

Hiring (Emotionally) Smart

How to bring principles of emotional intelligence to bear on the search process

WHEN Multi-Health Systems (MHS) of Toronto, Ont., tested 1,500 U.S. Air Force recruiters for emotional intelligence, it identified five attributes that separated those who made 100% of their quotas from those who made 70% or below. MHS assigned relative weights to the attributes and they became the basis for a formula for hiring new recruiters. Among the 250–300 people the Air Force hired using this formula, the retention rate shot up by 92%. Factoring in the costs of hiring, training, and settling a new recruit into a position, this translated into a \$2.7 million savings.

Nobody questions the importance of emotional intelligence for leadership. Indeed, studies indicate that your emotional intelligence or emotional quotient (EQ) accounts for 15%–45% of your success on the job. (Your IQ, by comparison, is said to account for less than 6%.) Moreover, notes author Daniel Goleman, in a 1996 study of a global food and beverage company, where senior managers had a critical mass of emotional intelligence, their divisions outperformed yearly earnings goals by 20%. Division leaders without that critical mass underperformed by almost the same amount.

In the past, however, it's been difficult to apply the principles of emotional intelligence to everyday situations. But now that's changing. MHS and other companies have developed assessment tools that can be incorporated into hiring, performance-appraisal, and executive-development processes. And results like those achieved by the Air Force are making companies take notice—especially in the current climate, in which competitive strategy depends upon the ability to hire and retain top-notch workers.

“For us, it was a matter of getting a better understanding of all the people we were bringing in,” says Shelley Ross, human resources specialist at Wrigley Canada in Toronto. “As with most companies, our corporate culture has changed over the course of the '90s. We now need people who are more flexible, more committed to satisfying the customer. We've also moved to more of a team-based approach

throughout our plants, so we need people with better decision-making skills.” Wrigley Canada started using MHS's emotional intelligence test on all prospective hires in 1998. Previously, the company had used a personality assessment for professional and supervisory positions only.

In both examples, the MHS test used is called the EQ-i, developed by psychologist Reuven Bar-On, who says it is the only test registered by the esteemed Buros Institute's *Mental Measurement Yearbook*. A self-report instrument, the EQ-i rates respondents' answers using five composite scales: intrapersonal, interpersonal, adaptability, stress management, and general mood. These five scales are broken down into 15 subscale scores. Each test costs \$30–\$35 and takes about 40 minutes to complete.

How useful is the EQ-i? Wrigley's results have shown the instrument to be “an accurate tool,” Ross concludes. Typically, the test is administered after an initial interview with the hiring manager and a representative from HR. The results can point to aspects of the candidate's social or self-management skills that bear further investigation. “Later in the process,” says Ross, “the hiring manager and team members can use the test results to fine-tune their questions of the candidate. I find that the test helps me with reference checking in a similar way.”

As the Air Force learned, savvy hiring practices can improve performance.

“A person should never be hired based on test results alone,” cautions MHS president and CEO Steven Stein. Prior experience, education, references, interviews, and even sample assignments should all be factored into the decision. But that said, how can you implement the principles of emotional intelligence in your own company's hiring processes? The route MHS took with the Air Force is the most thorough, but if you have constraints, start by administering an emotional intelligence test to all job candidates. Then use tables MHS has developed—they list the most important EQ components for a variety of job classifications—to identify the best applicants.

If an emotional intelligence test seems too involved, says Sandra Yingling, Ph.D., senior consultant at Hay Group in Walnut Creek, Calif., “you can conduct ‘behavioral-event interviewing’ instead. For example, you ask a candidate to describe a time when she felt frustrated by someone who didn't understand her idea. In the candidate's response, you listen for how she decoded the reactions of the other people around the table at the time of the misunderstanding. At Hay, we've developed a dictionary of emotional competencies that we use to assess the level of emotional sophistication in a candidate's descriptions.”

“The whole idea of recruiting is to get someone who fits the job and the culture,” says Wrigley's Ross. “We've discovered that it's worth the effort to find someone who's a better match.” And EQ is becoming an increasingly important tool for that search. ♦

RESOURCES

The EQ Edge: Emotional Intelligence and Your Success

by Steven J. Stein and Howard E. Book
2000 • Stone Bridge Press

Working with Emotional Intelligence

by Daniel Goleman
2000 • Bantam