



# INTELLECTUAL & EMOTIONAL QUOTIENT IN TALENT MANAGEMENT

**3<sup>rd</sup> PAGBA QUARTERLY SEMINAR**

**Skylight Convention Center  
November 29, 2014**

# OUR TIME THIS MORNING



**Changes in  
the  
Business  
Landscape**



**Revisiting  
Asean**



**Talent  
Management  
& Engagement**



**IQ vs. EQ  
Philosophy  
Behind  
Engagement**

# CHANGES : BUSINESS LANDSCAPE



Demographics have changed



Strategies have become more sophisticated

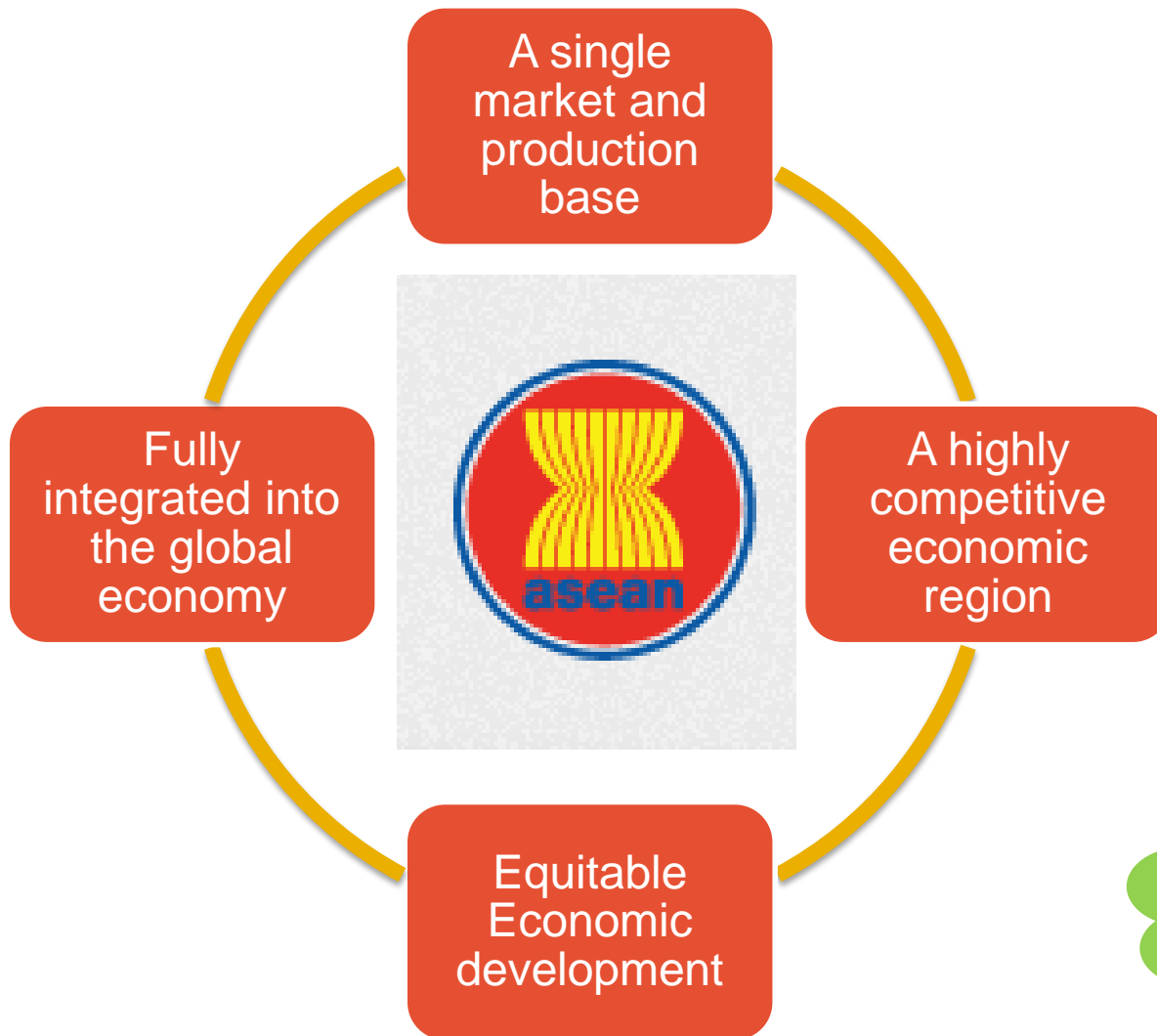


Roles have become more complex



Continuous Changes -  
Competencies

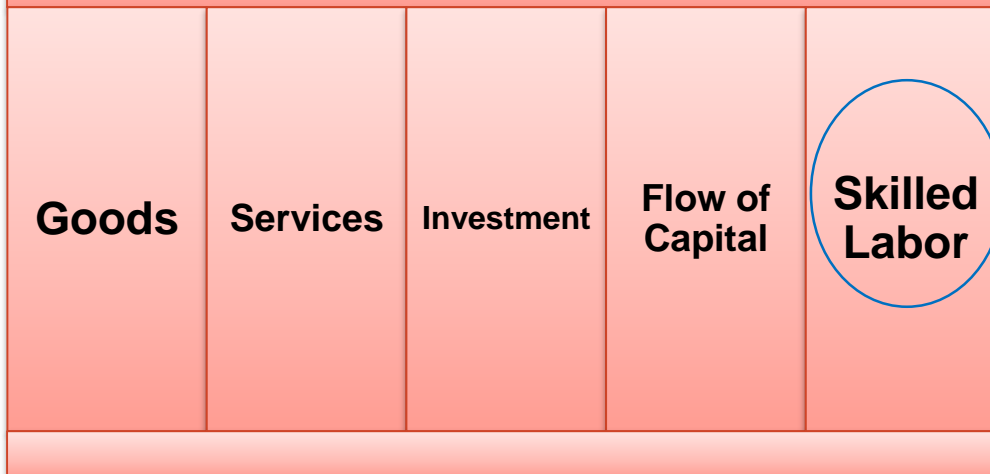
# AEC 2015 is just around the corner...



# AEC & Human Resources Development & Capacity Building

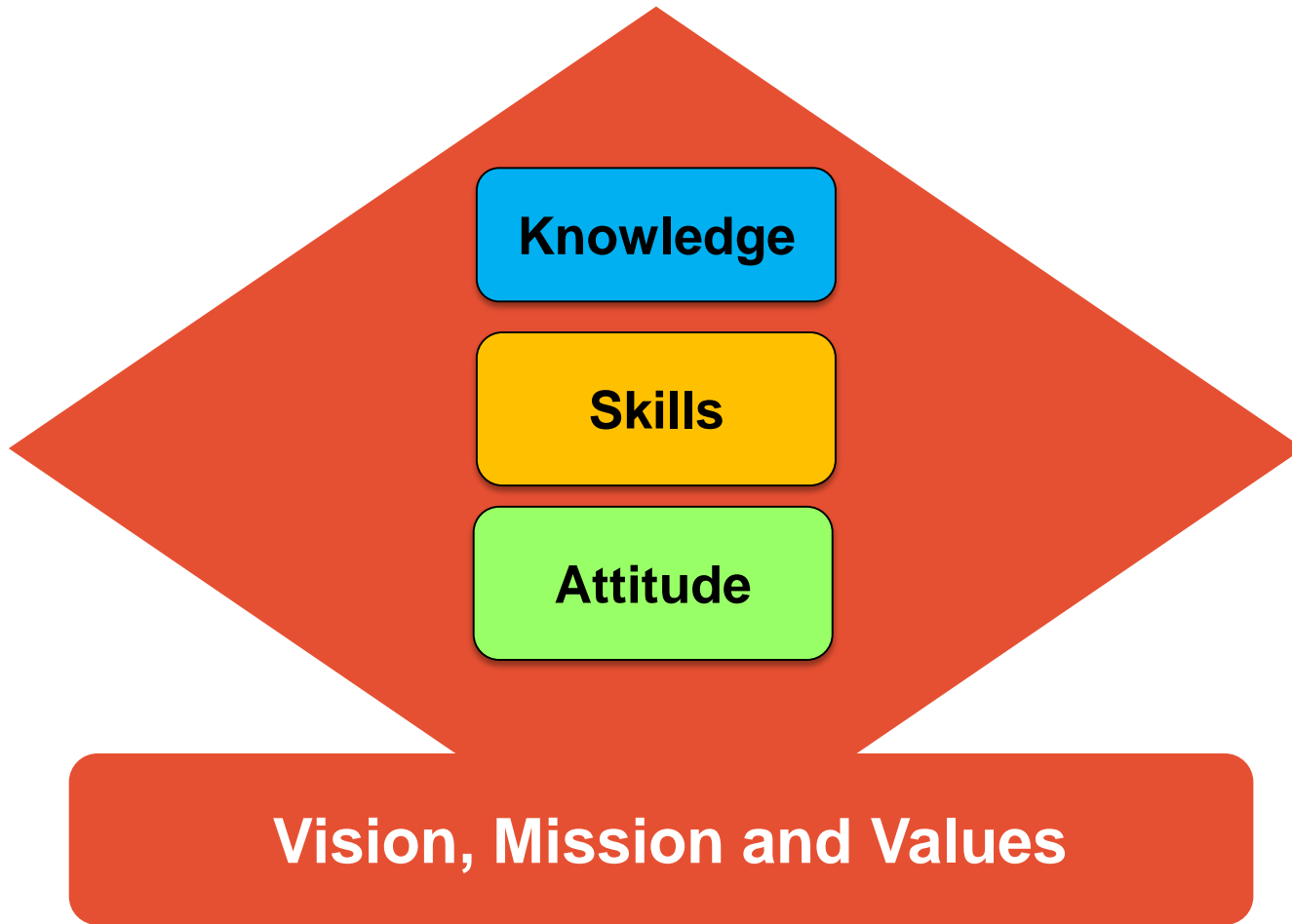


## Free Movement



1. Medical Practitioners
2. Nursing services
3. Engineering
4. Tourism
5. Architect
6. Dental
7. Accounting

# Impact on L & D - Workforce Competencies



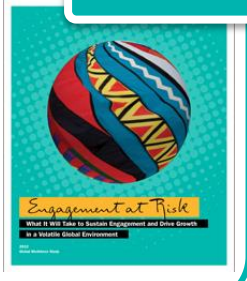
# Headlines: Challenges and Opportunities

**Friction Points.** By 2021, a new map of talent surplus and deficits will emerge

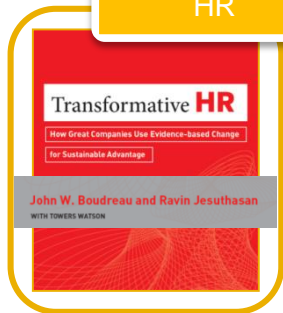


Talent 2021

GWS



Transformative  
HR



**Security Minded.** Whether it is attraction or retention, financial security is top of mind

**Engagement at Risk.** Only 35% are highly engaged, stress is increasing and energy is flagging












# Talent 2021: The landscape for Global talent will be very different over the next 10 years...

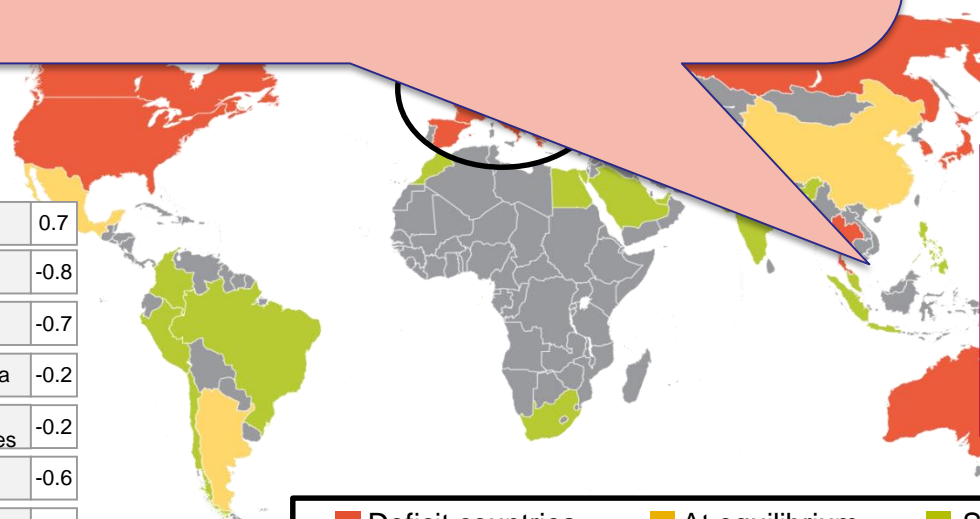
## Gaps Between Growth in Talent Demand vs. Supply, 2011-2021

