and profits
- Increased performance
- Improved customer satisfaction
- Decreased attrition rates
- Reduction in training costs

So we want you to hear it right from *them* and show you *their* stories of success. "*They*" are the reputable organizations that have used the EQ-i and gone on to see exceptional performance improvements, and real bottom line results. These success stories go beyond mere testimonials. They give evidence of what you're looking for: **specific**, **measurable**, and **scientifically validated results** that prove the EQ-i will be your most valuable and successful assessment tool for selecting and developing leaders of tomorrow.

THE PROOF IS IN THE RESULTS…
…and we have the results to prove it

American Express (Case 1)

Purpose

To predict key characteristics associated with top performance from which selection criteria can be generated

Results

This case study features information sourced from the 2007 and 2008 International Conference on Emotional Intelligence materials.

Two different metrics were used to determine success in the role of customer focused sales associates: customer satisfaction and sales. As part of a star performer study, MHS created four performance groups: 1) those who scored well on both metrics, 2) those who scored high on customer satisfaction and low in sales, 3) those who scored high on sales and low in customer satisfaction, and 4) those who scored low on both metrics. These representatives also completed the EQ-i assessment. **Those who scored well on both metrics had the highest EQ-i scores (see chart.)**

ROI Impact

The EQ-i predictive model accounted for significant differences between high and low performing sales representatives. The EQ-i accounted for:

- **48% of the variance in performance,** or in other words, almost one-half of the skill set required of a successful customer focused sales associate.

Takeaway

Using the EQ-i predictive model for ***Training and Recruitment*** leads to:

- **Higher sales**
- **Better performance**

American Express (Case 2)

Purpose

To develop a training and development program with a strong scientific basis as well as a measurable implementation and evaluation process

Results

This case study features information sourced from the 2007 and 2008 International Conference on Emotional Intelligence materials.

The EQ-i program was implemented within AMEX's Consumer Card Service Delivery Network which spanned four states and **2000 leaders**. Departmental "teams" from AMEX were assessed as a group on their EI skill sets. Each team worked on key challenge areas as identified through the EQ-i group report. The most interesting outcome from this study was the subsequent evaluation which measured the program impact in the short and long term. Using the Kirkpatrick model of evaluation (based on a 5.0 point scale), the results from the EQ-i based leadership program were outstanding.

900 PEOPLE SURVEYED

Level 1 (reaction) : averaged 5 out of 5 strongly agreed that EI program was valuable, provided an awareness of EI strengths/opportunities and provided information that could be leveraged to grow and/or improve.

Level 3 (behaviour): averaged 4.85 strongly agreed with the statement: "I have become more effective in the EQ-i areas or skills I identified as development over the past 6 months."

Level 4 (results): averaged 4.14 out of 5 agreed with the statement: "I have seen an improvement in a business metric due to my work on EQ areas."

ROI Impact

A follow-up survey in 2004 was conducted with 50 AMEX leaders who completed the EI-based high potential program and then were promoted. This survey showed that:

- **100% of respondents** stated that knowing their EI strengths and opportunities helped them in transitioning to a higher level role.

Takeaway

Using the EQ-i for ***Leadership Development*** generates:

- **Smoother transitions to leadership roles = reduction in training costs**
- **Better leadership performance**

