

A statistical study with **ANALYSES, STATISTICS, TRENDS, AND RECOMMENDATIONS**

ADAPTABILITY QUOTIENT

By People Test Systems



PEOPLE TEST SYSTEMS

People Test Systems develops and delivers some of the market's most accurate industrial psychometric test tools for professional assessment. We deliver test tools of the highest quality and with the best norms on the market. Our mission is to provide companies with the best possible tools to identify, match, motivate, develop, and retain their managers and employees and to help employees and managers reach their full potential.

Every year, People Test Systems publishes several reports based on theoretical analysis and statistical studies highlighting psychological phenomena relevant to business. The reports are prepared using data from 60,000 personality and intelligence tests completed annually by more than 100 different nationalities.

This report has been prepared by::

Head of Test Development, Occupational Psychologist
HELENE HOPPE REVALD

Lead Psychometrician, Occupational Psychologist
NANNA BAK SKYTTE

Psychometrician, Occupational Psychologist
DENNIS HVASS

Marketing Manager
MARIE-LOUISE RASMUSSEN





EDITORIAL In an increasingly complex, volatile, and unpredictable world, the ability, willingness, and courage to change are more important than ever. The ability to change has become a competitive parameter to an unprecedented degree, and change has become the rule rather than the exception in many workplaces.

However, change also comes with a risk. A risk of making mistakes or not quite delivering the expected results. When that happens, you are faced with a fundamental choice: Should you face up to it, listen to criticism, and learn from it, or bury your head in the sand and "sweep it all under the rug"?

The answer to that question can be found in the scandals that have affected top politicians and business leaders. These seem to suggest that "the cover up is worse than the crime".

Having the courage to try something new is one thing. It is something else entirely to have the courage to admit your mistakes and learn from them. In other words, it is not just about readiness for change, but about being able to adapt – or having the "Adaptability Quotient", also known as AQ.

So, what is AQ? How do you spot it? And do today's leaders have the AQ needed to run modern businesses in a highly changeable world?

AQ is the new black – Or the "New Deal", you might say.

Helene Hoppe Revald
Head of Test Development





ADAPTABILITY

ADAPTABLE – OR JUST INTELLIGENT?

Change is the most central characteristic of the reality, in which companies are increasingly operating. In order to navigate that reality, one competence has become crucial: Adaptability – or AQ (Adaptability Quotient) as it is commonly known.

In a Harvard Business Review article, Adaptability is deemed "the new competitive advantage" – i.e., the crucial factor deciding whether companies will succeed or not. In an unpredictable world, previous market strategies are simply not enough. Rather, there is a need to adapt business models to dynamic markets and find new, less costly, and less risky ways of testing new initiatives and creating more flexible organisational structures and decision-making processes.

When talking about AQ, you might ask yourself what's new? Or whether it is just a matter of intelligence?

It's not quite that simple! AQ consists of both cognitive and personality-related elements. Research shows that AQ can predict job performance beyond what IQ (and EQ) can explain. For example, the classic study by Schmidt, Oh & Shaffer from 2016 shows that Openness to Experience – the most important cornerstone of AQ – is one of the personality traits with the highest explanatory power in combination with IQ.

So, what exactly is AQ? How do you spot it? Is AQ as important as researchers make it out to be? What does it take for an organisation to promote and create value with AQ?

These are some of the questions that this report answers. Based on data from more than 56,000 responses to our personality and behavioural analysis, People Test Person (PTP), and our intelligence and skill set analysis, People Test Logic (PTL), we offer the answers to whether managers have more AQ than their employees.

ADEPT OR ADAPT?

ADAPTABILITY IN MANAGEMENT

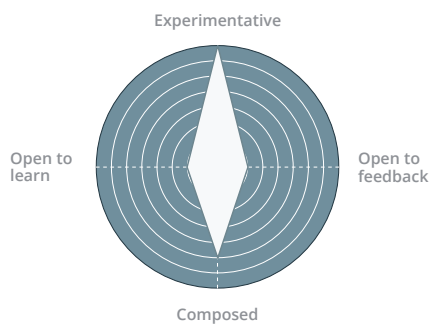
It's hard to think of AQ without thinking of management. When the ability to adapt becomes the new black, it requires management to take the lead and show the way.

Several researchers also point to AQ as one of the most important factors in deciding whether management talents succeed in managerial roles – regardless of the magnitude of their potential or previous results. This is due to increasing complexity in the managerial role, which to a greater extent requires a special combination of technical, personal, and strategic competences. A combination that calls for flexibility to deal with paradoxes, dilemmas, and conflicting interests.