Thailand and Singapore will be NET IMPORTERS while Philippines, Indonesia and Malaysia will be NET EXPORTERS

 Canada	0.9
 USA	0.8
 Bermuda	-0.1
 Mexico	0.1
 Columbia	-1.1
 Brazil	-0.1
 Peru	-0.6
 Chile	1.0
 Argentina	0.1

 Turkey	0.7
 Morocco	-0.8
 Egypt	-0.7
 Saudi Arabia	-0.2
 United Arab Emirates	-0.2
 Qatar	-0.6
 South Africa	-1.0

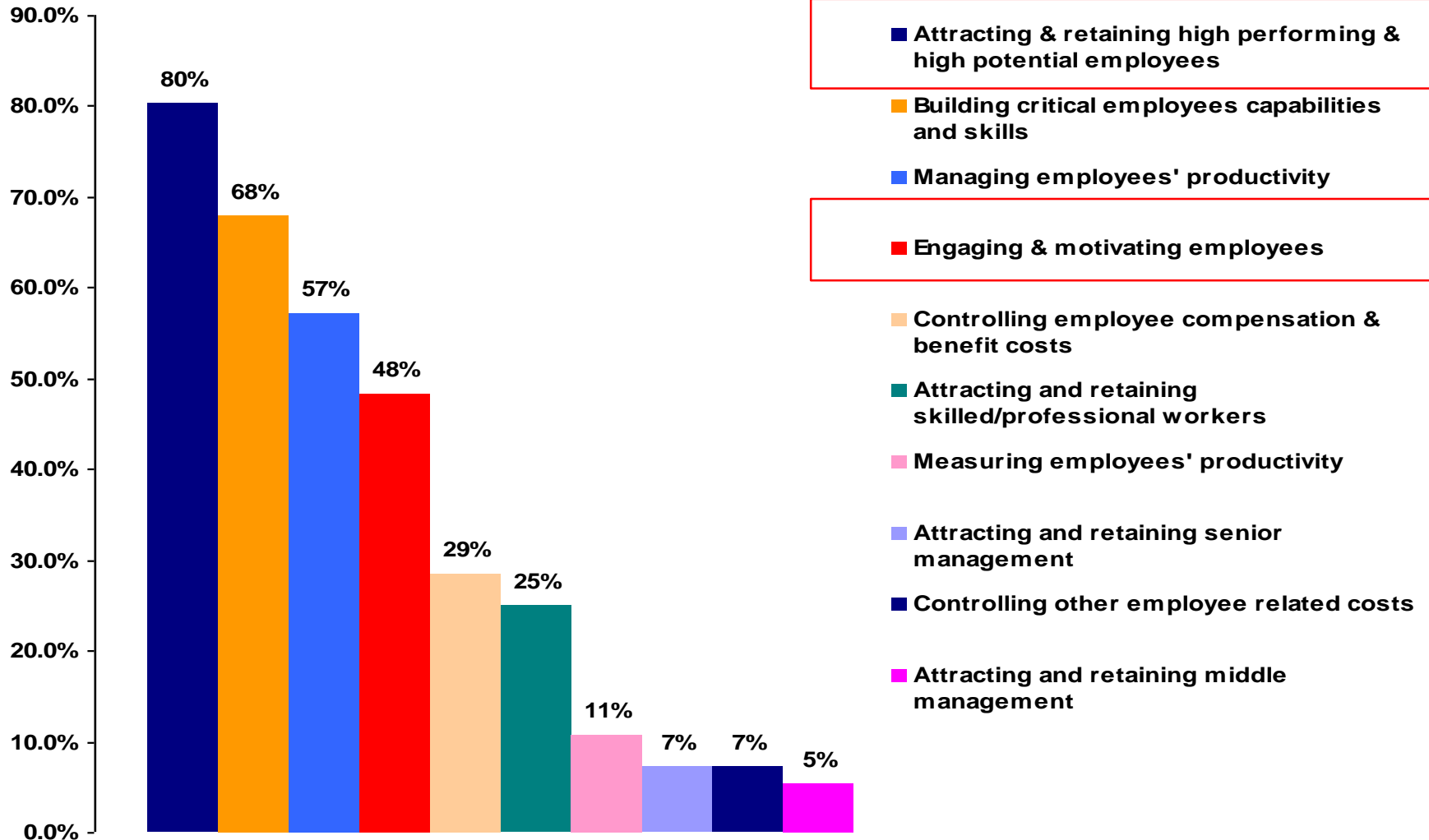
 Russia	0.1
 China	-0.0
 India	-2.1
 Japan	1.4
 South Korea	0.9
 Philippines	-0.2
 Thailand	0.6
 Malaysia	-0.1
 Indonesia	-1.5
 Singapore	0.6
 Australia	0.5



■ Deficit countries    
 ■ At equilibrium    
 ■ Surplus countries



# Philippines: Top Human Resource Challenges Identified by Employers



# Why Engagement?

An estimated **40% of corporate expenses are related to people**

For most organizations, this is the single largest expense category on the balance sheet.

Increasingly, organizations are looking for ways to better understand their “human capital” – and to unleash its performance

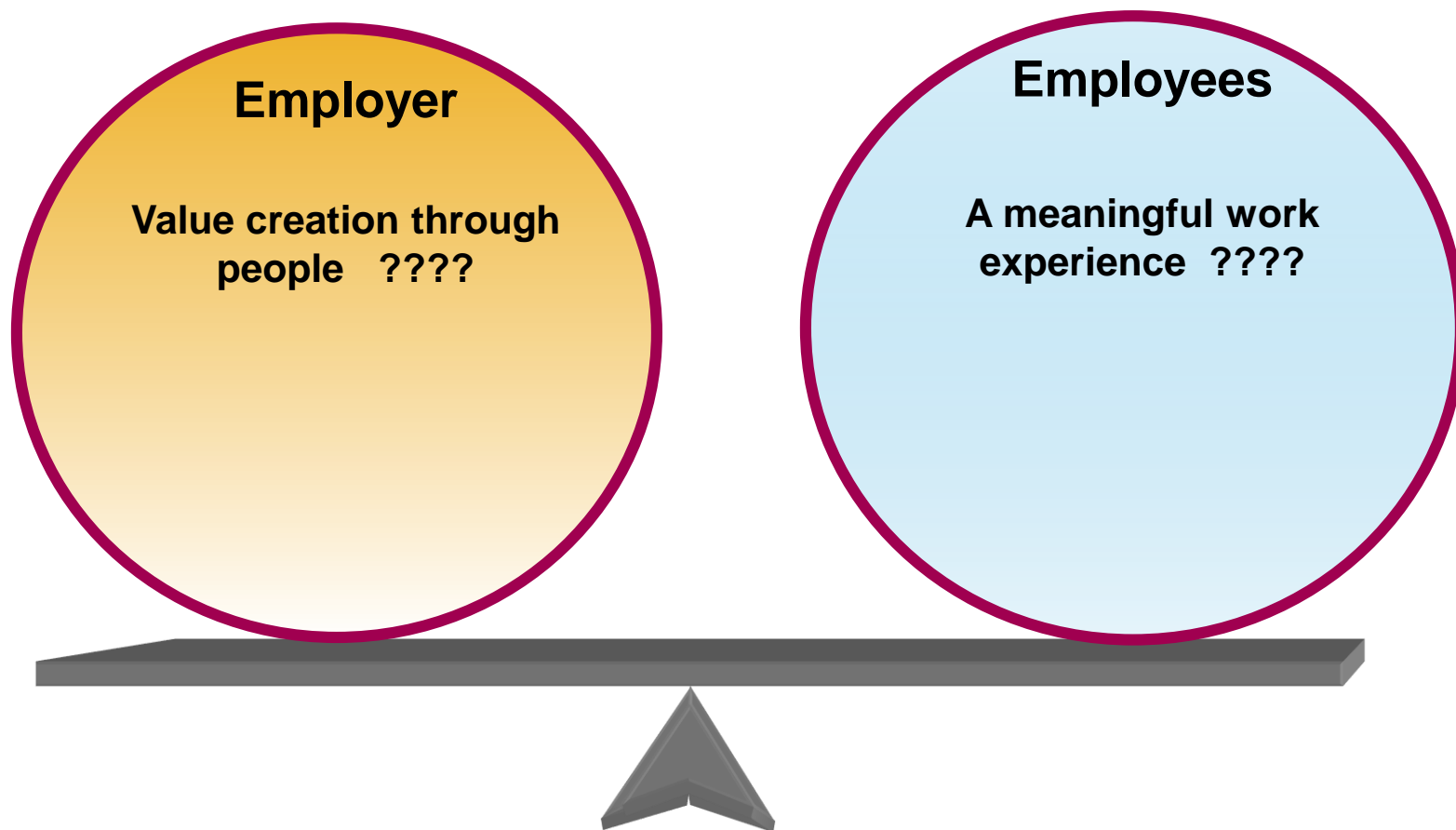
## Signs of Engaged Employees

*Engaged employees are highly committed to the company and understand how they can make a positive contribution.*

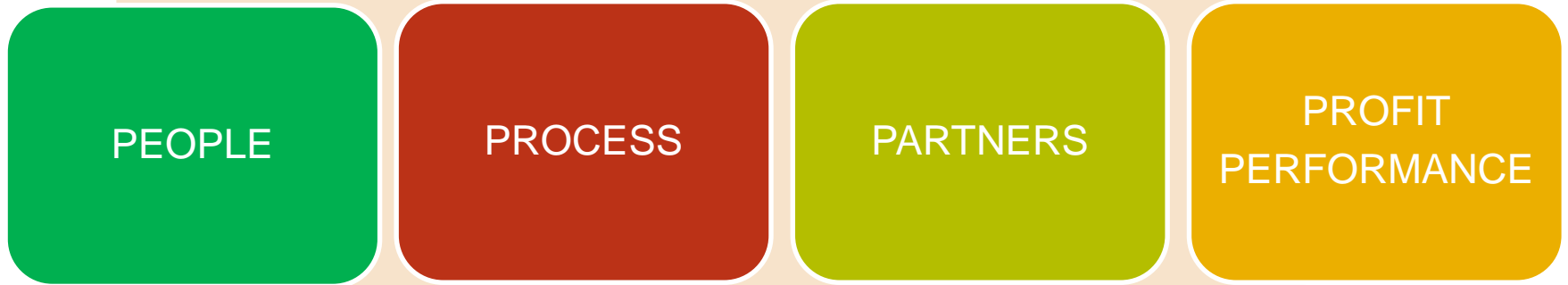
- Tend to be more productive
- Less likely to leave the organization
- More resilient in the face of major organizational change
- Go above and beyond
- Are highly focused
- Demonstrate innovation
- Are passionate and motivated
- Help other team members
- Take on new initiatives
- Recommend the organization to others
- Offer ideas for improvement

Source: *The New Employment Deal: How Far, How Fast and How Enduring*, Towers Watson, 2010.