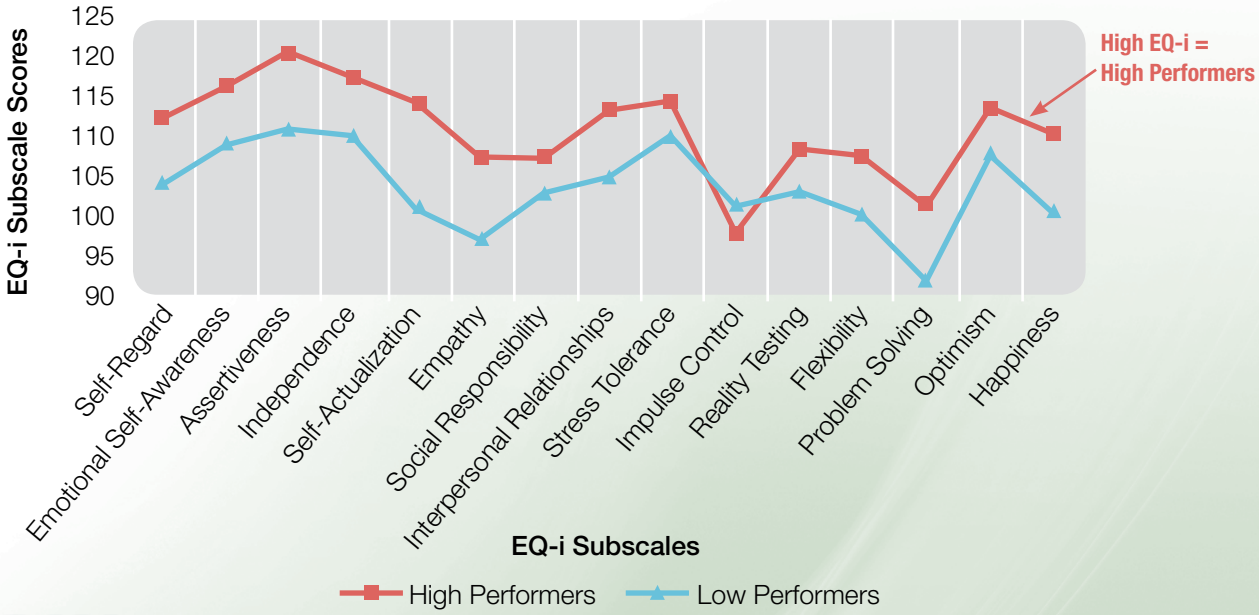
Fortune 100 Insurance Company

Purpose

To predict key characteristics associated with top performance and develop selection criteria for future agents

Results

First, a subjective rating was used to determine performance levels amongst General Agents (GAs) at the insurance company. Agents completed the EQ-i and were rated by two VPs as high or low performers. The sales teams of the highly rated GAs significantly outperformed the other teams in terms of sales. As you can see from the graph below, the EQ-i can be used to predict characteristics associated with high performance. High performers consistently scored higher in most emotional intelligence characteristics; most notably: assertiveness, self-actualization, empathy, problem solving, and happiness.



ROI Impact

The company looked at the four-year compound annual growth rate (CAGR) of their General Agent teams. For these high performer teams,

- **Growth was 15%**, much higher than the -1% achieved by the teams of the low performing GAs.

Takeaway

Using the EQ-i for ***Selection*** generates:

- **Higher performing employees**
- **Decreased attrition rates**

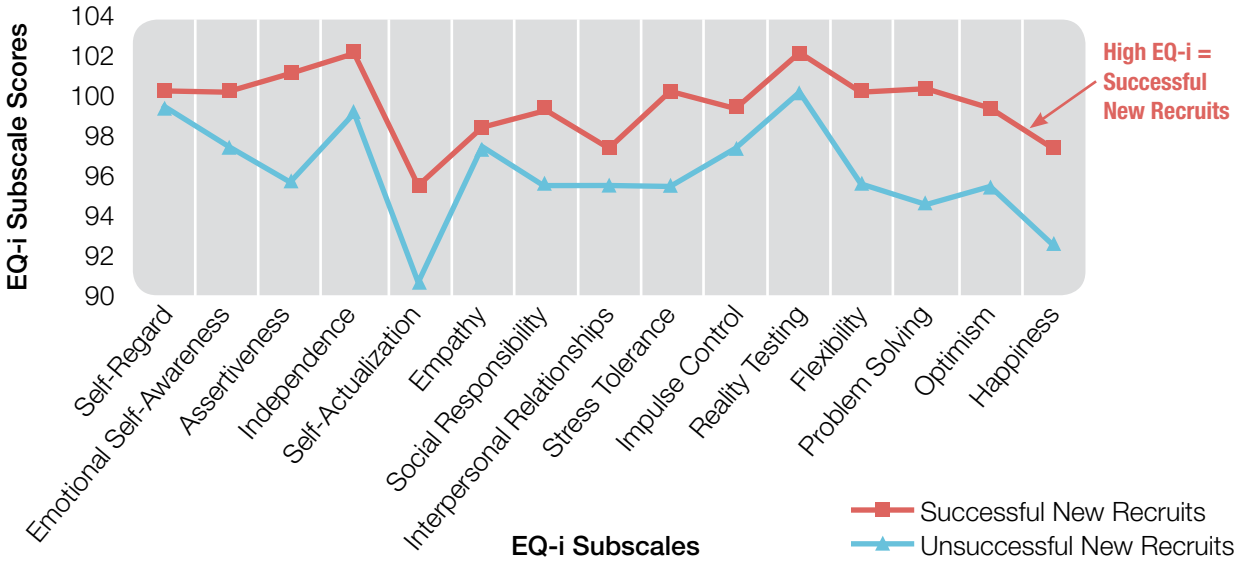
United States Air Force (Case 1)

