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/NEWS FLASH/

U.S. Census Data Reveals Pay Differences, Some Surprises

Recently released U.S. Census Bureau data shows differences in pay according to education level and ethnicity. Some of the data follows expected patterns—for example, four-year college graduates earn almost double the pay of workers with just high school diplomas (an average of \$51,000 versus \$28,000 a year).

Other data is more surprising. According to the Census Bureau, African-American and Asian women outearned their Caucasian colleagues in 2003, the year the earnings data was collected. Caucasian women with bachelor's degrees brought home an average of almost \$37,800; African-American women with a comparable education were paid \$41,000; and Asian women made almost \$43,700. Hispanic women earned \$37,600.

The data for men follows past trends. Caucasian men with bachelor's degrees earned an average of more than \$66,000 a year, while African-American, Hispanic, and Asian college graduates earned less (\$45,000, \$49,000, and \$52,000, respectively).

MORE/www.census.gov/population/www/socdemo/education/cps2004.html

SOURCE/The Chronicle of Higher Education and the Robert W. Baird & Co ClassNotes newsletter

/SURVEY SAYS/

Organizational Climate Helps Predict Performance

KEY RELATIONSHIP FACTORS predict more than half of the difference between low and high performers, finds a new research study by the Institute for Organizational Performance. Trust alone predicts 46 percent of the difference.

Organizational Vital Signs, an assessment tool developed by emotional intelligence experts, examines six factors: accountability, collaboration, leadership, alignment, adaptability, and trust. Those climate factors were tested to determine how they affect performance, measured as a combination of customer service, job performance or productivity, and retention.

The study generated two key findings, according to Joshua Freedman, director of the study and the institute. "First, there is a measurable and strong link between how your people feel and how they perform. Second, different groups in your organization have dramatically different drivers of performance, and you'll miss [an] opportunity if you stick to conventional ways of tracking these groups."

Relationships drive performance. Statistical analysis enabled researchers to determine how specific elements of the climate predict performance in each area. In customer service, for example, 47 percent of the difference between low and high scores is predicted by the factors of accountability, collaboration, and alignment. But 43 percent of retention is predicted by leadership, alignment, and collaboration.

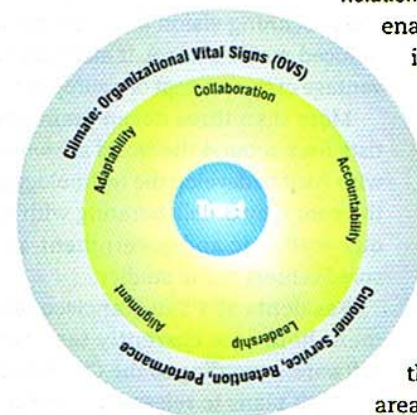
One implication, says Freedman, is that "relationships can no longer be a 'soft' area that gets a passing nod. Building strong relationships is a core leadership competency."

Different groups have different drivers. For example, for the group that is least satisfied with the organizational climate overall, collaboration predicts almost 30 percent of customer service. However, collaboration only accounts for 3 percent among those people who are satisfied—the most important factor for that group is alignment (feeling connected with the organization's mission). Therefore, the study shows that training and development tailored to a group's satisfaction level can be more effective.

The almost 400 people in the study ranged in age from their 20s to their 60s and in position from entry-level workers to CEOs. They worked in education, industry, government, and service. A little more than half of the respondents were from the United States; others came from Europe, Canada, Asia, Latin America, and Africa.

Neither gender, age, nationality, nor industry sector significantly change the results.

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