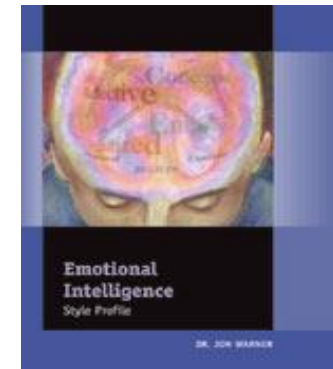
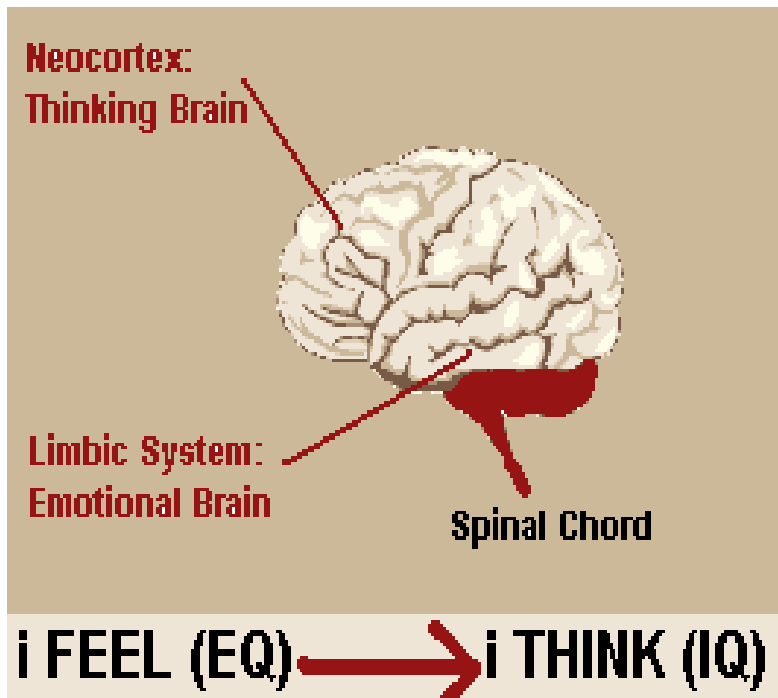
# A compelling “Employment Deal” requires a win-win relationship . . .



# Focus



# TWO Brains



- **Feeling Brain – Emotions (EQ) reside in the Limbic System**
- **Thinking Brain - the Neo-cortex where cognitive abilities (IQ) resides.**

# The Difference

## Intellectual Quotient (IQ)

- Intelligence Quotient (IQ) is a value that indicates a person's ability to learn, understand, and apply information and skills in a meaningful way. Measures intelligence.

## Emotional Quotient (EQ)

- Emotional Quotient (EQ) is about understanding and managing emotions of oneself and that of others to work better as a group or team

- **The major difference between EQ and IQ is what part of a person's mental abilities they measure??**
- **EMOTION? INFORMATION?**

# Towers Watson Competency Study

- **Key Findings:**

- Many companies are not well equipped to help emerging leaders develop the required skill set and competencies to lead in the future
- Leaders are facing much higher expectations regarding the speed and magnitude at which strategy and change must occur
- New skills and combination of competencies are required to lead on the new economy
- Leadership is a key tool in driving employee engagement and business performance
- **Building an emotional connection with others is critical as a leader**



# What are the four basic emotions?

- Anger - Immediate danger in the present!
- Fear - Potential danger in the present!
- Sadness - Loss in the present!
- Happiness- Simply enjoying the moment !!



Emotions are . . . .



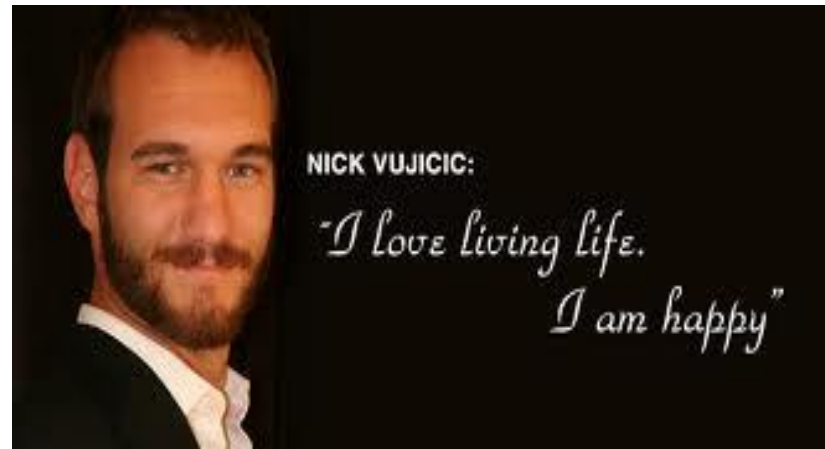
**Physiological** experience which manifests itself in **neuro-muscular, respiratory, cardiovascular** and hormonal changes including modifications in thought and behaviour.



**How are you in Managing your Emotions?**



# NICK VUJICIC

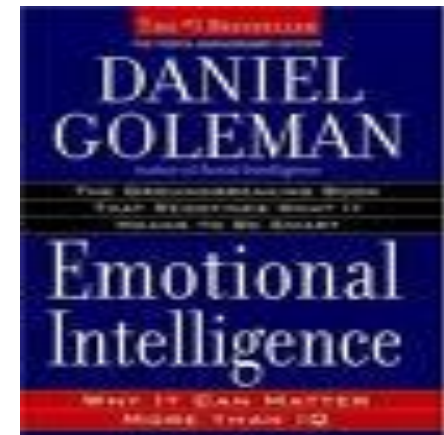


What skill do we need  
to manage our  
emotions?

# Emotional Intelligence

is the ability to  
**understand** and  
**manage** one's own  
emotions and those  
of others.

(D. Goleman)



- EI is about dealing with emotions creatively and employ our intelligence in a beneficial way.
- Dalai Lama





Ability to **THINK**  
**CONSTRUCTIVELY**  
AND **ACT** WISELY



- **How Emotional Intelligence (EQ) Influences Performance**

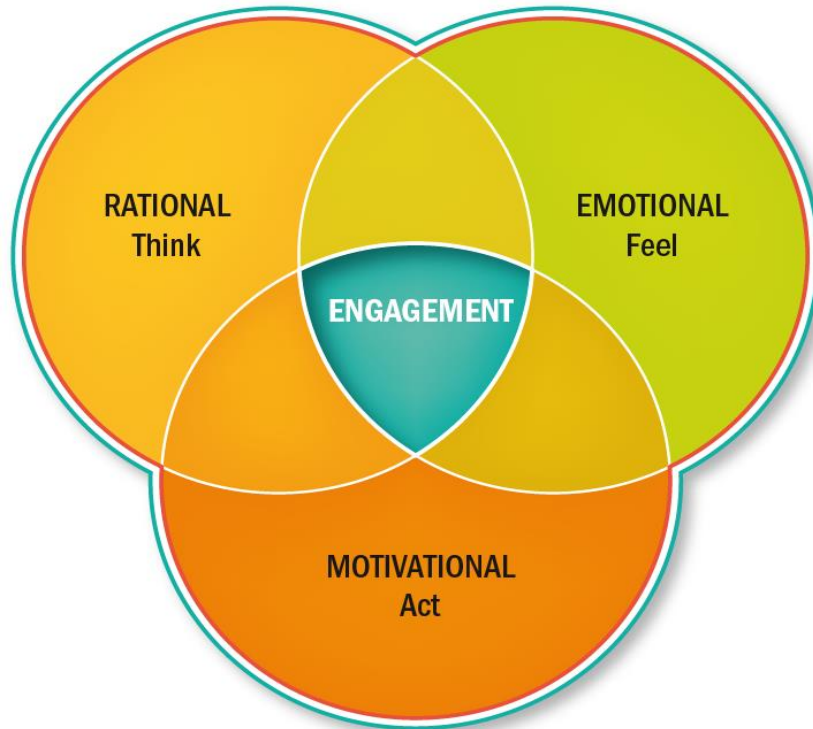
- Recent research indicates that EQ plays a far more important role in career success and job performance than IQ.
- Analysis of 69 independent studies suggested that diverse measures of EQ correlated with job performance and mental ability.
- Unlike IQ level that cannot be increased, EQ measures can be increased for most people through learning, training, and practice.
- That is why many organizations have included EQ training in their training programs for leaders, managers and staff.

## Premise . . . . .Emotional wellness at work = Healthy Bottom line

- We all want to work in places where we feel at our best.
- Employers' viewpoint, people who feel at their best can perform at their best.
- Employee's viewpoint, people who are encouraged and motivated can perform at their peak.
- Leadership has a great deal to do with which way our inner state goes.
- A leader needs to manage his/her own emotional state and impact others in the direction of well being.
- Impact is not so much in what a leader does, as what they say – tone of voice, facial expression, all the emotional cues that have been wired to read and react to.
- Helping others get and stay in that state of well being begins with helping ourselves get there.

