Research data from a variety of sources points to a beneficial bottom-line impact when your people develop their emotional intelligence (EI) skills. Findings are grouped by category: executives and managers, supervisors, sales.

Executives and Managers

Experienced partners in a multinational consulting firm were assessed on 17 EI competencies and three other competencies. Partners who scored above the median on 9 or more of the 20 competencies delivered $1.2 million more profit from their accounts than did other partners – a 139 percent incremental gain (Boyatzis, 1999).

Analysis of over 300 top-level executives from fifteen global companies showed that six emotional competencies distinguished stars from the average: Influence, Team Leadership, Organizational Awareness, Self-Confidence, Achievement Drive, and Leadership (Spencer, L. M., Jr., 1997).

Of 515 senior executives, those who were primarily strong in emotional intelligence were more likely to succeed than those who were strongest in either relevant previous experience or IQ. In other words, emotional intelligence was a better predictor of success than either relevant previous experience or high IQ. More specifically, the executives were high in emotional intelligence in 74 percent of the successes and only in 24 percent of the failures. The study included executives in Latin America, Germany, and Japan, and the results were almost identical in all three cultures (Study by search firm Egon Zehnder International).

Financial advisors at American Express whose managers completed an emotional competence training program were compared to an equal number whose managers had not. During the year following training, advisors whose managers had been trained grew their businesses by 18.1% compared to 16.2% for those whose managers were untrained.

A large beverage firm found that 50% of division presidents left within two years, generally due to poor performance. When the firm started selecting based on emotional competencies such as initiative, self-confidence, and leadership, only 6% left in two years. Furthermore, the executives selected based on emotional competence were far more likely to perform in the top third based on salary bonuses for performance of the divisions they led: 87% were in the top third. In addition, division leaders with these competencies outperformed their targets by 15 to 20 percent. Those who lacked these competencies under-performed by almost 20% (McClelland, 1999)

The Center for Creative Leadership found in their research that the primary causes of derailment in executives involve deficits in emotional competence. The three primary ones are difficulty in handling change, not being able to work well in a team, and poor interpersonal relations.

Accurate self-assessment is one of the foundations of emotional competence. Competence in this area was associated with superior performance among several hundred managers from 12 different organizations (Boyatzis, 1982).

At Sears, the most successful store managers were those best able to manage their feelings and handle stress, emotional intelligence competencies. Successful managers achieved higher net profits, sales per square foot, sales per employee, and per dollar of inventory investment than managers less able to cope with their emotions and stress (Lusch & Serpkeuci, 1990).

A study of 130 executives found that how well they handled their own emotions determined how much people around them preferred to deal with them (Walter V. Clarke Associates, 1997).

Supervisors

Supervisors in a manufacturing plant were trained in emotional competencies such as listening skills and helping employees resolve problems on their own. As a result, lost time accidents were reduced by 50 percent, formal grievances were reduced from an average of 15 per year to 3 per year, and the plant exceeded productivity goals by $250,000 (Pesuric & Byham, 1996). In another manufacturing plant where supervisors received similar training, production increased 17 percent. There was no increase in production for a control group of similar supervisors who were not trained (Porras & Anderson, 1981).

Sales

A national insurance company found that insurance agents who were weak in emotional competencies such as self-confidence, initiative, and empathy sold policies with an average premium of $54,000. Those who were very strong in at least 5 of 8 emotional competencies sold policies worth $114,000 (Hay/McBer Research and Innovation Group, 1997).

Optimism is an emotional competence which leads to increased productivity. New salesmen at Met Life who scored high on a test of optimism sold 37 percent more life insurance in their first two years than pessimists (Seligman, 1990).

At a computer company, sales representatives who were hired based on their emotional competence were 90% more likely to finish their training than those hired on other criteria (Hay/McBer Research and Innovation Group, 1997).

Sales people at a national furniture retailer who were hired based on emotional competence had half the dropout rate during their first year, compared to the previous selection method (Hay/McBer Research and Innovation Group, 1997).

The most successful debt collectors in a large collection agency had an average goal attainment of 163% over a three-month period. They were compared with a group of collectors who achieved an average of 80% suring the same time period. The successful collectors scored significantly higher in the emotional intelligence competencies of selfactualization, independence, and optimism. (Self-actualization refers to a welldeveloped, inner knowledge of one's own goals and a sense of pride in one's work.) (Bachman et al., 2000).

At American Express, sales people trained in Emotional Intelligence outsold sales people not trained in EQ by 10%. At Hallmark Communities, sales staff who developed their EQ generated 25% more sales than untrained sales staff.

A US corporation measured the EQ of 1000 sales people, based throughout the U.S. and in Japan, England, & Germany. They measured the EQ of both successful (at 100% of goal or better) and unsuccessful sales people (at 70% of goal or less). The successful sales people were 2.7 times more likely to score well on the EQ measure. Of the 262 highest scoring salespersons, 95% were at 100% of goal or more.

At L'Oreal, sales agents selected on the basis of specific emotional competencies significantly outsold salespeople selected using the company's previous selection procedure. On an annual basis, salespeople selected on the basis of emotional competence sold $91,370 more than other salespeople did, for a net revenue increase of $2,558,360. Salespeople selected on the basis of emotional competence also had 63% less turnover during the first year than those selected in the typical way (Spencer & Spencer, 1993; Spencer, McClelland, & Kelner, 1997).

In jobs of medium complexity (sales clerks, mechanics), a top performer is 12 times more productive than those at the bottom and 85 percent more productive than an average performer. In the most complex jobs (insurance salespeople, account managers), a top performer is 127 percent more productive than an average performer (Hunter, Schmidt, & Judiesch, 1990). Competency research in over 200 companies and organizations worldwide suggests that about one-third of this difference is due to technical skill and cognitive ability while two-thirds is due to emotional competence (Goleman, 1998). (In top leadership positions, over four-fifths of the difference is due to emotional competence.)

The US Air Force found that the most successful recruiters scored significantly higher in the emotional intelligence competencies of Assertiveness, Empathy, Happiness, and Emotional Self Awareness. The Air Force also found that by using emotional intelligence to select recruiters, they increased their ability to predict successful recruiters by nearly three times. The immediate gain was a saving of $3 million annually. These gains resulted in the Government Accounting Office submitting a report to Congress, which led to a request that the Secretary of Defense order all branches of the armed forces to adopt this procedure in recruitment and selection. (The GAO report is titled, "Military Recruiting: The Department of Defense Could Improve Its Recruiter Selection and Incentive Systems," and it was submitted to Congress January 30, 1998. Richard Handley and Reuven Bar-On provided this information.)

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