Purpose

To determine the differences between successful and unsuccessful United States Air Force recruiters in order to decrease attrition

Results

In 1995, USAF recruiters were suffering from high rates of first-year turnover. In their efforts to increase recruiter retention, the USAF used the EQ-i assessment to study the differences between successful and unsuccessful recruiters. Notable score differences between the two groups were evident in areas such as: assertiveness, self-actualization, stress tolerance, flexibility, problem solving, and happiness.



ROI Impact

Using their findings from the EQ-i, the USAF developed a pre-employment screening system. These findings led to the following:

- **92%** increase in retention,
- **$2.7-million** in training cost savings in the first year alone,
- a report to a congressional sub-committee stating that Air Force recruiters are twice as productive as recruiters in other branches of the armed forces. (Gourville, 2000; Handley, 1997).

Takeaway

Using the EQ-i predictive model for ***Selection*** generates:

- **Large reductions in training costs**
- **Decreased attrition rates**
- **Increased productivity**

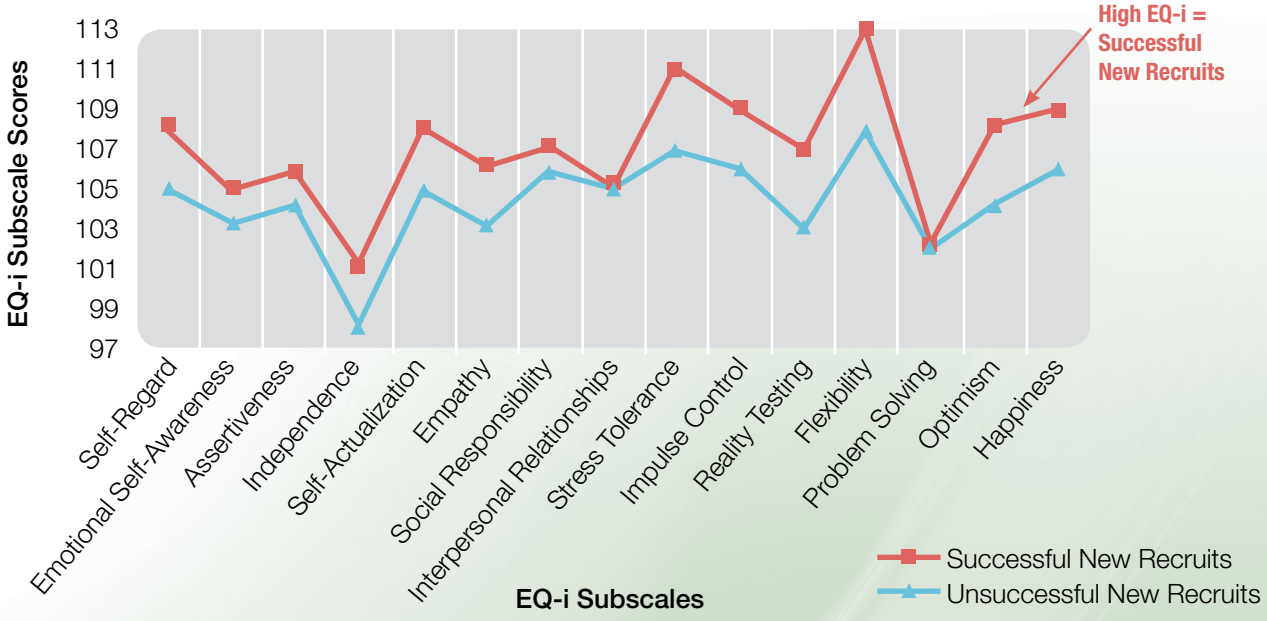
United States Air Force (Case 2)