Physical, financial,  
mental, social  
spiritual, emotional  
aspects

# Towers Watson's Traditional Engagement Model



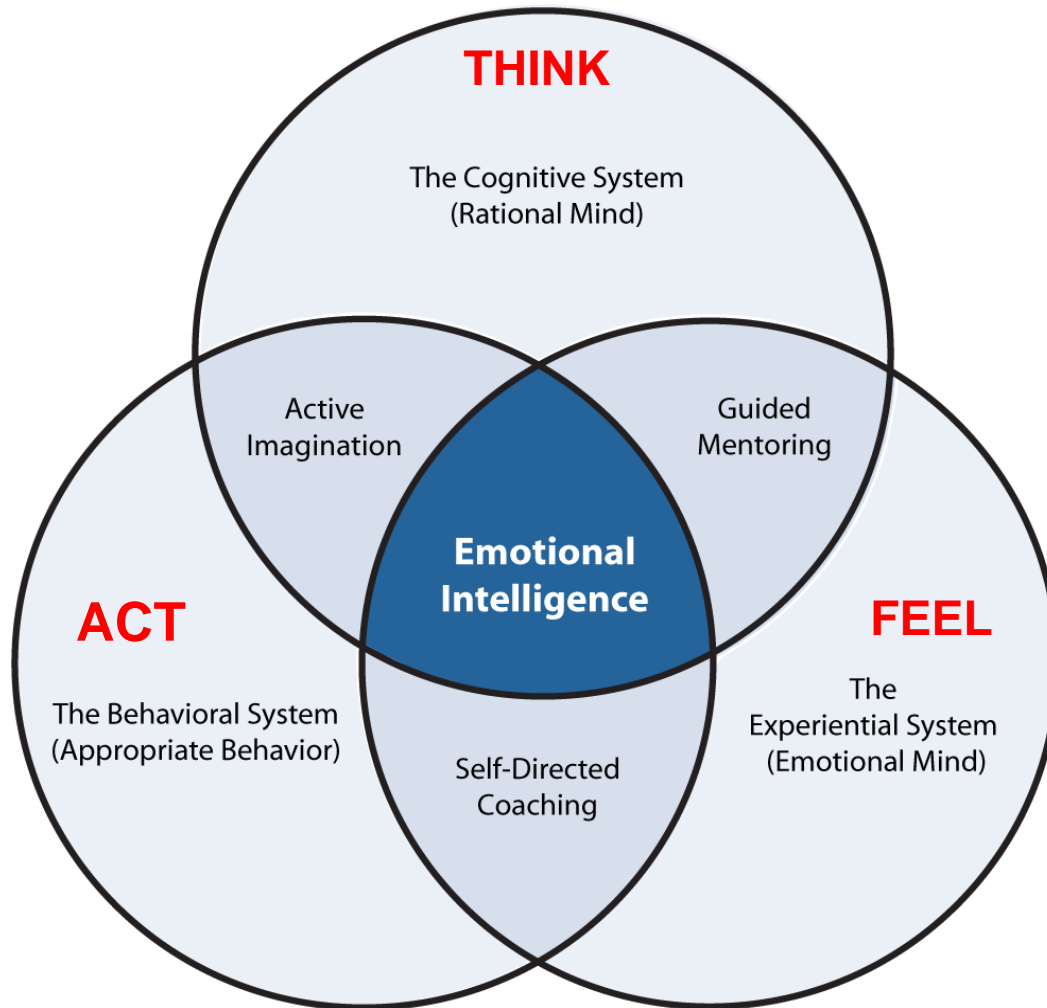
**Engagement has three dimensions:**

**THINK – Cognitive** Belief in and support for the goals and values of the company.

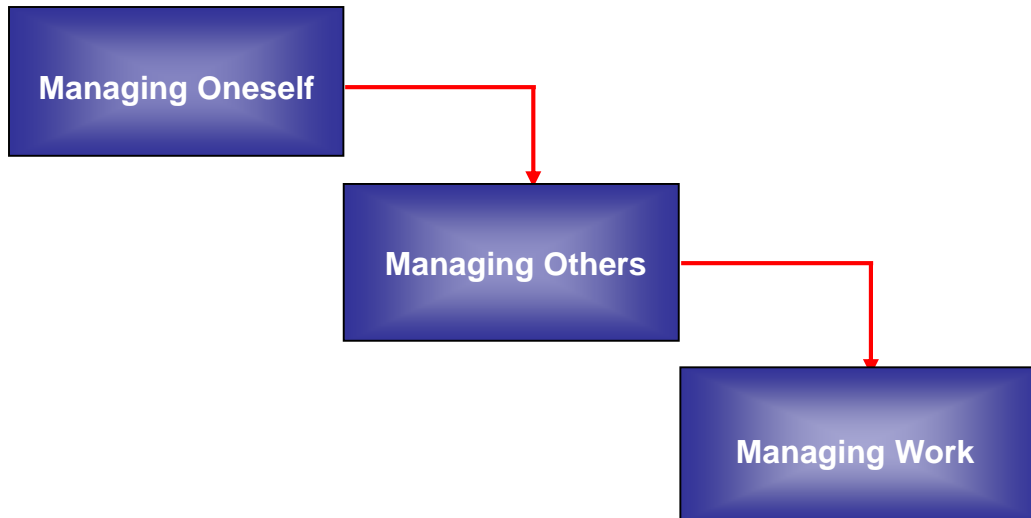
**FEEL – Affective** Sense of belonging, pride, attachment to the company.

**ACT – Behavioral** Willingness to go the extra mile; intention to stay with the company.

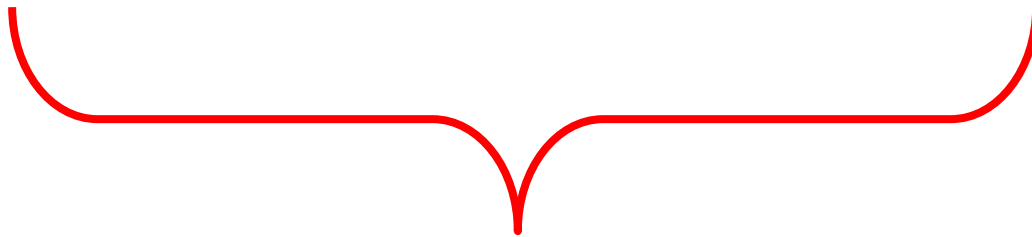
# Personal Engagement



# Philosophy behind Engagement

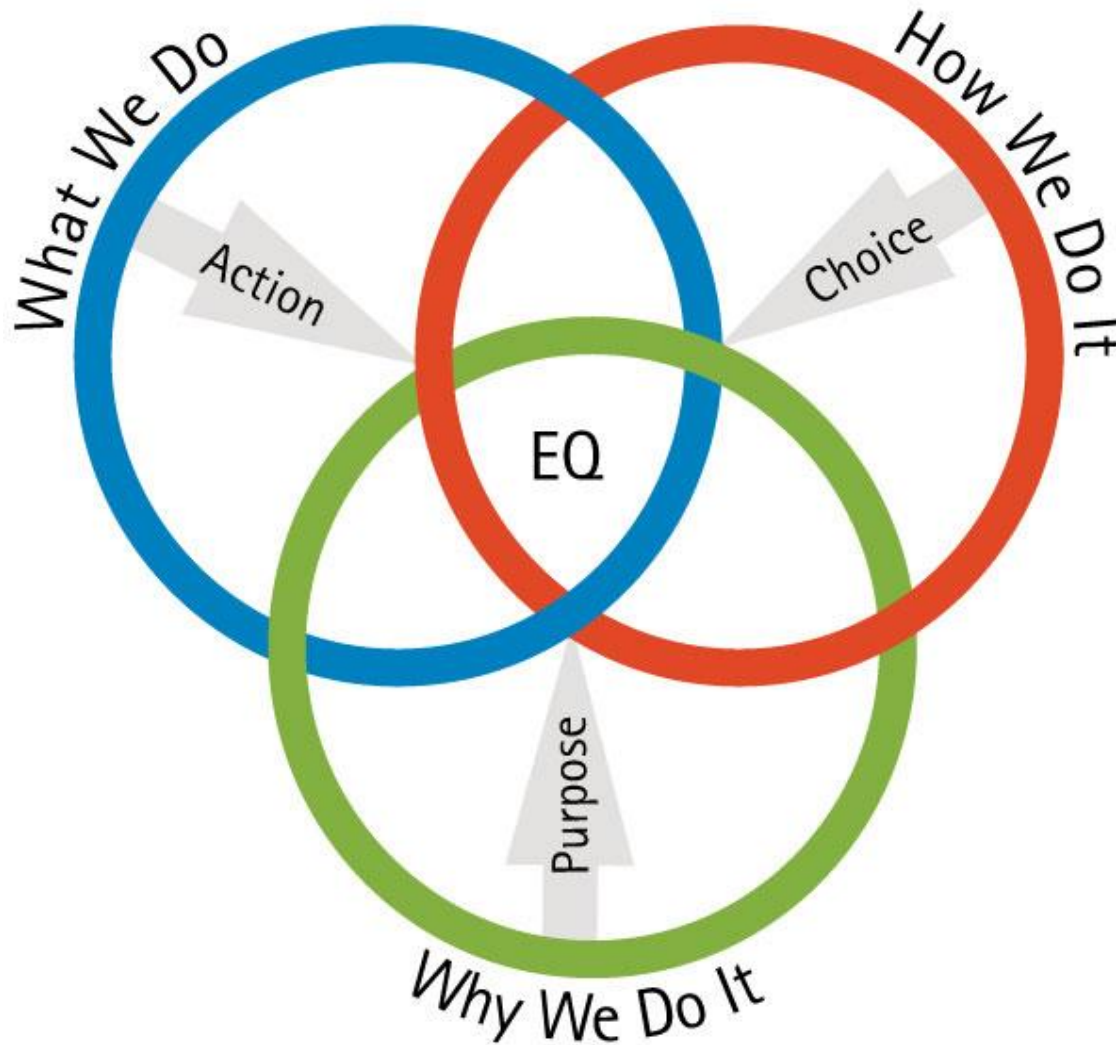


????  
**How** can we as leaders, managers and associates create value for our company vs. what is actually accomplished?

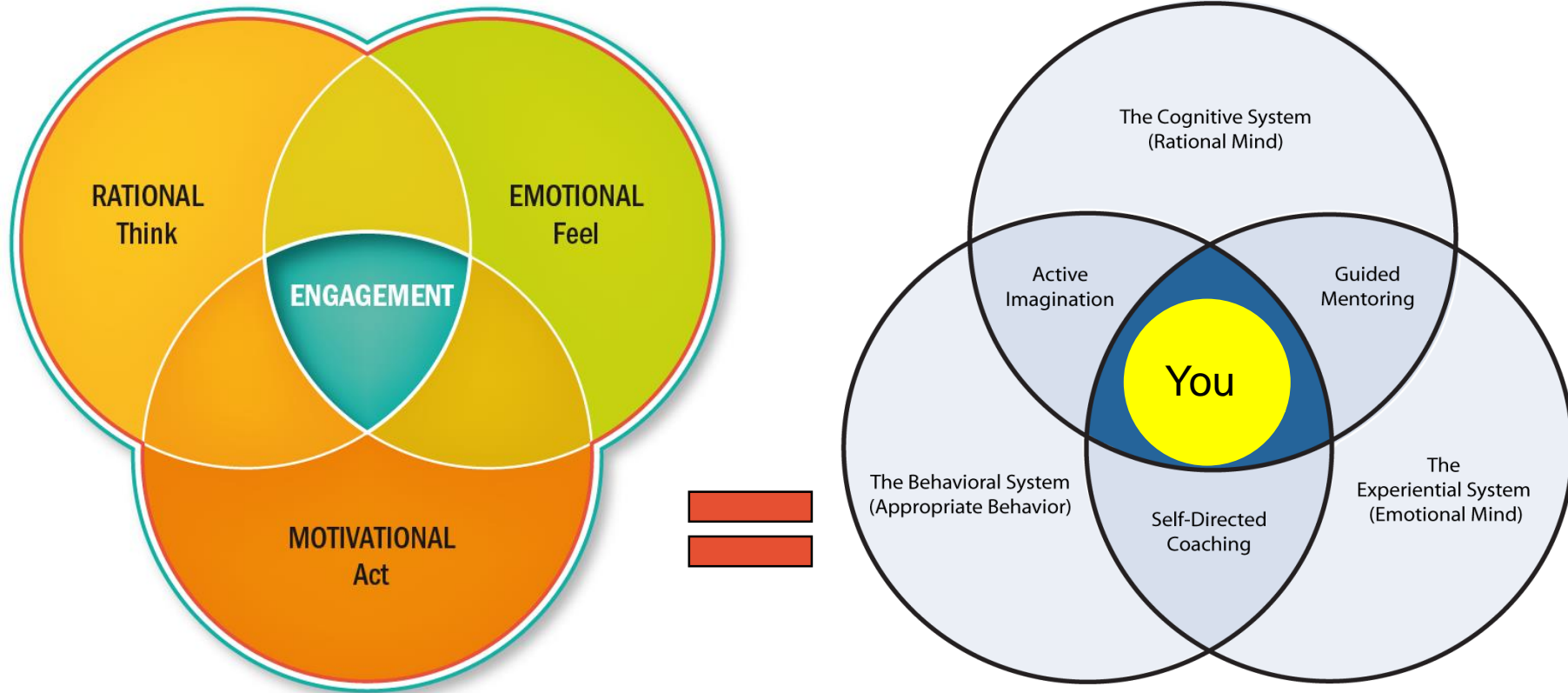


**COMMUNICATION, COMMITMENT, CONNECTION, CONTRIBUTION**

# Alignment



# Corporate & Personal Engagement





# What is EQ Conceptually?

A little effort grows a lot!



