

# Creating Business Impact with Emotional Intelligence

# Independent Case Studies



#### **Sales Productivity**

Each member of the L'Oreal sales force selected on the basis of EQ competencies sold \$91,370 more than others did who were not. -Mike Compton, Excel Leadership Group

### **Productivity**

At PepsiCo, in a pilot study for the impact of EQ on performance, executives identified as having higher EQ competencies generated 10% more productivity and experienced an 87% decrease in turnover, adding \$3.75 million in economic value to the bottom line.

—UC Davis, Graduate School of Management



## **Employee Selection**

The United States Air Force(USAF)saved \$2.7million in training costs the first year after instituting an emotional intelligence model in their pre-screening and selection process of recruiters. A 92% decrease in first year attrition due to mismatches was achieved after implementing an EQ pre-screening tool. The USAF estimates a projected savings of multi millions over time from the implementation of the EQ tool. —Consortium for Research on EQ





Shareholders of Nike, Gatorade and other Tiger Woods sponsors lost a collective \$5 to \$12 billion in the wake of the scandal involving his extramarital affairs, according to a new study by researchers at the University of California, Davis. Total shareholder losses may exceed several decades' worth of Tiger Woods' personal endorsement income,"

-Victor Stango, UC Davis Graduate School of Management



#### **Market Share**

Bringing emotional intelligence tools and skills into the leadership team assisted the Sheraton Studio City Hotel to transform into a top-performing property with #1 Sheraton ratings rapidly and successfully and a 24% increase in market share.

—Joshua Freedman, Case: Emotional Intelligence for Change at Sheraton Studio City











According to a study of 236 executives conducted by the Center for Creative Leadership, at least 55% of overall successful leadership is based on emotional intelligence factors.

—The Leadership Gap conducted by the Center for Creative Leadership

# FORTUNE

### **Employee Retention**

In a study by Fortune magazine, 70% of employees who leave their organizations report relationship issues with either their boss or co-workers as the primary reason for leaving.

—R.C Whiteley, 'The Customer Driven Company'



#### **Safety Performance**

In the case of a Motorola manufacturing plant, where 93% of employees became more productive after the facility adopted stress-reduction and emotional intelligence programs.

Another factory reduced "lost-time" accidents, boosted productivity and sharply lowered formal grievances after supervisors received training in EQ.

—SHRM, Dinah Brin

#### **Customer Service**



Research carried out by the Carnegie Institute of Technology shows that 85% of your financial success is due to skills in "human engineering," your personality and ability to communicate, negotiate, and lead. Shockingly, only 15% is due to technical knowledge. Additionally, Nobel Prize winning Israeli-American psychologist, Daniel Kahneman, found that people would rather do business with a person they like and trust rather than someone they don't, even if the likeable person is offering a lower quality product or service at a higher price.

—Forbes, Keld Johnson contribution

#### **Profit Growth**



In a compelling study of one of the UK's largest restaurant groups, there was clear evidence that emotionally intelligent leaders were more effective. Managers high in emotional intelligence had restaurants that outperformed others in terms of increased guest satisfaction, lower turnover, and 34% greater profit growth.

—Reuven BarOn and Geetu Orme, Competency & Emotional Intelligence