Purpose

To explore the impact of emotional intelligence skills on the success of USAF Pararescue Jumper (PJ) trainees

Results

In 2009, approximately 82% of those who entered the USAF PJ training were not successfully completing the program. As part of the recruiting process, trainees had been asked to demonstrate the required cognitive and physical abilities. The Air Force was further interested in exploring the impact of other factors, namely emotional intelligence skills, on trainee success. Comparing the EQ-i scores of trainees who completed the program versus those who did not, five factors were linked to successful completion of the program: flexibility, optimism, self-regard, happiness, and reality testing. In fact, trainees who scored higher in these areas were two to three times more likely to successfully complete the program.



ROI Impact

This powerful information will be used by the Air Force to offer guidance to trainees regarding their potential for success in the program. The Air Force estimates the potential savings/cost avoidance at:

- **$19 million** per year in training costs.

Takeaway

Using the EQ-i predictive model for ***Selection*** and ***Training*** generates:

- **Large reductions in training costs**
- **Reduced attrition rates**

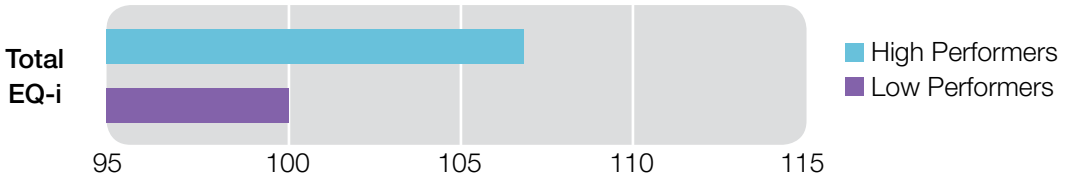
New Zealand Telecom

Purpose

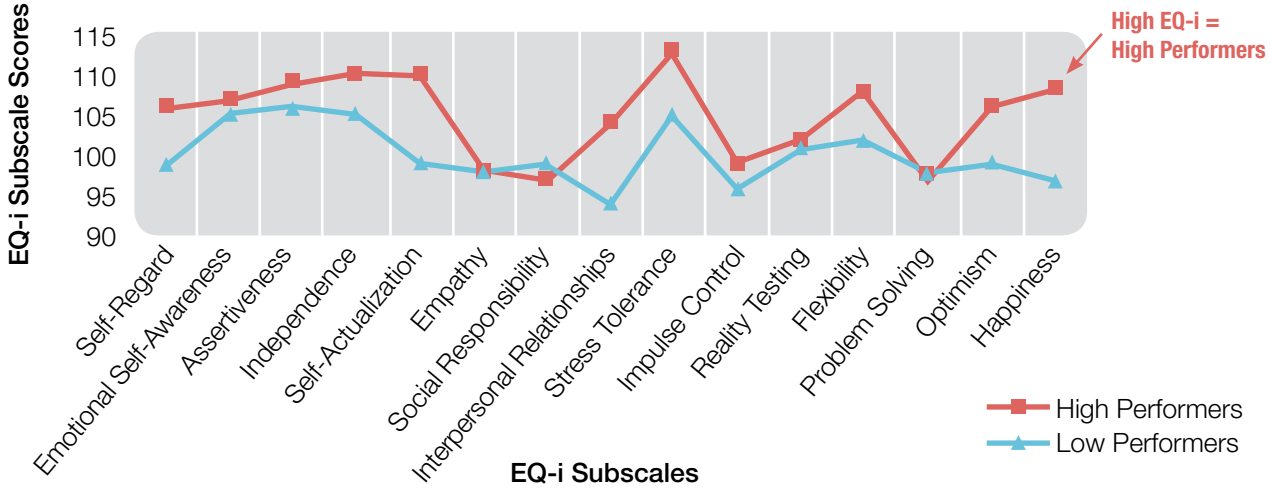
To understand the relationship between EQ-i and leadership competencies to enhance the training and coaching of leaders in their organization

