

THE PREDICTIVE INDEX

How to revolutionize your culture and maximize productivity



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How to use this guide

If you're reading this, you're most likely already walking along the road to enlightenment—seeking to know more about how to increase productivity and employee engagement in your organization. We wrote this guide to be a comprehensive map to speed your way on that journey— helping you to articulate the ROI of employee understanding to peers and unpacking the science of cognitive and behavioral assessments. We know it can be difficult to align a diverse, busy team, so we hope you'll also leverage this guide to share your discoveries within your organization, build internal consensus, and ultimately take action to drive positive change in your culture.

Enjoy the read, and be sure to reach out to our team at any time. We're here to help.

Introduction



INTRODUCTION

The heartbeat of your organization

We tend to measure organizational health through numbers. We look at P&L, at margins, at productivity rates, at growth, at NPS, at projections, at engagement scores, at performance ratings. All of this is important.

But as important as these numbers are in their own right—they are also outcomes. They tell us what has happened or predict data trends, but they do not identify the root causes of our successes or failures.

And those causes, mostly come down to people.

To really understand what makes our organizations tick, we need to look at and understand what makes the people within the organization tick. The answers we seek are all around us, every day. We just need to ask the right questions.

This summary will offer you a window into the science and business case for deeper understanding—alerting you to the forces of disengagement impacting employees everywhere and suggesting ways to set your organization up for success and productivity. We hope to provide you with a deeper understanding of the science, but we also aim to help enlighten the rest of your organization on the business imperatives for talent optimization.

Ready? **Let's get started.**

The business case

THE BUSINESS CASE

The case for understanding people

Let's start with the elephant in the room.

From time to time you may encounter people who will dismiss industrial and organizational psychology as irrelevant or a "soft skill." The reality is that thoughts and behaviors directly impact "hard" business results like productivity and profitability.

Behavioral psychology—understanding the drives and abilities of your employees—is not "soft" science. It is people science. And people science can make or break your bottom line.

We invest millions of dollars and hours into sharpening our understanding of the tools of our businesses. If you were a manufacturing company, you'd gain a crystal clear understanding of how your assembly machines work, so you can maximize productivity and uptime. If you're a SaaS company, you have optimized your software down to each line of code.

We can do the same with people.

Science helps us predict how machines behave. But are you equally able to predict how your employees will behave? Have you leveraged that science? Salaries constitute 43% total company on an average of total company operating expenses—so we also must account for the investment we make in employees themselves. **What if you could make those people 10%, 20% or even 30% more productive?**

Let's look at the [Middle Market Center's Q1 2018 Indicator Report](#) list of most common business challenges:

SHORT TERM CHALLENGES (NEXT 3 MONTHS)

INTERNAL CHALLENGES

1. Business	70%
2. Talent Management	63%
3. Costs	28%

EXTERNAL CHALLENGES

1. Business	45%
2. Competition	26%
3. Government	23%
4. Costs	18%
5. Economy	11%

LONG TERM CHALLENGES (NEXT 12 MONTHS)

INTERNAL CHALLENGES

1. Talent Management	54%
2. Business	48%
3. Costs	20%

EXTERNAL CHALLENGES

1. Business	35%
2. Competition	23%
3. Government	19%
4. Costs	17%
5. Economy	14%

Source: Q1 2018 Middle Market Indicator Report

As you can see, the vast majority of the challenges in our organizations focus around internal people challenges—managing talent, business and costs. No one would call these concerns “soft”.

In fact, here are a list of some common issues that make companies seek talent optimization—all of which have a profound impact on your bottom line and track back to business, talent management, or cost (and sometimes all three).

Try checking off the ones that your organization may be facing now or in the future:

- Bad hires and involuntary turnover
- Change management issues
- Communication issues
- Concerns about planned growth
- Compliance/risk issues
- Culture concerns
- Customer churn
- Difficulty hiring the right people
- High voluntary turnover
- Inefficient or bad hiring processes
- Inefficient, inconsistent, or bad management
- Low engagement scores
- Low satisfaction scores
- Mistakes or misalignment
- Productivity issues
- Safety issues
- Trouble scaling culture after growth
- Teamwork issues
- Upcoming M&A

How many boxes have you checked?



How mission critical are they for your organization? If you've checked 3 or less, you should be thinking about a surgical strike for change, but if you have 4 or more you should be thinking much more broadly about culture change.

A resilient, illuminated culture—built on an engaged, self-aware workforce with high levels of mutual understanding and self-knowledge—can help correct these challenges, provide a huge return on investment, and even protect against unexpected trauma.

Maybe you are solving for an existing problem. Maybe you are future-proofing a cherished culture. Whatever you're trying to do—understanding talent, more specifically how deep understanding of how people think and work is the key to creating your business case and showing ROI. The biggest risk? Doing nothing.

Doing nothing is dangerous because there are malignancies that can sabotage your culture.

Let's unpack them.

Common challenges

COMMON CHALLENGES

The four forces of disengagement

There are four main forces of disengagement that plague modern organizations.

Any one of them alone can crush productivity. More than one can damage your organizations health. Teams and entire departments can be crippled.