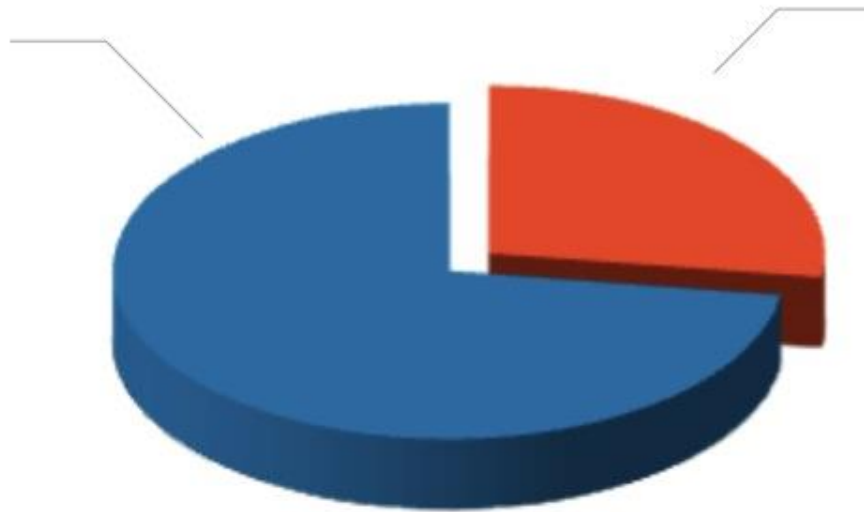
...the foundation  
for critical skills.





# Top Issues

People/  
Relational  
65%



Financial/  
Technical  
35%

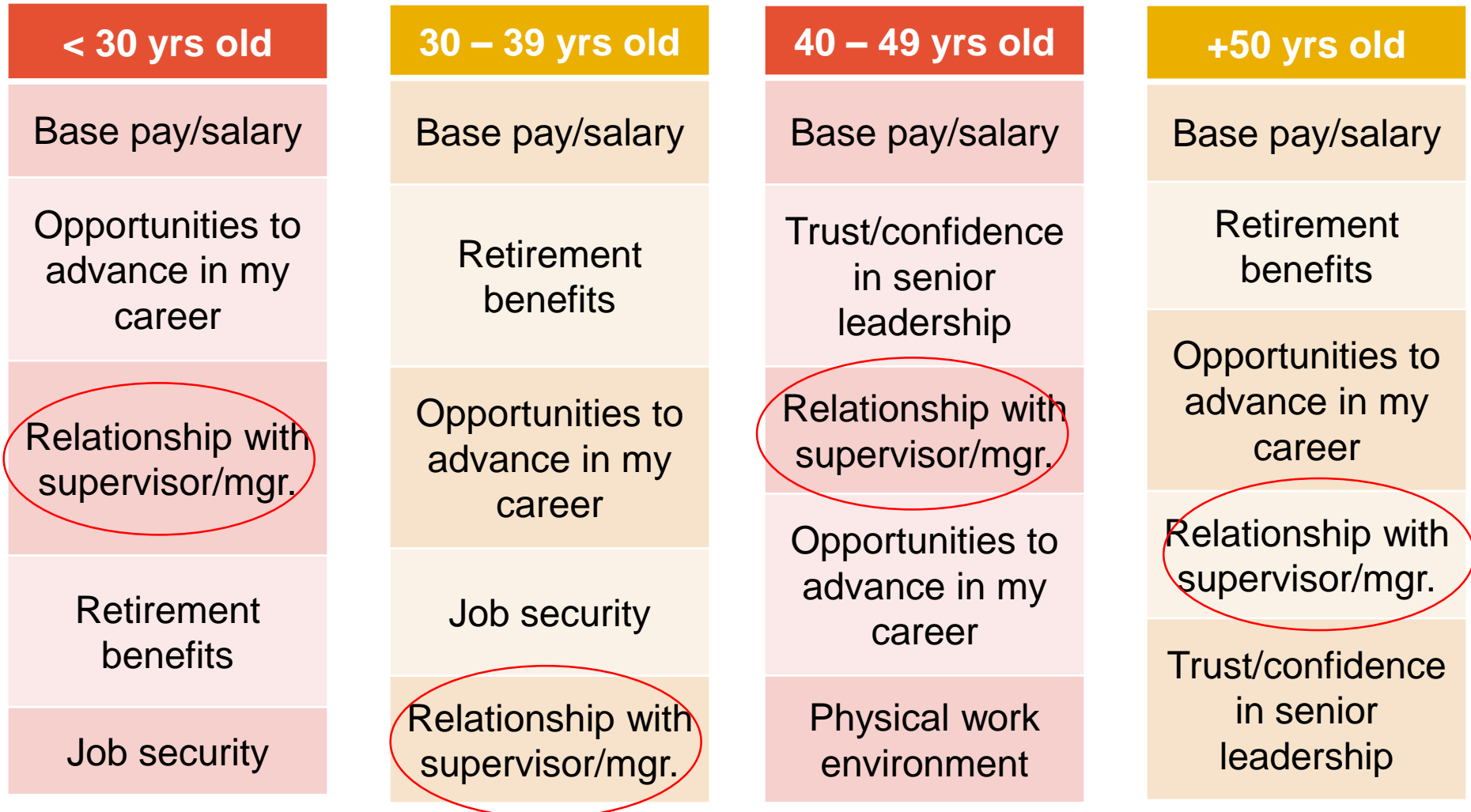
Why is the “soft stuff” so hard?

# Getting Work Done

- 97% of employees surveyed said they could be more productive;
- 49% said they could increase productivity by 50% or more.<sup>30</sup>

Source: Freedman & Fiedeldey-Van Dijk (2008) [www.6seconds.org/case](http://www.6seconds.org/case)

# Retention Drivers by Age Group



Source: Towers Watson 2012 Global Workforce Study – Philippines  
[towerswatson.com](http://towerswatson.com)



“Not FINANCE, not STRATEGY not TECHNOLOGY !!! It is TEAMWORK that remains to be the ULTIMATE competitive advantage. Both because it’s powerful and RARE !!”



Patrick Lencioni

Author of 5 Dysfunctions of a Team

4 Obsessions of an Extraordinary Executive

# Putting things in Perspective

## ● Towers Watson Competency Study

- Leadership is a key tool in driving employee engagement and business performance.
- Many companies are not well equipped to help emerging leaders develop the required skill set and competencies to lead in the future
- Leaders are facing much higher expectations regarding the speed and magnitude at which strategy and change must occur
- New skills and combination of competencies are required to lead on the new economy
- **Building an emotional connection with others is critical as a leader**

## ● Key Findings: Business Case of EQ

### Why is EQ Critical Now?

- **Knowledge and Relationships** are the currency of the new economy
- **EQ links to job and bottom line performance**
- Changes in the “emotional brain” are possible.

**Employee turnover** is not an event – it is a process of disengagement that can take days, weeks, months or even years until the actual decision to leave occurs.



## Exchange Ideology Concept

The effort one invests at work depends directly on **one's perception** of how the organization as represented by all its leaders and managers treat him.

### Employer Perspective

Having that brand of leadership with focus on **authenticity and trust** that retains, engages and motivates employees to drive business success.

### Employee Perspective

Employees' connection with the Leadership brand determines their level of **discretionary effort** in bringing the company's mission, vision and values to life.



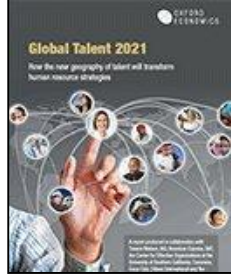
# New Employment Deal



**BUSINESS LIFE IS ABOUT  
RELATIONSHIPS, ABOUT  
PEOPLE AND ABOUT  
CHARACTER**

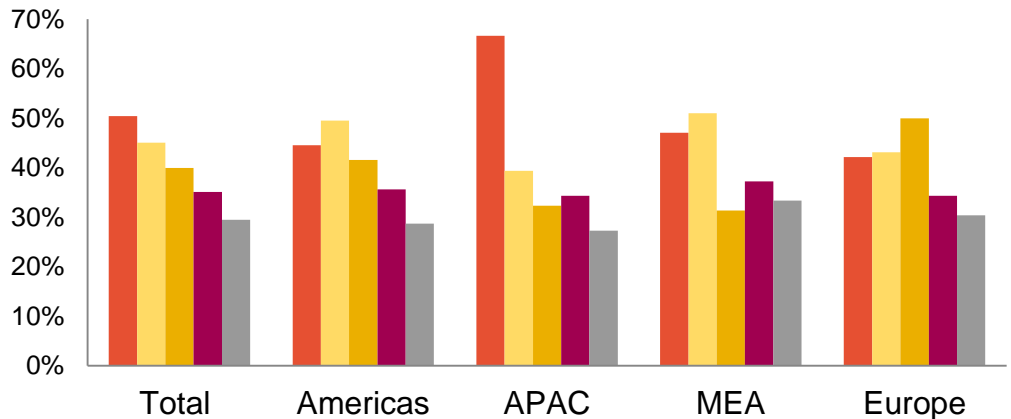


# COMPETENCIES REQUIRED IN THE FUTURE



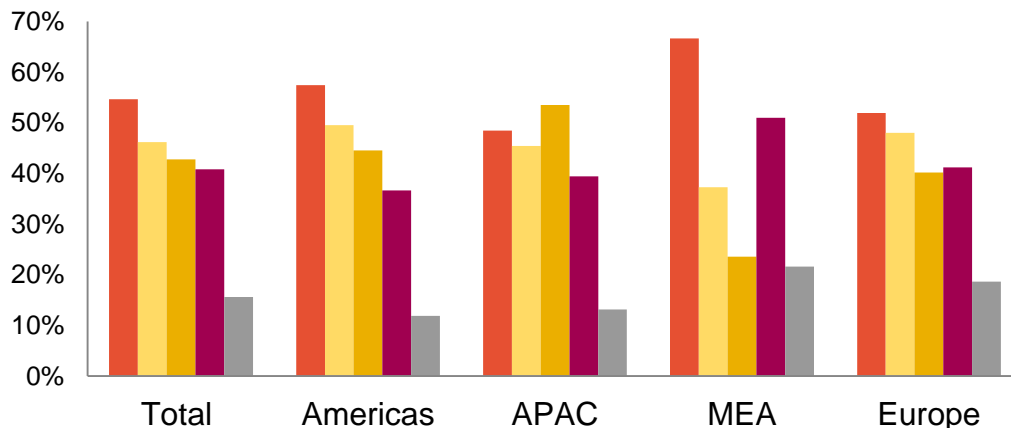
# A need for new skills in the future

## Digital Skills

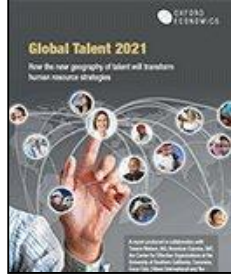


- Digital business skills
- Ability to work virtually
- Understanding of corporate IT
- Digital design skills
- Ability to use social media and web 2.0

## Agile Thinking

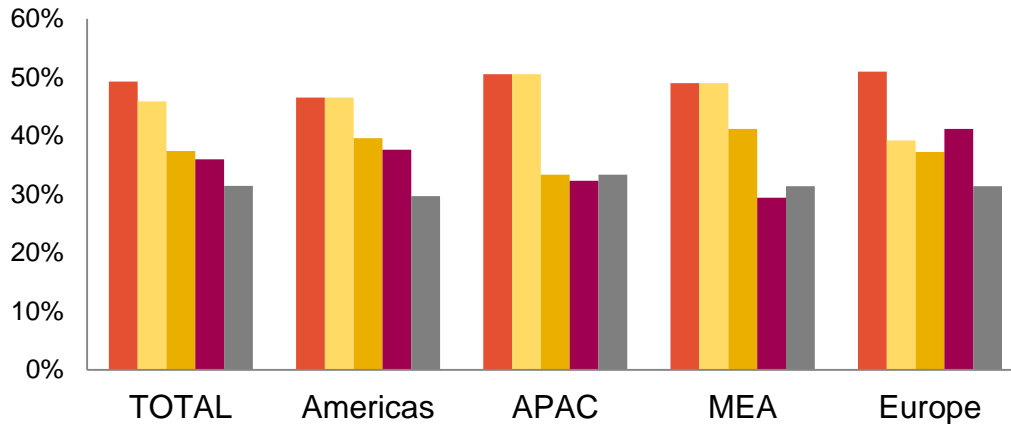


- Ability to consider and prepare for multiple scenarios
- Innovation
- Dealing with complexity and ambiguity
- Managing paradoxes, balancing opposing views
- Ability to see the "big picture"