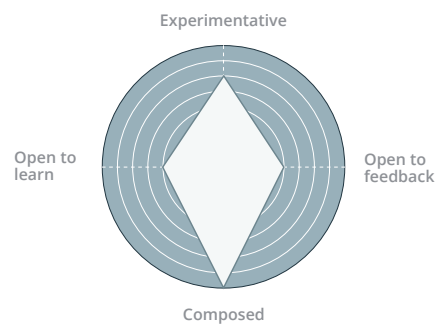
Do managers have greater AQ than their employees? Both yes and no! It all depends on what dimension of AQ we are talking about. Based on our review of the research literature, it is clear that AQ is a versatile concept – and although there are no contradictions, it is difficult to find everything in one person. That is also true for managers.

This is also evident in data comparing executives, middle managers, specialists, and employees across the 4 dimensions of AQ that we have identified. The distinction seems to be that executives are responsible for *Experimentative* activities in the business, while middle managers keep the troops calm by acting *Composed*. With employees hot at their heels, the specialists manage to be both *Open to feedback* and *Open to learn* with their positive and development-oriented mindset.

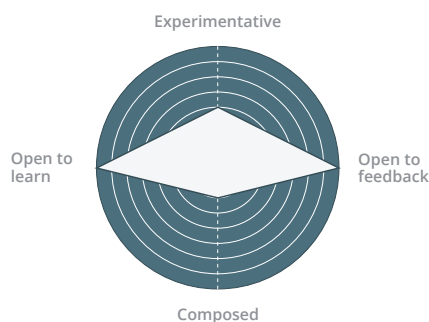
EXECUTIVES



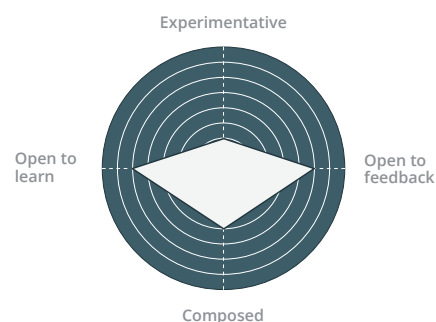
MIDDLE MANAGERS



SPECIALISTS



EMPLOYEES



ADVICE FOR HR



Spot AQ

...using both personality and intelligence tests. AQ includes both behavioural and cognitive elements. Therefore, it is important to examine the candidate's personality and intelligence profile to gain insight into the full AQ.



Avoid a punitive culture

...and ensure a secure base for experimentation. People with high AQ adapt to the environment. If you have a culture where mistakes are punished or where crazy ideas are immediately discarded, the culture will stifle the value that AQ could otherwise create.



Beware of too much AQ!

AQ is good and can contribute great innovative power, but it cannot stand alone. It is important to ensure diversity in competences and consider who can complete the initiatives, once started.

ADVICE FOR MANAGERS



Create the foundation

...for experimentation. Your courage and impulsiveness mean that you can experiment more easily than your employees. Use your many ideas to inspire and use your robustness to create safety for employees so that they have a good framework for trying out new opportunities.



Use employee reflections

...to ensure the quality of future decisions. As a manager, you may sometimes find your employees a little set in their ways and slow but make no mistake! Their reflections are worth their weight in gold and provide the foundation for future activities and for learning from mistakes.



Be inspired

...by employees' responsiveness. Managerial roles can be easier if employees are more responsive but be careful not to exploit it! Openness is a core element of AQ because it calls for flexibility, humility, and knowledge sharing, but it must go both ways.

PEOPLE TEST PERSON

PERSONALITY AND BEHAVIOURAL TEST

People Test Person (PTP) is a well-documented personality and behavioural test that was developed in close collaboration with the business community, with contributions from leading researchers and experts in psychometrics and test development.

PTP can be used at all levels of the organisation and is ideal for recruitment, personal development, onboarding purposes, and as a management tool.

PTP measures 33 personal attributes and 3 unique credibility parameters that provide an accurate and detailed insight into the person and precise hypotheses about their behaviour. The attributes can also be combined to provide more in-depth information about complex behavioural patterns.

Unique Credibility measure



To get the maximum value out of a personality test, it is crucial that results are accurate. Research shows that candidate credibility is one of the most important factors for job success. The unique credibility parameters in PTP measure how realistic and consistent the person has answered the test.