Misalignment With Role

Nothing can cause a new hire or existing employee to sour faster than discovering a person/role mismatch. And yet, [nearly half](#) (46%) of newly-hired employees fail within 18 months, while only 19% achieve what can be considered unequivocal success. What happens? 82% of hiring managers in that study admitted that in hindsight, they had focused on the wrong things in the interview—prioritizing resume and skill checkboxes over stronger indicators of person/role fit, such as “coachability, emotional intelligence, motivation and temperament.” But the story doesn’t end with hiring. Often employees will flounder in existing roles when they are not adequately defined or have not evolved to fit the changing duties or needs of the business. According to [numerous academic studies](#), job fit is a significant contributor to employee levels of engagement and productivity, so it is critical that we get this right.



Misalignment with manager

In the US, 75% of employees [report](#) that their manager is the worst part of their job, and 65% would take a pay cut if they could only replace their boss with someone better. Ouch. Relationship with a manager is [widely agreed](#) to be one of the most critical contributors to employee engagement. So what causes this misalignment? According to [Gallup](#), “a mere 21% [of employees] strongly agree that their performance is managed in a way that motivates them to do outstanding work” because managers feel ill-equipped to coach and communicate with employees. In other words, managers are not equipped with the information they need to manage effectively. The most important relationships in our organizations need more attention than this.



Misalignment with team

Teams have changed a lot over the past few decades, as we've added global, remote, and cross-functional groups, technology and other complexities into the mix. One thing has not changed: the challenges can arise when different personalities come together. According to [one study cited by Salesforce](#), 97% of employees believe lack of alignment on a team directly impacts the outcome of the project, and 86% blame lack of collaboration and ineffective communication for workplace failures, yet [75% of employers](#) rate teamwork and collaboration as "very important", but only 18% of them make communications evaluations part of performance management. This is important, because companies that don't promote and enable collaboration are [5 times less likely to be high performing](#).



Misalignment with culture

When an employee is misaligned with their corporate culture, they'll lack a feeling of belonging that can impact performance and can even create a toxic environment across the organization. This can be as simple as not feeling [in tune with company values](#), feeling a lack of [meaning and purpose](#), or [lack of trust in company leadership](#). But it can also be a profound disconnect and feeling of [isolation and loneliness](#) which can lead to disengagement. There's a reason 'belonging' ranks third on [Maslow's hierarchy of needs](#) (it's more important than self-esteem). [Studies](#) have shown that a feeling of not belonging can be experienced as acutely as physical pain—and it can result in [anxiety](#), task avoidance, loneliness, and other hallmarks of active disengagement such as uncooperative or undermining behavior.

COMMON CHALLENGES

The impact of disengagement

To be clear, engagement isn't about fun, or even satisfaction. Some of the least engaged employees in your company may be having a blast. They just aren't getting work done.

There are various definitions of disengagement, [scholars have defined it](#) variously as “a negative, unfulfilling, work-related state of mind that is characterized by... infidelity and disloyalty,” and also “the withdrawing or defending of oneself physically, cognitively or emotionally during work role performance.” The most widespread definition involves the “withholding of discretionary effort”—or in other words— doing the bare minimum.

However you choose to break it down, disengagement is a wall standing directly in the path of productivity. You can offer the top salaries, the coolest brand, and the best beer keg in the kitchen— but if you don't have engaged employees, you'll never win the discretionary effort and resulting productivity to build your business and leave mediocrity behind.

Disengaged employees are only ever doing one of four things:

1. Treading water because they aren't marketable or motivated enough to leave
2. Tailoring their resumes to match positions at other companies
3. Actively sabotaging your company—sometimes in a big way, or sometimes with a thousand toxic papercuts
4. Costing you money in time spent managing issues, fixing mistakes and picking up the slack.

The havoc disengagement can wreak at all levels of your organization

On individuals:

According to HBR, [studies](#) have shown that disengaged workers have “37% higher absenteeism, 49% more accidents, and 60% more errors and defects.” Actively disengaged employees also report [more health problems](#), including stress, high blood pressure, [depression](#), and pain.

On teams:

[Scholars](#) have found that disengaged workers exhibit a “toxic” ripple effect on peers and teams. According to an [HBR study](#), 78% of employees said their commitment to the organization declined in the face of toxic behavior, and 66 percent said their own performance declined.

On culture:

According to an Axial study, companies with high disengagement were [40x less likely](#) to identify their culture as a great place to work, compared to fully engaged employees. [Scholars have associated](#) disengagement with lack of trust, increases in bullying, lack of creativity, poor interpersonal relations, conflict, and loss of cultural values—among many other effects.

On business:

According to [Gallup and other studies](#): “In organizations with low employee engagement scores, they experienced 18% lower productivity, 16% lower profitability, 37% lower job growth, and 65% lower share price over time.” Low engagement businesses also receive 100% fewer job applications and disengaged employees generate 40 percent less revenue than their engaged coworkers. In 2017, [The Conference Board](#) estimated that disengaged employees cost global companies between \$450 and \$550 billion a year.



So, what is this costing your bottom line? One way to measure the cost of disengagement is through the most common end result: **turnover (whether voluntary or involuntary).**

We tend to think of the cost of turnover as cost-to-replace. But recruitment costs are just the starting bid. Although these costs are staggering—roughly 40% of an annual salary—they don’t begin to take into account all the lost productivity on the path taken to get there. We must also consider the tremendous impact from the employee’s lack of productivity, the spill-over effect on peers who need to pick up the slack, and the time spent on onboarding and bringing the replacement employee up to speed.