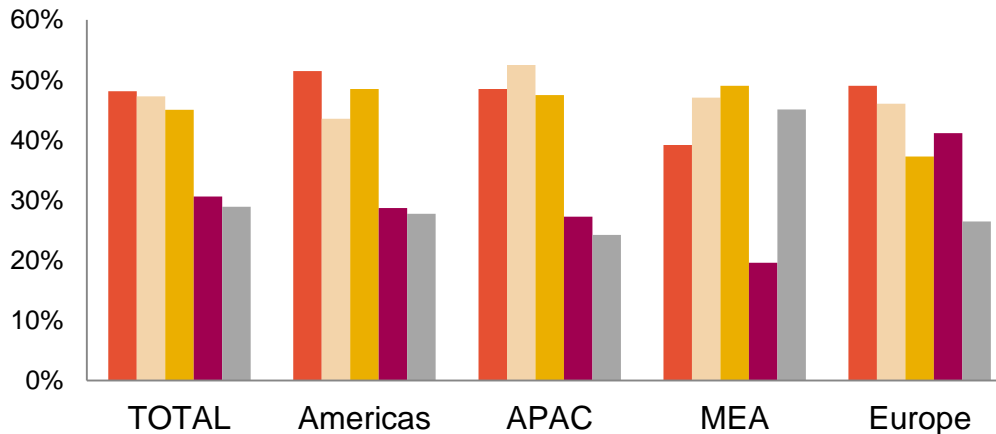
# A need for new skills in the future

## Global Skills



- Ability to manage diverse employees
- Understanding international markets
- Ability to work in multiple overseas locations
- Foreign language skills
- Cultural sensitivity

## Interpersonal and Communication Skills



- Co-creativity and brainstorming
- Relationship building (with customers, partners, government, etc.)
- Teaming (including virtual teaming)
- Collaboration
- Oral and written communication

# Our Realities

## Who I am precedes what I do!!

*People are impacted by who I am. My general behavior impacts others around me*

## Personal engagement precedes corporate engagement!!

*How can I possibly be effective in my organization if I am not effective in leading my own life well.*

## Making a choice!!

Reshaping my personal mental landscape for better relationships that would propel productivity towards performance

## Characteristics most desired in Senior Leaders

Rank	Characteristic
1	Cares about the well-being of others
2	Encourages the development of talent
3	Is Trustworthy
....	
....	
18	Manages Financial Performance Successfully
19	Positions organization to compete in global biz. Envir.
20	Focuses the organization on satisfying the customer
21	Promotes brand/image
22	Maintains high profile outside of the organization

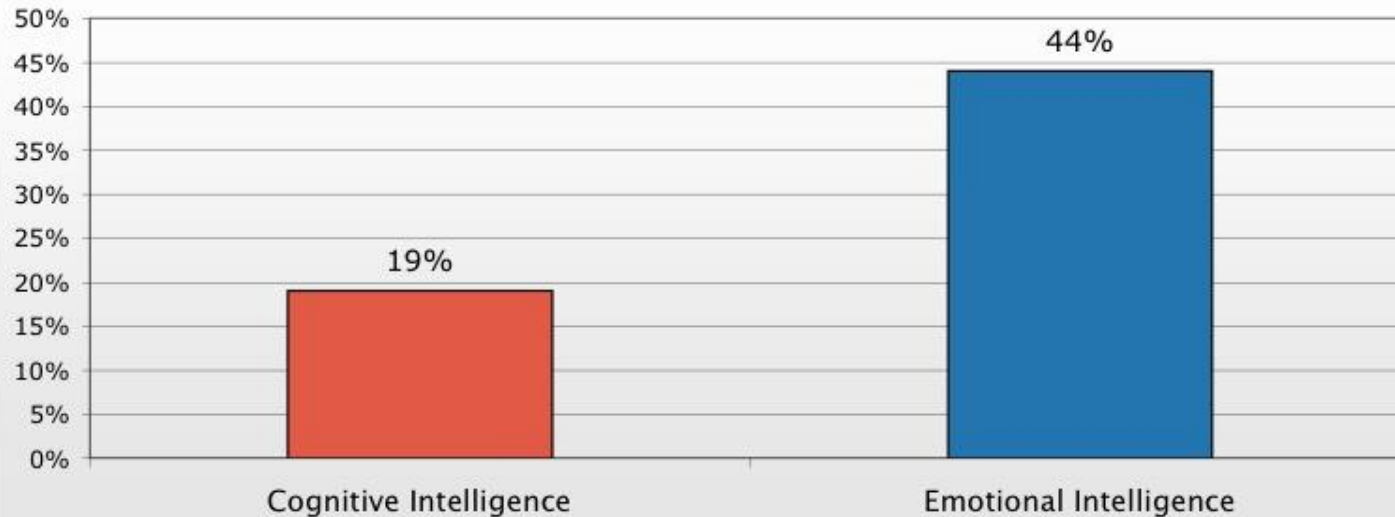
Source: Towers Watson Total Reward Survey – 2010



# Career Success



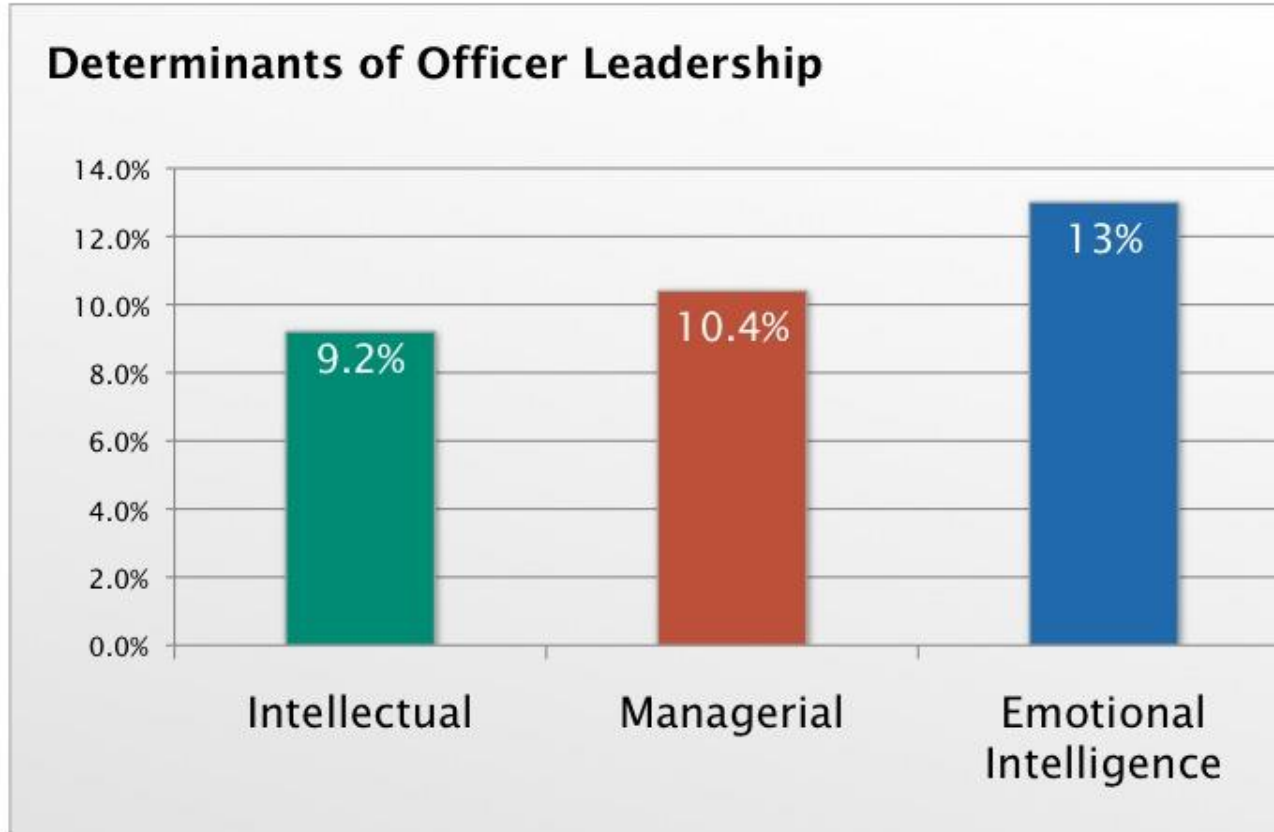
Differentiating Star Performers



Hired for IQ, promoted for EQ?

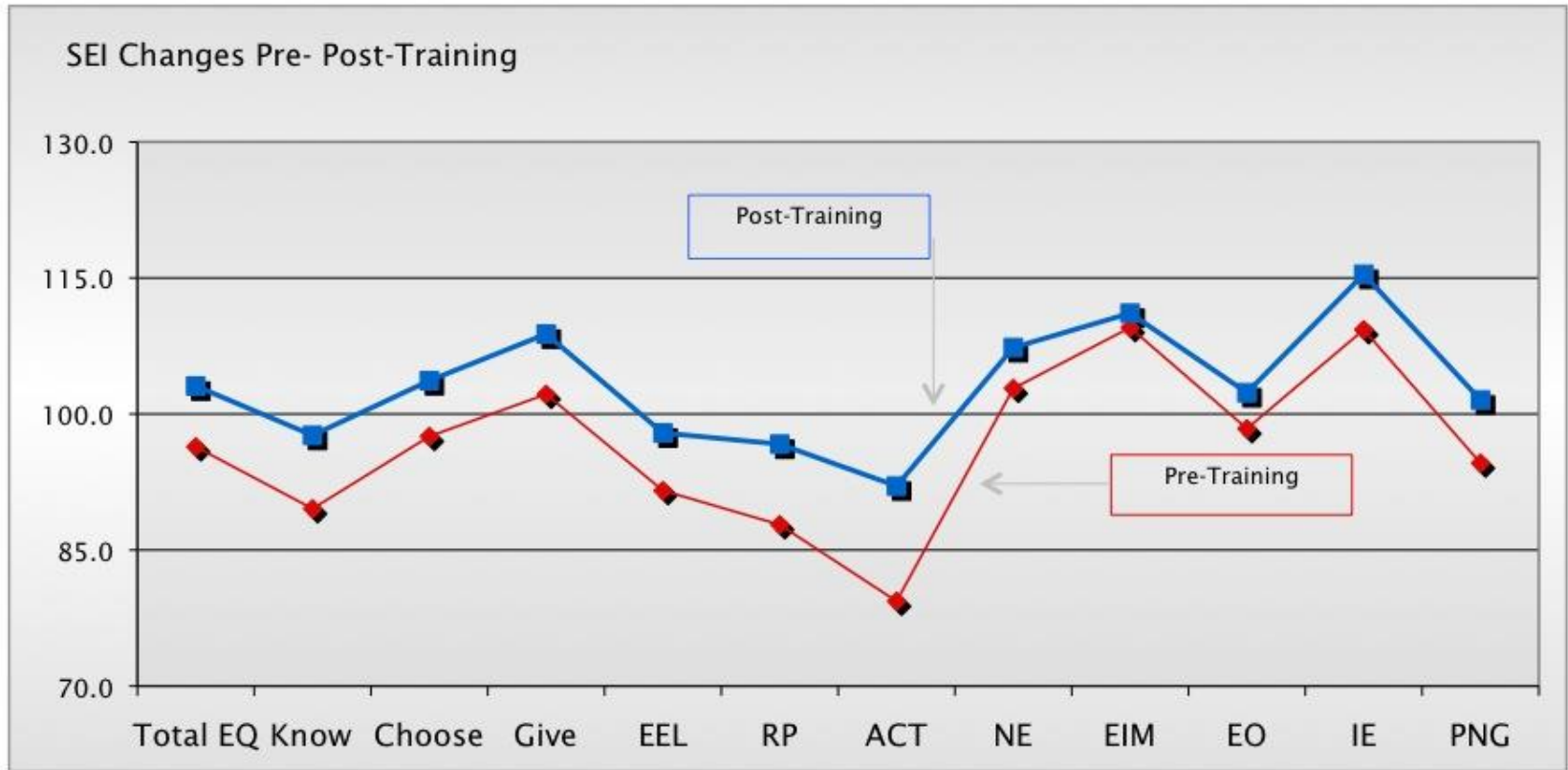


# What Predicts Performance?



*Emotional intelligence competencies were better able to predict performance and leadership efficacy.<sup>13</sup>*