Results

New Zealand Telecom categorized 70 senior leaders into high and low performance groups based on established leadership performance indicators. As shown below, high performers had significantly higher EQ-i scores than the lower performers.



The chart below maps out the most important emotional and social skills for achieving success amongst leaders in the Telecom organization, most notably: self-actualization, stress tolerance, and happiness.



ROI Impact

The EQ-i study resulted in significant bottom line findings that New Zealand Telecom now integrates into their training and coaching initiatives.

- **48%** of what differentiated the high and low performing leaders could be attributed to EI attributes. In other words, almost **one-half** of the skill set required for successful execution of this organization's leadership competencies is comprised of emotional and social skills.

Takeaway

Using the EQ-i predictive model for ***Training and Coaching*** generates:

- **A roadmap for leadership success**
- **Better performing leaders**

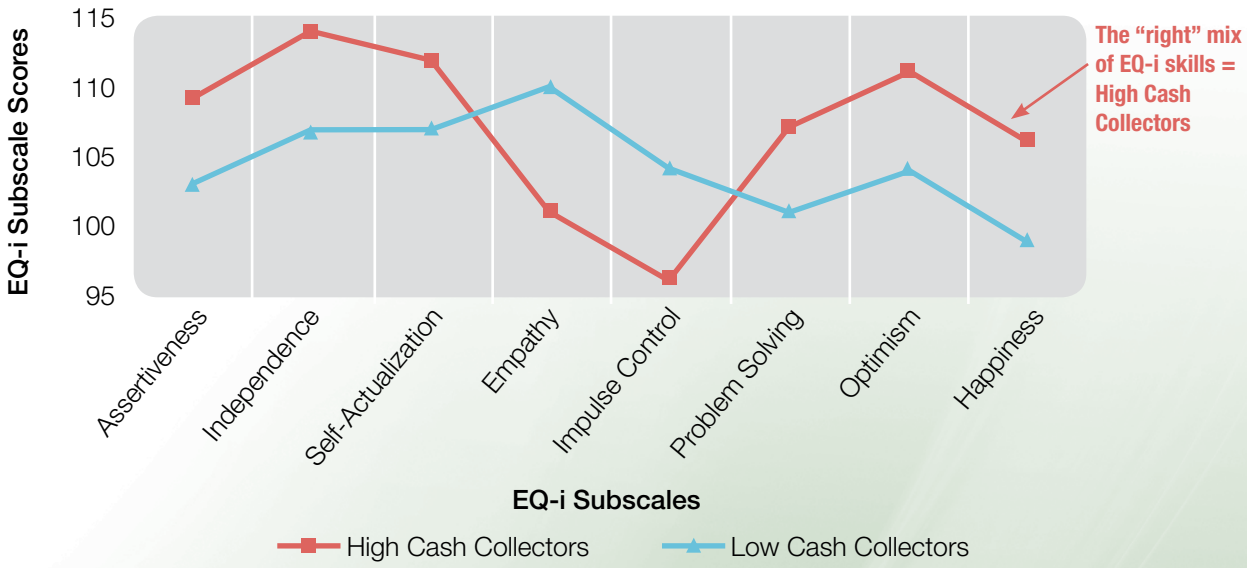
Debt Collection Agency

Purpose

To assess the secrets to success in recovering client money

Results

The EQ-i assessment was completed by the company's most and least succesful collections agents. The more successful collection agents had significantly elevated scores in areas that you might guess would be important for conducting collections work; areas such as: assertiveness, independence and problem solving. Other important attributes that perhaps are less obvious include: self-actualization, happiness, and the "right" mix of empathy and impulse control. We say the right "mix", because having "more" empathy or impulse control is not always the best thing. In the case of debt collectors, the higher performers scored significantly lower than their low performing co-workers on empathy and impulse control. EQ-i analysts must look at the right mix that works for high performers from specific companies and industries.