Taking inventory

TAKING INVENTORY

The way things work now

So how did we get to this place, where disengagement in the US, is hovering around an astonishing 77%, according to [Gallup](#)—and we are losing hundreds of billions of dollars in productivity?

A lot of it has to do with how most companies still hire and manage employees today, which isn't terribly different from how we always have. How we manage talent tends to fall into four main categories:



Hire



Inspire & coach



Engage



Drive performance

There's nothing intrinsically wrong with these four categories. They are precisely what we should be doing. It's how we go about them that can get us into trouble. Here are some of the tripwires we encounter in our traditional way of working:



Hire

Most of us hire based on keywords and instinct. We spend more effort trying to understand resumes, tenure, and lists of skills than we spend trying to understand the personality of the person sitting across the table. We lack objective data to help measure the biggest predictors of on the job success—behavioral drives and cognitive ability. Instead, we use gut checks and [cognitive biases](#) to reassure ourselves that the person is a fit, check references that are hand-picked to say good things, and then we make the offer. We need to do more to ensure the success of our hiring processes—our businesses depend on them.

Inspire and coach

How can you tap into people's potential and help them thrive? What inspires your team? What inspires you, personally? Is it the same thing that inspires the team down the hall? Is everyone on your team inspired by the same things? Probably not. Some companies are tone-deaf when it comes to inspiring employees, "inspiration" tends to come from the top and is more reflective of what inspires managers and execs than any individual employee. Because of this lack of calibration, attempts to inspire often fall flat. Prescribing our own medicine instead of play into the superpowers of our people is a mistake. We need to coach, communicate, and [inspire them](#) based on what keeps them charged.



Engage

Engagement has often been defined by the way you feel when you are being challenged to push yourself, succeeding, and being acknowledged for your success. Added to this is the idea of belonging—the way you feel when you are in the right place, doing the right job, with the right team. But that means engagement is different for us all, because we are all different, with different skills and capabilities and social styles. Many companies have engagement programs in place that focus on feedback, development, and recognition—but their engagement efforts are calibrated to the lowest common denominator. In order to engage our people, we can't just measure engagement and call it good. We need to start doing something about it. Measure globally, act locally.

Drive performance

Most of us are aware of the deep flaws in traditional performance management. More and more are trying to address them by amending the performance review process integrating learning, coaching, and mentoring. Unfortunately, these programs have two fatal flaws:

- They are templated to a one-size-fits-all model
- They are manager/coach led

By definition, these systems are not customized to the needs of the individual, who is merely plugged into a framework after the fact. [According to Gallup](#), only 21% of employees strongly agree that their performance is managed in a way that motivates them to do outstanding work. To inspire productivity, engagement or improvement, performance management must start with the individual's unique needs and drivers—which, sadly, many companies never even ask about.

TAKING INVENTORY

A better model for cultural design



Another way to frame this is to think about our success in two synchronized, always-on stages: Purposeful Design and Purposeful Action. Though design must precede action, it should not stop there, but be a constant cycle where you reevaluate as your business goals and needs change.

Purposeful design

Purposeful Design is where we begin, with a business strategy at an organizational and team level, inclusive of our business vision, values and objectives. The implementation of this strategy will begin at the top, within our executive culture. This buy-in is important because executives will be the first messengers and the arbitrators of this purposeful design through their words and actions. A Purposeful Design sets goals—KPIs, benchmarks, and baselines that will help us to diagnose where our companies are today.

Purposeful action

Purposeful action is the more dynamic stage. This is where we take a business strategy and connect it to a people strategy that runs from the organizational to the individual level—encompassing business units, functions, departments, locations, workgroups, project teams and each individual employee. This can begin with hiring an employee or inspiring existing employees—creating those feelings of belonging, and engagement we mentioned earlier. After six to twelve months of Purposeful Action, you should be able to revisit those KPIs to see improvements that have been made against your baseline.

TAKING INVENTORY

Why engagement matters

We've spoken a lot about the pathology of organizational challenges, which are of course quite frightening for those who are staring down the barrel of disengagement and lost productivity. But there's also a massive upside to addressing engagement. Addressing engagement through employee insight can help you not just fix problems, but actually increase discretionary effort and productivity—taking your team or company farther than you may even have dreamt you could go.

One of the biggest benefits of an engaged employee is the application of discretionary effort—or the decision of employees to do more than they strictly have to, in order to do good work. This is referred to alternately as “exceeding expectations”, “going above and beyond”, or “going the extra mile.”

Here are just a few of the [benefits of high engagement](#) and the resulting discretionary effort for top performing companies, according to the most recent Gallup numbers:

- | | |
|--|---|
| 1. 24-59% lower voluntary turnover | 7. 10% higher customer metrics |
| 2. 41% lower absenteeism | 8. 20% higher sales |
| 3. 28% lower shrinkage | 9. 21% higher profitability |
| 4. 70% fewer safety incidents | 10. 17% higher productivity |
| 5. 58% fewer patient safety incidents | 11. 147% greater shareholder value |
| 6. 40% fewer quality defects | |

It is clear that the benefits of engagement are connected on every level to the success and profitability of our organizations.