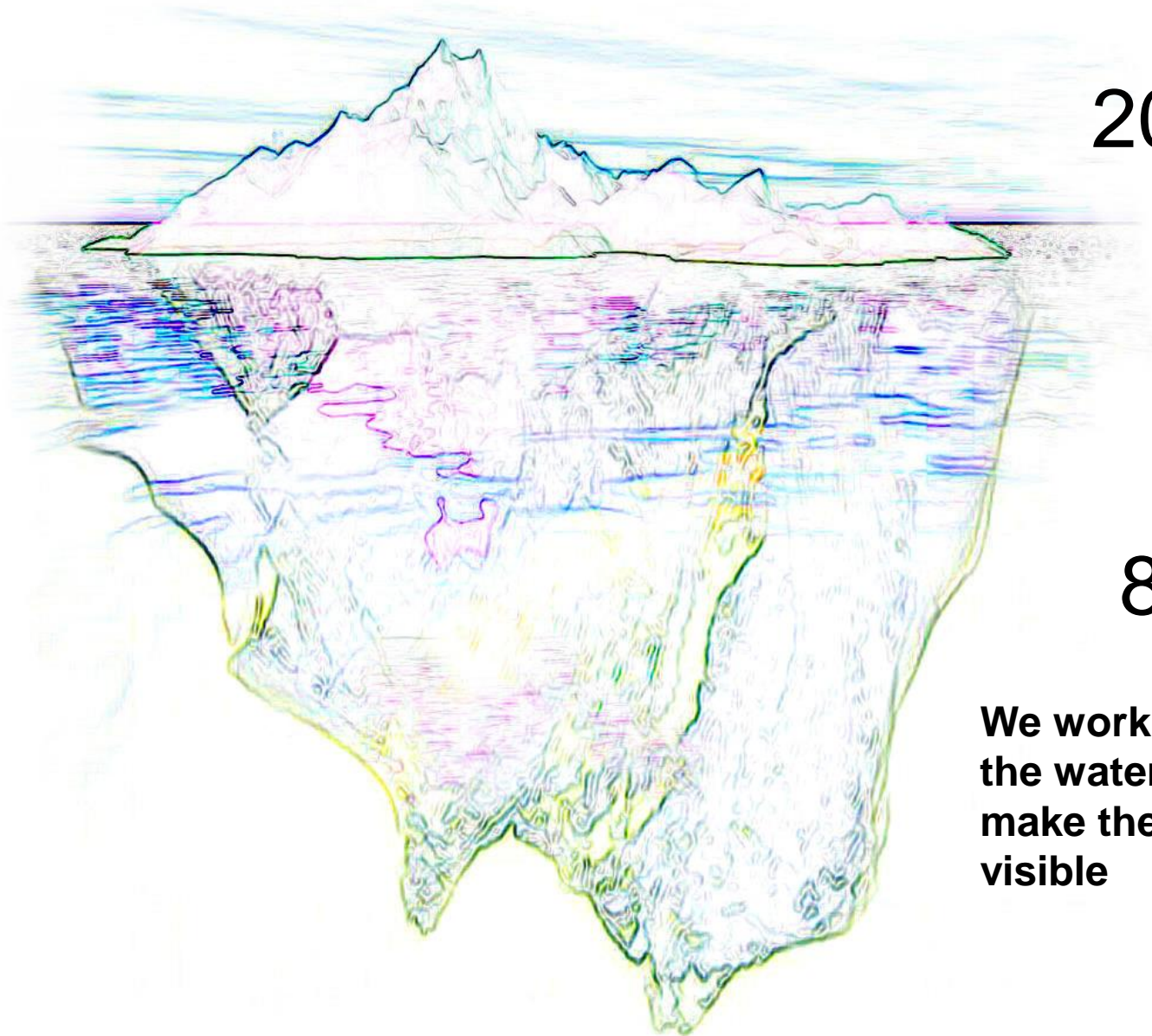
# EQ is Learnable



After 2-day training, IT team's scores +7%

***IQ*** WILL GET YOU THROUGH  
SCHOOL BUT ***EQ*** WILL GET  
YOU THROUGH LIFE .

# What can we do differently?

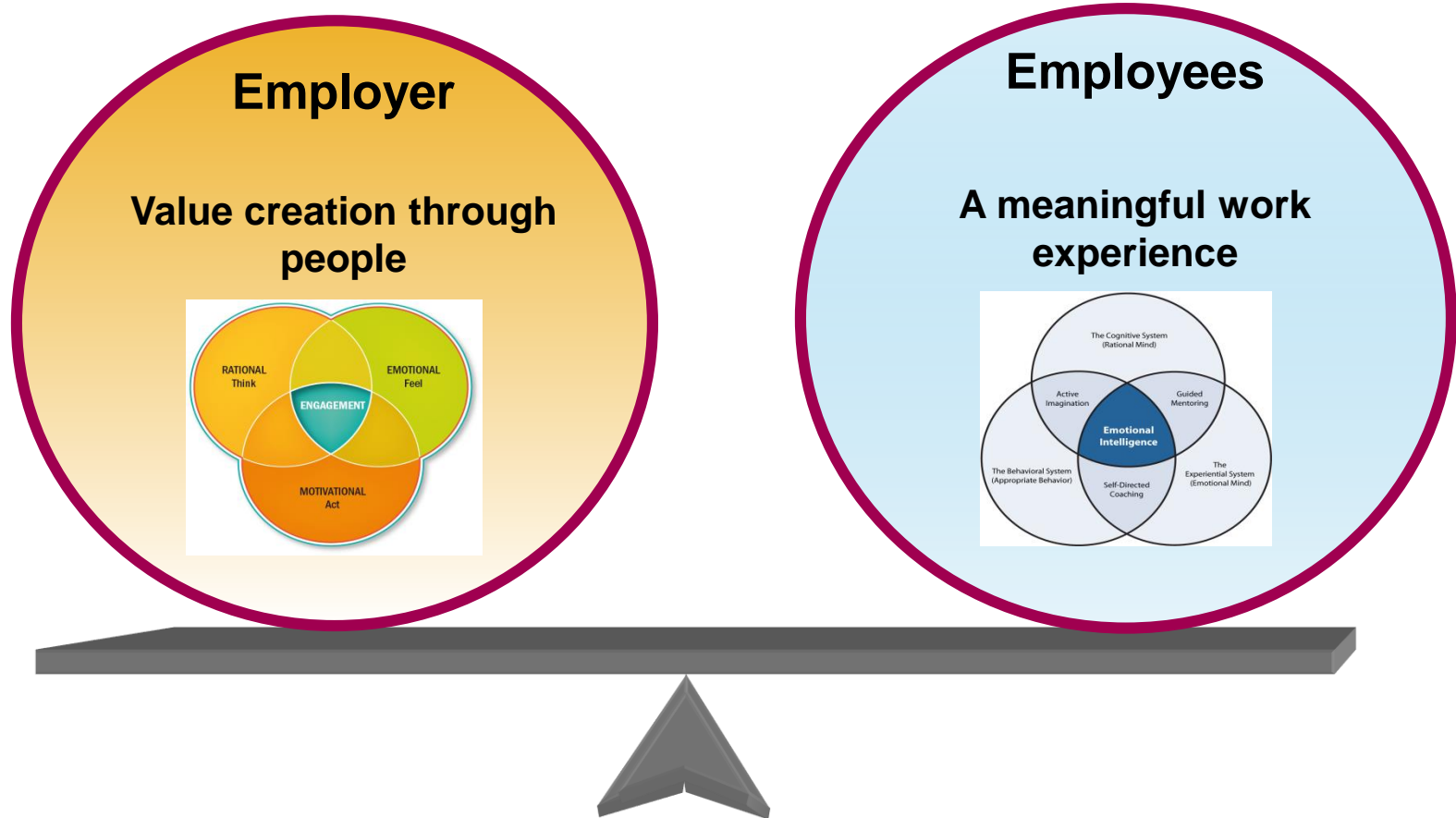


20%

80%

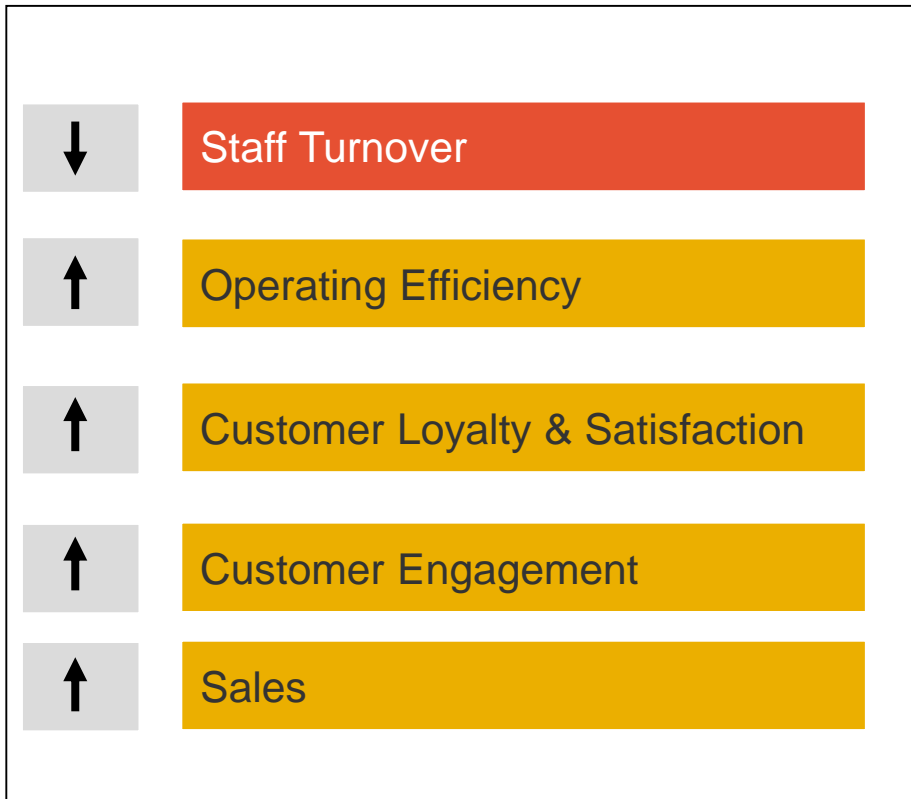
**We work beneath  
the water line to  
make the invisible  
visible**