ROI Impact

The results for this study were obtained over a six-month period, with significant findings:

- Superior collectors brought in **100%** of their quotas, compared with their less successful peers, who languished at 47 percent.
- Collectors who were hired according to the new EQ-i model and were also trained against the new criteria, achieved **163% to objective** in their first year. Even low performers who had EQ-i training brought in 80% of quota within 3 months.

Takeaway

Using the EQ-i predictive model for ***Recruitment and Training*** generates:

- **Higher performing recruits**
- **Higher performance from otherwise low performers**

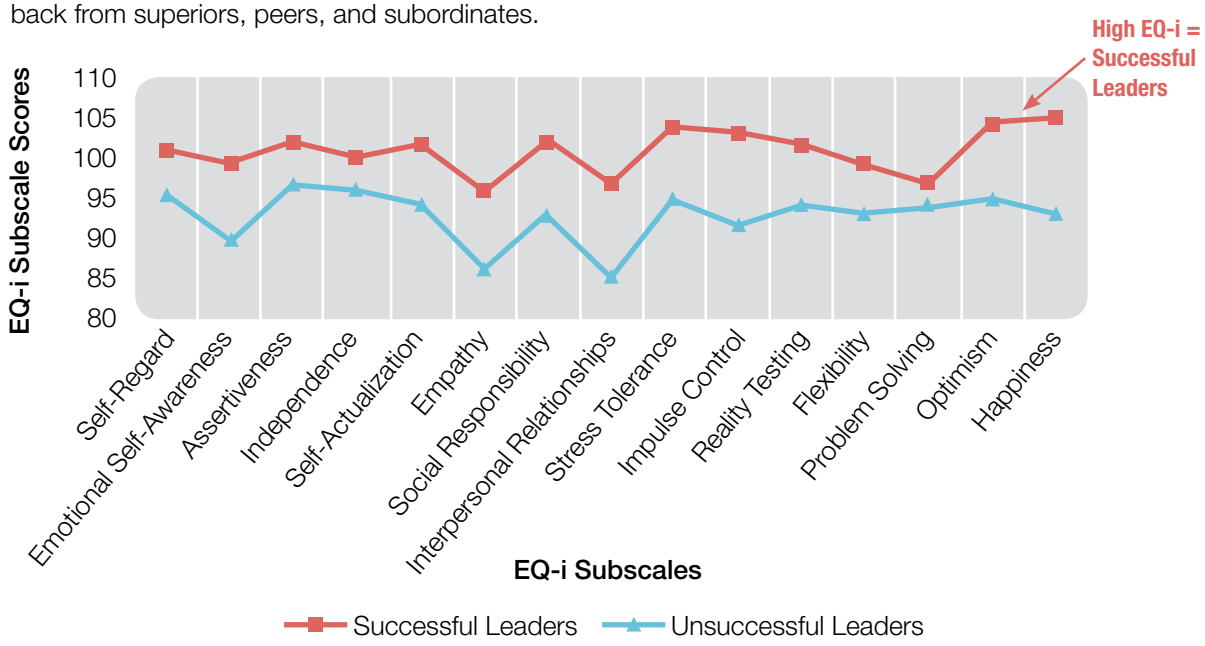
Center for Creative Leadership (CCL)

Purpose

To evaluate key emotional intelligence characteristics that define high performing leaders

Results

This study evaluated the world-famous training center (CCL), looking at 302 leaders and senior managers, some of whom were quite successful and others who were struggling. Participants were tested for emotional intelligence with the EQ-i and were also measured on leadership performance based on feedback from superiors, peers, and subordinates.