Engagement is also part of the larger picture of employee well-being and positive psychology. By focusing on the right things— addressing employee needs as individuals and opening productive lines of communication among managers, employees and peers—you will also see a positive impact other well-being metrics such as: employee happiness, positive relationships, health and wellness, optimism, hope, alignment to your mission, trust, resilience and positive emotion. This all impacts discretionary effort. This is the x factor.

Building blocks

BUILDING BLOCKS

Four paths to higher engagement

As we established in the previous section, engagement can be a key to unlock exponential success in any organization. But how do you get that key?

Ultimately the exact roadmap for how an organization builds engagement is unique to that business, but there are certain commonalities. Let's unpack four key building blocks for driving engagement. Here are the four most critical components of employee engagement:

- 1. Job fit:** As discussed above, one critical component of engagement is flow, or ensuring job-person fit. Offering challenging meaningful and achievable work, and then acknowledging and recognizing success drives engagement.
- 2. Manager alignment:** Routinely cited as the most important factor in employee engagement, managers need tools and training to understand, support and challenge employees as individuals.
- 3. Team dynamics:** Even the best manager cannot always correct for team misalignment. Feeling valued, involved, and respected on a team is critical. Pizza parties and team building exercises won't cut it. Fostering relationships starts with a deeper understanding of each person's drivers, needs and communication styles, and a sensitivity on the part of leaders to team composition and dynamics.
- 4. Culture alignment:** The culture of a company is curated by its leaders—through values, through mission, through policies, and also through hiring. Each time we bring the wrong people into our culture we shift that culture further from where we want to be. Bad hires—no matter how skilled—will never belong and thrive, and will usually cause toxic ripples around them. Starting with the C-Suite and filtering down to each line manager, leaders must take the time to cooperatively craft and communicate your purpose and mission, establish and live your values, and bring your people into alignment around it.

BUILDING BLOCKS

Driving productivity with people data

So, we've seen the toxic effects of employee disengagement, and the exponential benefits of engagement. But how do we connect the dots from employee insights?

Very simply, as it turns out.

People + Insight + Action = Engagement = Productivity

When we take the time to understand employees behavioral drives and cognitive abilities, we elevate the “engagement” game to the next level. Employee insights act as your superpower—a sort of x-ray vision that not only helps you to understand what makes your current workers tick, but also to predict someone's future behavior and interactions.

Here's how understanding behavioral and cognitive data can help you:

Understand the job: Define the behavioral and cognitive needs of a role and you will be able to match the right candidates to it, and help them to thrive.

Understand candidates: Discovering candidates' strengths, abilities, caution areas, and needs as well as job and culture fit and you will be able to place them in jobs they are driven to do.

Understand employees: Calibrate coaching, development, talent and performance management to each employee's unique needs and style to yield the greatest productivity.

Understand teams: Assemble and cultivate self-aware teams who are more considerate and respectful of differences. This will decrease the time needed to build trust, reduce toxicity, and help teams work together more efficiently.

Empower hiring managers: Provide managers with scientifically validated, objective data to reduce subjectivity and increase their ability to predict performance—avoiding bad hires in the process.

Inspire leadership: Equip managers with the tools they need to be more self aware and understand how to coaching and develop their direct reports.

Build culture: Aggregate data to give leaders insight into what's driving their culture—including where there may be gaps or potential misalignment.

The end result of all of these factors will be an increase in your bottom line. When we understand employees, we can help them thrive. When they thrive, so do our organizations, productivity and profits.

Science of insight

SCIENCE OF INSIGHT

How we think and work (and why it matters)

The answer to how people think and work and why it matters to that lies in psychology. Here are a few quick definitions to guide us:

Psychology: Psychology is the science of behavior, feeling, and thought. There are three primary branches of psychology; These are cognitive, behavioral and social psychology.

Cognitive psychology: An internal approach that measures an aspect of intelligence—particularly how quickly people think, process, and problem solve.

Behavioral psychology: An external approach to psychology: concerned with observing how people act and interact and what's driving it. In other words, how people are naturally wired.

Social psychology: Concerned with how people react to the behavior patterns of others during social situations. At PI, we combine social psychology with cognitive and behavioral psychology to understand how people think and work.

Organizational psychology: Also known as I/O, industrial or occupational psychology, this is the application of the principles of psychology noted above to understand and predict how we think and behave at work.

Positive psychology: Psychology is rooted in pathology and abnormality - trying to identify and solve when things go wrong. Today's organizational psychology leans more on Positive Psychology, which identifies what is going right, in order to recreate and encourage it.

Multivariate predictability: General cognitive, or mental, ability (also called GMA, or simply "g") is the most common variable used by psychologists to understand how an employee will perform. It is the gold standard to measure cognitive ability. But scholars stress that there are **other factors** that can significantly increase your ability to spot a stand-out candidate or employee. These variables include behavioral profiles, integrity tests, structured interviews, and education. Combining them will yield better results. To get a complete understanding of a person you need input from more than one of the categories above. This is called multivariate predictability.

SCIENCE OF INSIGHT

How can the power of organizational psychology help you?

What most of us really want to know about organizational psychology is how it can help us in our day-to-day work lives. Here are ways we can apply learnings from organizational psychology in our everyday work lives.

Defining roles and mapping to plans or strategies

When we think about a role as more than a collection of resume keywords, but rather as a set of behaviors and traits, we are better able to align it with our goals as an organization.