# A compelling “Employment Deal” requires a win-win relationship . . .

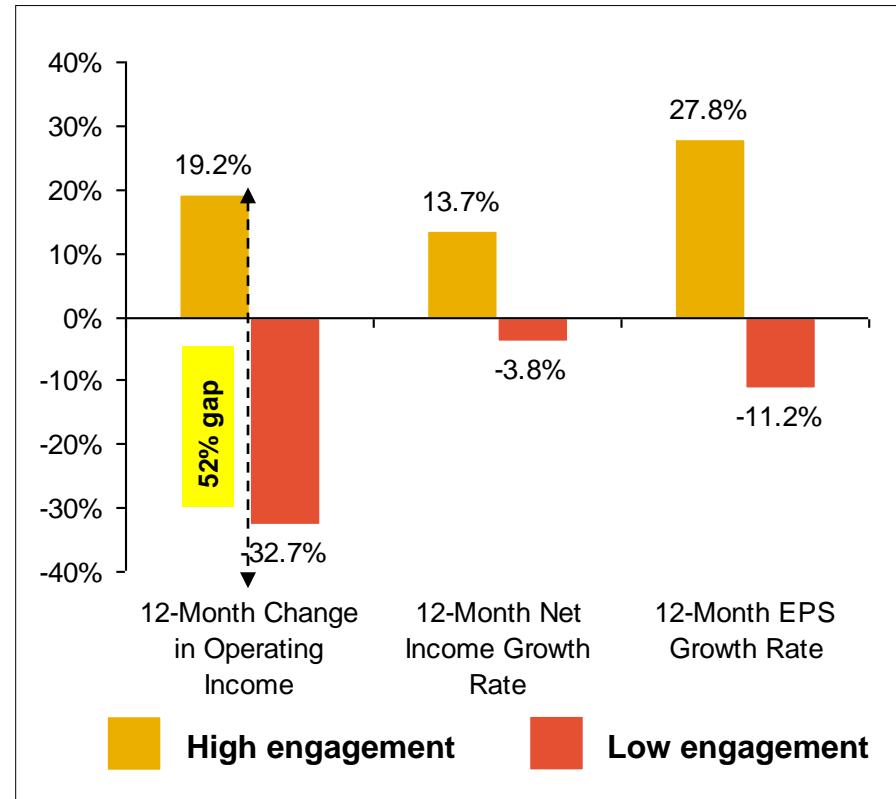


# Business Impact of Employee Engagement

Client research verify significant links to key metrics



A 12-month study across 50 global companies



# Categories Measured

## Typical key workplace factors measured are:

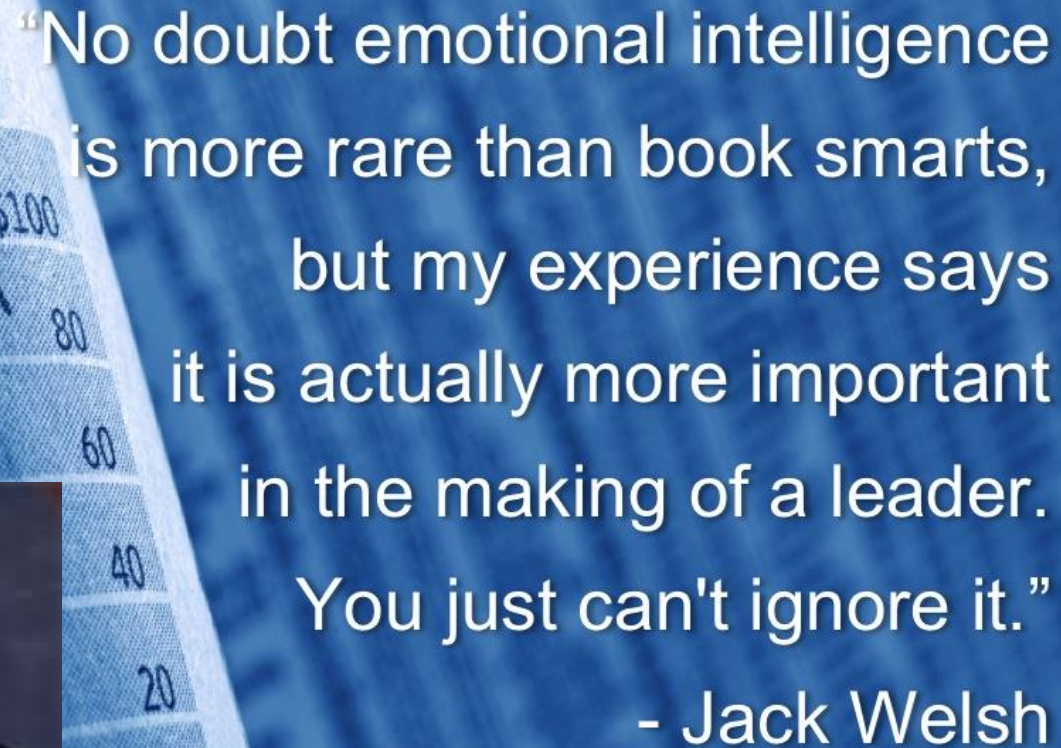
- Leadership
- Strategy & Direction
- Supervision
- Communication
- Organizational Change
- Working Relationships
- Empowerment
- Training
- Work Tools and Conditions
- Stress Balance & Workload
- Engagement
- Pay & Reward
- Quality
- Customer Focus
- Organizational Culture
- And many more.....

# Seizing the Opportunities



- No single event makes or breaks engagement.
- High engagement is the result of numerous **positive interactions** and events that translate into a **positive employee experience**.
- Employees are looking for guidance, feedback, security from their employers and engageable moments are clearly personal events and situations where employees see that actions of the organization do speak louder than words.
- Well designed, well implemented HR programs backed by managerial training and support from HR helps managers and supervisors leverage daily employee interactions to strengthen engagement.



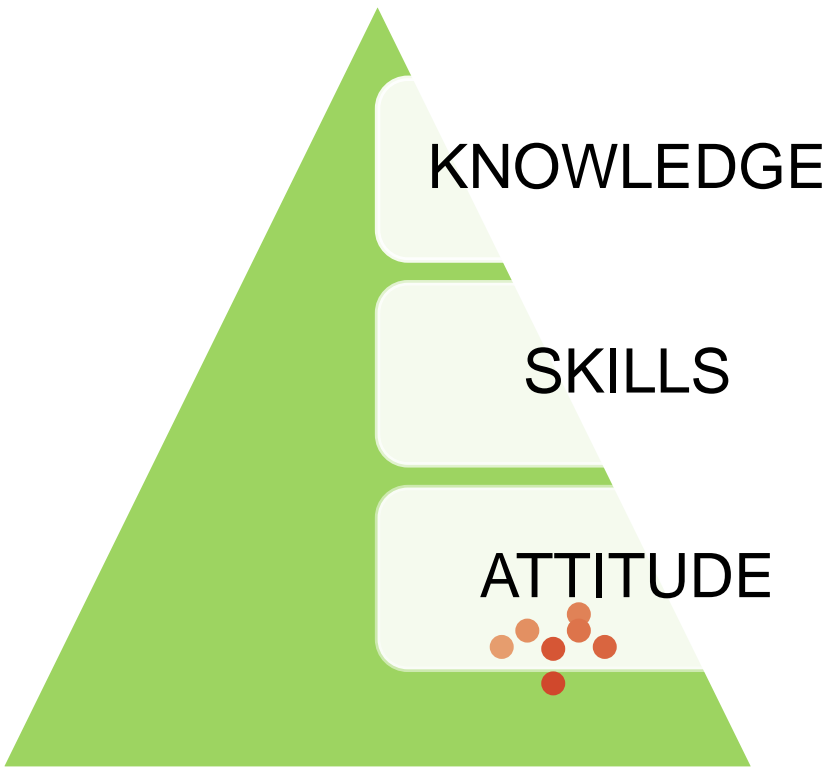


“No doubt emotional intelligence is more rare than book smarts, but my experience says it is actually more important in the making of a leader. You just can't ignore it.”  
- Jack Welch

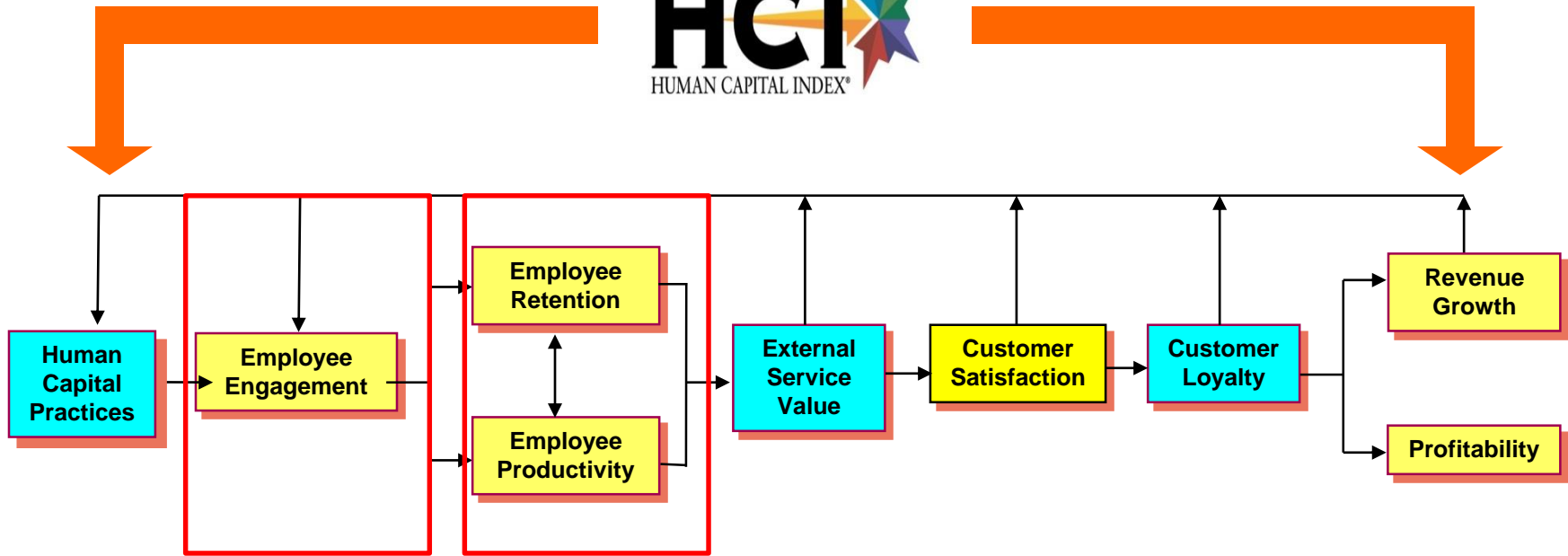
*It starts with you...*

**“The smartest thing you can do  
with emotional intelligence  
is turn it on yourself.”**

**Harvard Business Review**



# Measuring the Service-Profit Chain – The HCI Methodology



**Source:** Adapted from “Putting the Service-Profit Chain to Work,” Heskett, et al, – Harvard Business Review, March-April, 1994.

# BLESSED ALVARO DEL PORTILLO



How can you influence the indifference of children?  
“ Just smile and continue smiling. Show them that you LOVE them, and when they **feel LOVED**. . they will listen!”

# Key Take -Aways

- What you do every day is who you become.
- Sometimes it's something as simple as seeking out a different view that can change everything.
- It becomes easier to let go of your old story and make room for your new one.
- When you change what you do, you can change your life, your organization, your community—the world.

**"If we want something we've never had then we've got to do something we've never done." ♥**

The **ONLY** job security you have today is  
**YOUR** commitment to continuous  
**PERSONAL IMPROVEMENT !!**

- Ken Blanchard (One Minute Manager)



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