ROI Impact

The findings from this study were highly predictive, i.e:

- Eight emotional subscales predicted high performance **80% of the time**. These include: self-awareness, stress tolerance, and empathy (to name a few).

Takeaway

Using the EQ-i predictive model for ***Leadership Development*** generates:

- **A roadmap for leadership success**
- **Better performing leaders**

EQ-i 2.0 assess. predict. perform.

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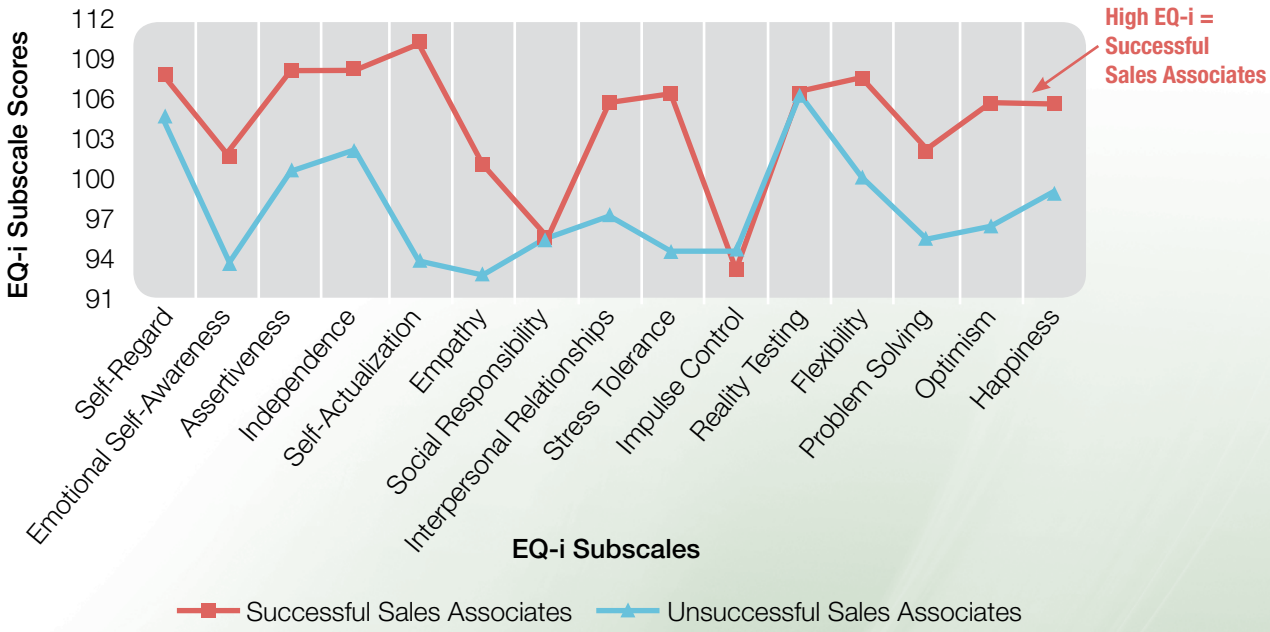
CIBC

Purpose

To determine key emotional intelligence characteristics that define successful sales representatives at CIBC

Results

The CIBC Global Private Banking and Trust team conducted a study where their high and low performing sales representatives were given the EQ-i assessment. Many EI skill-sets are clearly conducive to higher performance. As shown in the chart below, the two key EI skill-sets for success were interpersonal skills and self-actualization. Interestingly, having a lower score in impulse control in combination with higher scores in other EI areas, translated into higher performance amongst sales representatives.



ROI Impact

CIBC now uses the EQ-i study results as a predictive model for both the selection of new personnel and in leadership development. This is because they found that:

- An individual's EQ-i test scores accounted for **32% of his or her booked sales and 71% of pipeline sales**.

Takeaway

Using the EQ-i predictive model for ***Selection*** and ***Leadership Development*** generates:

- **Better selection of sales representatives**
- **Higher performance from sales representatives**

EQ-i 2.0

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