- Define the personality, behavioral needs, and/or, cognitive ability needed in a role based on the duties of the job and impact of workplace culture
- Gain agreement and alignment among hiring teams to ensure the proper job target is set for behavioral and cognitive ability
- Tailor your job description and ads based on your definition

Hiring the best

Understanding how people think and behave allows us to align them to roles and tasks in a way that makes them more productive and helps them to thrive.

- Understand candidates personality, behavioral needs, and cognitive ability
- Assess candidate fit with the job, proposed team and/or culture
- Customize objective, structured interview questions to increase the ability to predict on-the-job performance
- Limit unconscious biases in the recruitment process and increase confidence in new hires
- Triage and improve recruitment/interview processes

Managing people

Managers are more successful at increasing productivity and employee engagement when they are able to understand the preferences and needs of their direct reports.

- Understand needed personality, behavior, and/or cognitive needs of team roles
- Customize employee onboarding and personal development plans based on personality styles and behavioral needs
- Create a sense of self-awareness and empower team members to better communicate
- Cross-educate team members on needs and communication preferences
- Create placards and identifiers for employees to share their work styles

In coaching and development

When coaches and managers are able to understand the drives and needs of their employees, they can develop, inspire, and enable them more successfully—also ensuring they are in the right roles.

- Onboard employees **more effectively** and rapidly inculcate culture/values
- Give employees the tools and insight for self-directed growth
- Practices customized strengths-based development
- Help employees build self-awareness to head-off conflict, bullying or isolation

Teamwork

Teams work more harmoniously and productively when they have the information they need to understand and empathize with one another's needs and perspectives.

- Educate teams to increase levels of trust, and respect, and troubleshoot conflict
- Assemble and optimize teams for specific purposes, based on abilities
- Ensure team compatibility and productivity with the right mix of working styles
- Use aggregated analytics to spot patterns in your department or team

Your new superpower

YOUR NEW SUPERPOWER

The Predictive Index

Our 'better work, better world' vision

There are forces of disengagement hindering productivity across the world's workforce. At PI, we know that putting people in roles that truly align with their identity and managing them to greatness, gives employees a greater sense of purpose and emotional connection to their work. Business who come to this realization, and use PI to tap into this greater power to maximize, are the innovators and leaders who are able to provide value and have a greater impact on the world

THE STORY

The Predictive Index traces its roots back to WWII, where founder Arnold S. Daniels was the flight navigator for a team that flew more than 30 combat missions without a single casualty. Commanders sent a psychologist to study just what made the team so successful. It was Daniels' first introduction to psychometric testing, and sparked a lifetime passion for solving business problems through the lens of understanding individuals. In 1955, he founded the company we now call The Predictive Index®.

Daniels created the PI Behavioral Assessment™ using a normative sample of thousands of people. Now built on decades of established science and rigor over 6,500 businesses and a workforce of over 1.2 million employees enjoy PI's array of tools and management workshops to maximize productivity and supercharge their culture, increasing team dynamics, unlocking great management, and hiring the best fits.

Science that meets all standards

The tools and assessments offered in the PI platform follow recognized psychological standards and guidelines, including the American Psychological Association (APA), the Society for Industrial and Organizational Psychology (SIOP), and the International Test Commission (ITC). They have been the subject of over 350 validity studies and are always being optimized and enhanced.



YOUR NEW SUPERPOWER

The PI platform

The PI platform is packed full of tools, analytics, community support, and workshops that fundamentally focus on one mission: connecting business strategy to people strategy. In other words, increasing our understanding of people so that we give them jobs they were born to do and then optimize their performance to produce amazing results for the business. PI gives you the power to hire, manage, and engage employees like never before—decreasing disengagement and maximizing productivity.

Subscribing to PI will help your company understand the ideal behavioral and cognitive needs for unlimited jobs and the native behavioral attributes and cognitive abilities of unlimited candidates and employees.



YOUR NEW SUPERPOWER

It all starts with data

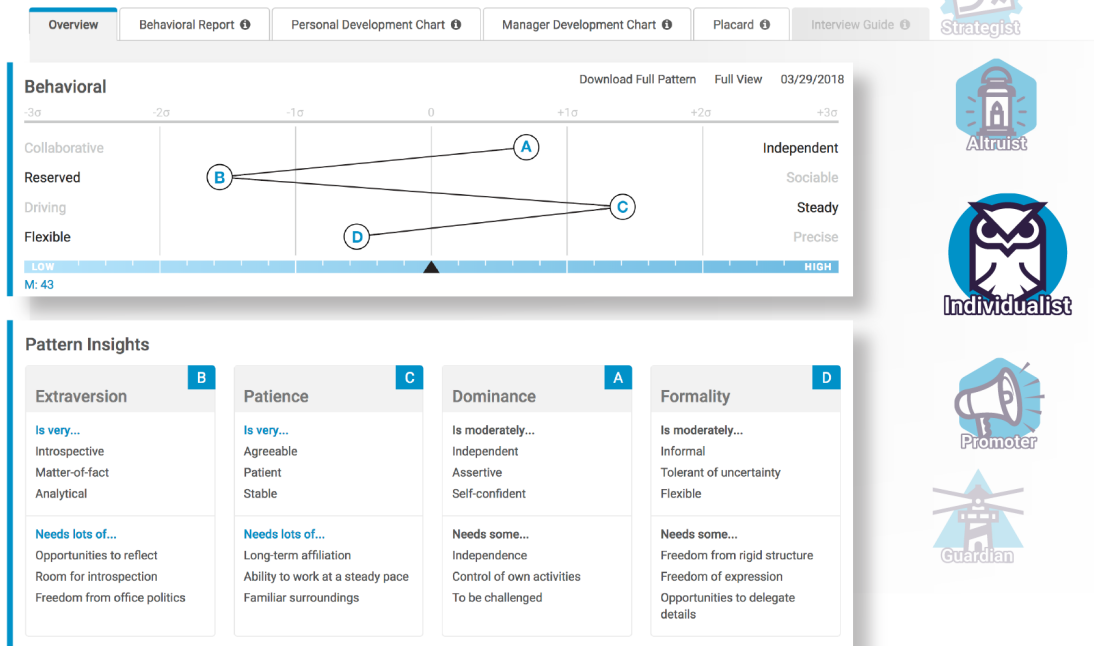
The PI platform relies on data collected from assessments to help you:

Understand the job - PI Job Assessment™

The PI Job Assessment™ is a powerful and easy-to-use tool for your organization, designed for key stakeholders to gain agreement on the behavioral and cognitive requirements of any job. After receiving input from stakeholders, a job target will be created that helps make talent decisions. Gaining understanding and alignment of what behavioral attributes and cognitive abilities a job requires (think the duties of the job and the impact of your workplace culture) is the most critical step in setting people up for success and maximizing productivity. Doing so also creates confidence in who the best fit for the role.

Jane Randolph

 Sales Director



Understand people - PI Behavioral Assessments™ and PI Cognitive Assessments™

The PI Behavioral Assessment™ predicts the core behavioral drives of an individual, providing rich insights into their behavior. The resulting behavioral pattern serves as a blueprint for how they'll behave in different situations at work, and how they'll interact with others. We can understand how they will react to different communication styles, how they make decisions, how they react to change, and calibrate accordingly. Managers can leverage insights from an employee's behavioral pattern to communicate more effectively, manage to their strengths, adapt to caution areas, and help their team (and your organization) thrive.

The PI Cognitive Assessment™ measures general mental, or cognitive, ability (GMA)—a term behavioral scientists use to measure the ability to learn, adapt, and apply new information. GMA is the single best predictor of job performance. It's vital to match a person's cognitive ability to the demands of a role—allowing us to tap their full potential. A combination of math, verbal, and abstract reasoning questions in a 12-minute timed multiple-choice format provides an accurate measure in the speed at which someone learns and adapts.

Make the best people decisions.

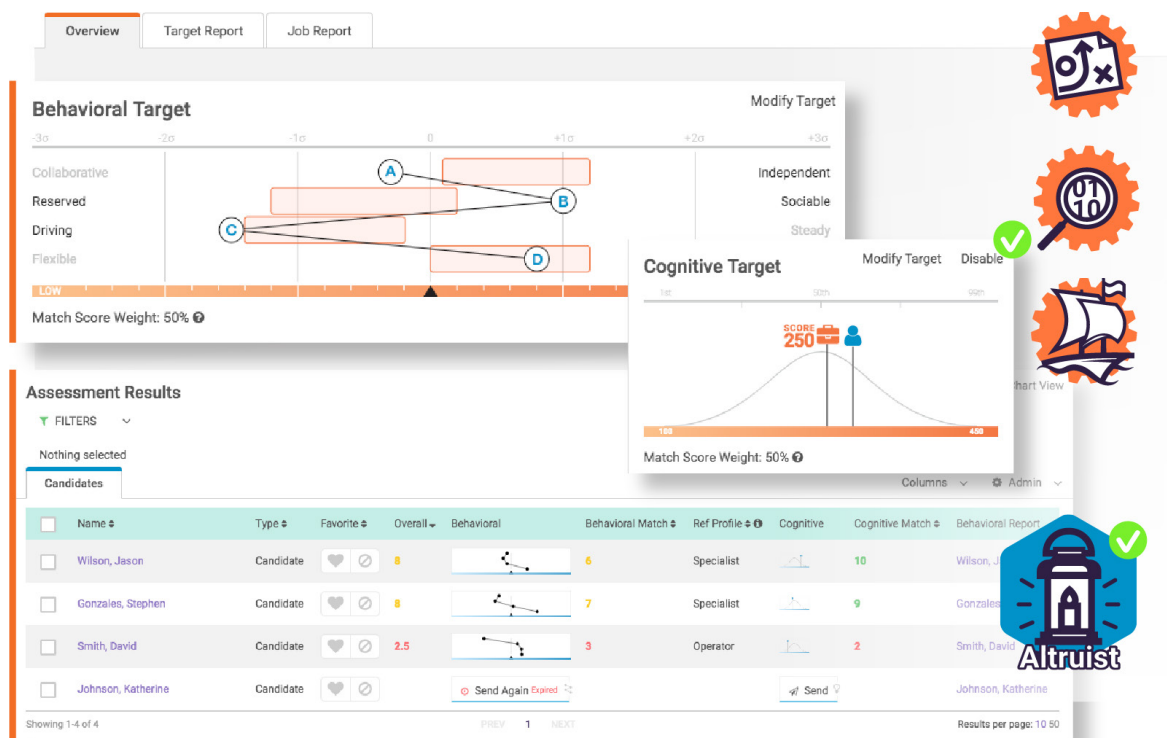
The results of any assessments are not value judgments or absolute criteria upon which to make a decision. They are data points to be used in conjunction with other processes, such as interviews, coaching and development process, etc. to help make better informed and less biased decisions across your hiring and management processes.

YOUR NEW SUPERPOWER

PI software

The PI software interprets the raw data from assessments giving you access to a true superpower.

Most PI users say that it changes how they think about people and forever changes how they approach communication and management. Use these tools to apply your new insights as you hire, manage, inspire and engage your teams.



Match scoring:

Which candidate will be most successful in the job? PI automatically match scores candidates to ensure best job fit. Many assessments target candidates after the interview, or after they're hired. While this can have some benefits, it has a major drawback of inviting bias into the candidate selection process. If we have already met and interviewed someone, we have introduced our own subjectivity into the process. Maybe we know the same people, like the same kind of shirts, or went to the same schools. While these things are nice, they're subjective and very poor predictors of success. But when we have a map to follow, it drastically increases our chances of getting where we want to go successfully.



Interview guides:

Candidates may tell us what we want to hear. Getting past this can be tricky. PI's Interview Guide helps us ask probing questions based on core behavioral drives. These tailored (and automated) Interview Guides add rigor and uniformity, providing more piece of mind and a competitive edge in hiring. Use these guides both to ask better questions and also to confirm where there is a match between candidate and role.



Placards:

Many workplace issues stem from ineffective communication. Using the data from PI's behavioral assessments, we can help everyone understand one another at-a-glance. The PI software provides click-to-print placards that can be displayed in anyone's work area.



Onboarding kits:

A dedicated onboarding area of the PI software gives you a one-click export of everything you will need on an employee's first day:

- Behavioral Analysis reports for employees and managers to reference
- Placards to print and share that will help team members get to know a new employee
- Personal Development Charts for line managers



Communication guides:

Find all the information you need to effectively interact with different reference types in our Relationship Guide—which helps teams and people at all levels of the organization understand each other's strengths and caution areas.



Manager coaching guides:

Everyone is different. So attempting to manage everyone the same way is ineffective. With PI's Management Strategy Guide, all of your managers will have insightful information to better interact with their direct reports.



Custom development charts:

We all have strengths and challenges. Yet, most managers are never trained on how to identify these areas. With PI's customized Personal and Manager Development Charts, we can break down these strengths and challenges, providing awareness and self-coaching tips.



Work style reports:

How do our teams get things done? What trips them up? Where are the landmines to be aware of so we can avoid them? Understanding team dynamics helps us more effectively and efficiently meet our business challenges. Team Work Styles will help you understand the dynamics of a team and how they work together (or don't) when communicating, decision-making and executing. Look to them for more information on employee strengths, caution areas and tips.



Group analytics:

Individuals obviously have behavioral traits, but so do groups of people! Groups are simply collections of individuals, and they create their own behavioral profile. Understand what's motivating and driving your team or department. Discover outliers. Appreciate differences. Maximize effectiveness.



Knowledge-based support:

In addition to world-class training and education from experts, our Catalyst learning community is a one-stop shop for community, educational content and support. Use this online portal to learn about and apply best practices with PI that go beyond the workshop. Read guides, watch PowerUp educational videos, gain software and network with other PI users.



YOUR NEW SUPERPOWER

PI Workshops

Software alone will never replace our own management abilities. PI's management workshops arms you and your employees with the practical knowledge and action plans to initiate immediate transformation across your organization.

PI offers training around the globe. An expert facilitator can come to your business or you can attend an open workshop offered near you. Virtual sessions are also available for select workshops.

PI offers a curriculum of workshops tailored to audiences throughout your organization:

► **Masters Workshop**

Our Becoming a PI Practitioner workshop empowers talent experts, executives, and key decision makers across your organization to drive change and build a better workforce. In this workshop they'll learn how to apply PI's methodology so they can:

- Develop and apply practical organizational management strategies that maintain team members at their peak performance and engagement
- Identify how your organization can utilize the insights provided by PI to address key business issues and opportunities.
- Build high-performing teams by understanding the diverse behavioral drives and needs of your workforce.

▶ Managers Workshop

Our Managing People to Perform workshop mobilizes your organization's managers, project team leads, hi-potential talent, and any key decision makers to assemble and lead high-performing teams. They'll learn how to become a transformational leader by mastering relationship development and building positive team dynamics. By the end of this workshops participants will be able to:

- Build high-performing teams by understanding the diverse behavioral drives and needs of your team members.
- Use team data to decode and leverage the unique dynamics and work styles of organizations of any scale, from project teams to large units.
- Develop and apply practical organizational management strategies that maintain team members at their peak performance and engagement.

▶ Influencers Workshop

Our What Drives People? Workshop sparks workplace transformation among your key employees at all levels. Participants of this accelerated workshop learn about themselves and those around them to instantly improve collaboration and engagement. By the end of this workshops participants will be able to:

- Understand how your own behavioral pattern influences your workplace style.
- Understand the fundamentals of how PI patterns are constructed and decode workplace behavior.
- Interact more effectively with colleagues with diverse drives, needs, and behaviors.

▶ Talent Expert Workshop

Our Attracting & Selecting Top Performers workshop increases the proficiency and speed of your hiring by looking beyond the resume and interview. For anyone responsible for hiring and retaining employees, participants of this workshop will learn how to seamlessly weave the PI methodology into their existing hiring process to better predict on-the-job performance. By the end of this workshop participants will be able to:

- Apply the DASH hiring methodology to attract and select top performers who are behaviorally and cognitively well-suited for the job.
- Capture the behavioral and cognitive requirements of specific roles, while considering company culture and team dynamics.
- Provide tools and techniques that foster alignment between hiring stakeholders to streamline the hiring process.

PI workshops are recognized by SHRM to offer SHRM-CP® or SHRM-SCP® professional development credits (PDCs) and by HR Certification Institute® for up to 13.75 HR (General) credits towards aPHR™, PHR®, PHRca®, SPHR®, GPHR®, PHRi™ and SPHRi™ recertification.

Partnering with PI

PARTNERING WITH PI

Who we work with

If you are in a niche industry or use a custom business model, you may be wondering if PI can really understand your unique culture and needs. Is PI really for you? Unless you are employing a 100% robot workforce—the answer is yes!

The one constant in every workforce is people, and that's what our science is focused on. Because we are industry-agnostic, we have customers across a broad range of very different, industries like technology, manufacturing, healthcare, finance, construction, hospitality, legal, retail, and professional services.

In a nutshell, if you employ humans, PI can help you.

CLIENT INDUSTRY BREADTH

Construction & Energy

Professional Services

Finance

Retail

Healthcare

Sports & Entertainment

Hospitality/Food

Technology

Manufacturing

Transportation

Making the case

MAKING THE CASE

Building consensus in your organization

Proposing and gaining alignment to use any new solution across your organization can be difficult.

One amazing thing about PI and the science of understanding people is how excited people get about it. You can tap into that excitement by enlisting allies at all levels of the organization who can help you to build and present your case. Here are a few benefits to point out, depending on your audience:

- **Senior leadership** - Gain alignment and understanding of the team. Align business strategy to people strategy in your organization and drive engagement and productivity.
- **Line managers:** Line managers look at the insights reference profiles provide and often give a huge sigh of relief, finally understanding the best way to approach challenging employees, and appreciating the assistance in making great hires.
- **HR:** Hiring great employees, and triaging candidates is one obvious benefit to HR, but so is finally getting managers to articulate and assess the needs for each role in your company with job assessment. PI provides structure for conflict resolution, improvement plans and development plans, all of which lift a heavy burden on HR. Plus, better fit and engagement means less turnover, better Best Place to Work scores, better Glassdoor ratings and a stronger employer brand.
- **Employees:** PI helps rank and file employees by tapping into their natural superpowers, and giving them an objective way to make themselves heard. They will feel less self-conscious or needy for asking for the kind of communication and work style they need to be most productive, and they will welcome the opportunity to learn more about their peers.



Any time is a good time to talk about transforming your culture and maximizing employee productivity through employee understanding. One great way to show the imperative for doing it NOW is to tap into other initiatives your company is already pursuing. What are your company's quarterly objectives? Show how people science can help make those a reality—faster, better, more efficient, etc. Here's a list of situations where leaders may be especially open to hearing about PI:

- Concerns over rapid growth
- High turnover
- Upcoming merger or acquisition
- Poor Glassdoor ratings or exit interviews
- Looming or recent RIFs
- Low engagement scores
- Poor employee best place to work or eNPS survey results
- Low morale
- Diversity and inclusion initiative
- Reworking or preserving cultural values
- Silo'ing or interdepartmental conflicts
- Poor results against sales/revenue/productivity goals
- Poor customer NPS or satisfaction

If your company is staring down any of these issues, show your leaders how people science can help you to weather them more effectively!

Next steps

NEXT STEPS

7 reasons to use PI

A surgeon wouldn't slice into a patient without understanding their anatomy. An architect wouldn't start moving walls in a building without understanding the plans. Managers and leaders need a complete understanding of how their organizations think and behave, down to the employee level. PI can guide you through that understanding, ensure you have constant access to the employee insights you need to drive engagement and ultimately maximize productivity.

Here are seven reasons to use PI:

1. **46%** of newly-hired employees fail within 18 months, and **77%** of employees in the US are disengaged.
2. Disengaged employees cost global companies between **\$450 and \$550 billion a year**. Organizations with low employee engagement scores **have** 18% lower productivity, 16% lower profitability, 37% lower job growth, and 65% lower share price over time.
3. There are forces of disengagement at play in every organization: poor job fit, bad management, team misalignment, and poor culture.
4. Businesses invest millions in understanding the machines and software that run our businesses. Equal investment is needed to understand the people who control them.
5. There are four key building blocks for driving engagement: job definition, manager relationships, peer relationships and feelings of belonging in a culture.
6. Psychometric assessments will give you valuable insights into employee drives, needs communication styles, and capabilities that will help you to hire, manage, engage and inspire them.
7. The Predictive Index is the superpower you need to unlock your team's potential and productivity, drive personal development, understand team interaction and create stronger connections with your employees. Leverage our arsenal of tools, reports, guides and network of support to coach and inspire your employees to greatness.