Find the right job match



To find the candidates most likely to perform and thrive in the job, we recommend using a job profile. When you create a job profile in our platform, you gain access to a Matchscore providing a consistent and systematic measurement of the candidate's overall job match while minimising personal biases.

Highest quality of translations & norms



As part of our test development, we ensure that questions are formulated in a simple language, without the use of idioms. This results in fewer misunderstandings, a better candidate experience, and a better foundation for translations and cultural adaptations, which are quality-assured both linguistically and statistically. In addition, our geographic and international norms are of the highest quality.

PEOPLE TEST LOGIC

INTELLIGENCE AND SKILL SET TEST

People Test Logic (PTL) is a combined intelligence and skill set test that is particularly useful for recruitment, onboarding, and management purposes.

PTL is based on classical intelligence theory and the g factor, which expresses the person's general cognitive ability, and – according to several hundred years of international research – is the single most important factor for job success.

PTL can be used to predict the candidate's performance in relation to job requirements and provides information on both the speed and accuracy with which work tasks can be solved. In addition, it is possible to read the candidate's strategy and ways of prioritising directly in the profile.



DETAILED PROFILE

People Test Logic offers insight into the candidate's work method and general cognitive ability, as well as specific strengths and weaknesses.



LEARNING CAPABILITY

The ability to learn new things and optimise problem solving has become more important than ever before. These are measured with the unique Learning Capability in PTL.



APPROVED BY MENSA

PTL is approved by the MENSA association and offers direct access with an intelligence quotient of at least 130. Admission simply presupposes that the test has been completed under controlled conditions.

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DATA

DATA-DRIVEN APPROACH TO PSYCHOLOGICAL PHENOMENA

In the study, we investigated how different job levels differ on the identified dimensions of AQ. We did this by making three comparisons:

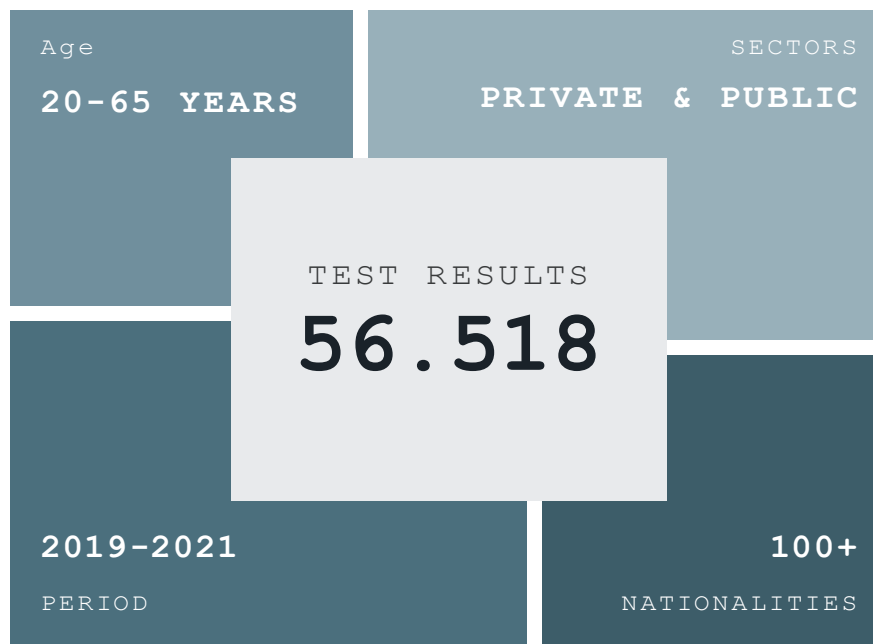
Managers vs. Employees: How do managers differ from employees?

Executives vs. Middle managers: What are executives like compared to middle management?

Specialists vs. Employees: Is there a difference between specialists and employees?

The comparisons were made using independent samples t-tests, a statistical method for comparing the means (averages) of two groups. The test therefore provides information about how the two groups differ from each other, on average.

The survey is based on data from a total of 56,518 responses from the personality and behavioural analysis, People Test Person (PTP), and the intelligence and skill set analysis, People Test Logic (PTL). Data were collected across different work areas within both private and public sectors over a 2-year period from 15 November 2019 to 14 November 2021.



(F)AQ

ON EVERYONE'S LIPS

When the world becomes changeable, uncertain, complex, and ambiguous, it calls for competences such as adaptability, agility, and flexibility – best summed up in the concept of Adaptability Quotient (AQ). But what exactly is it?

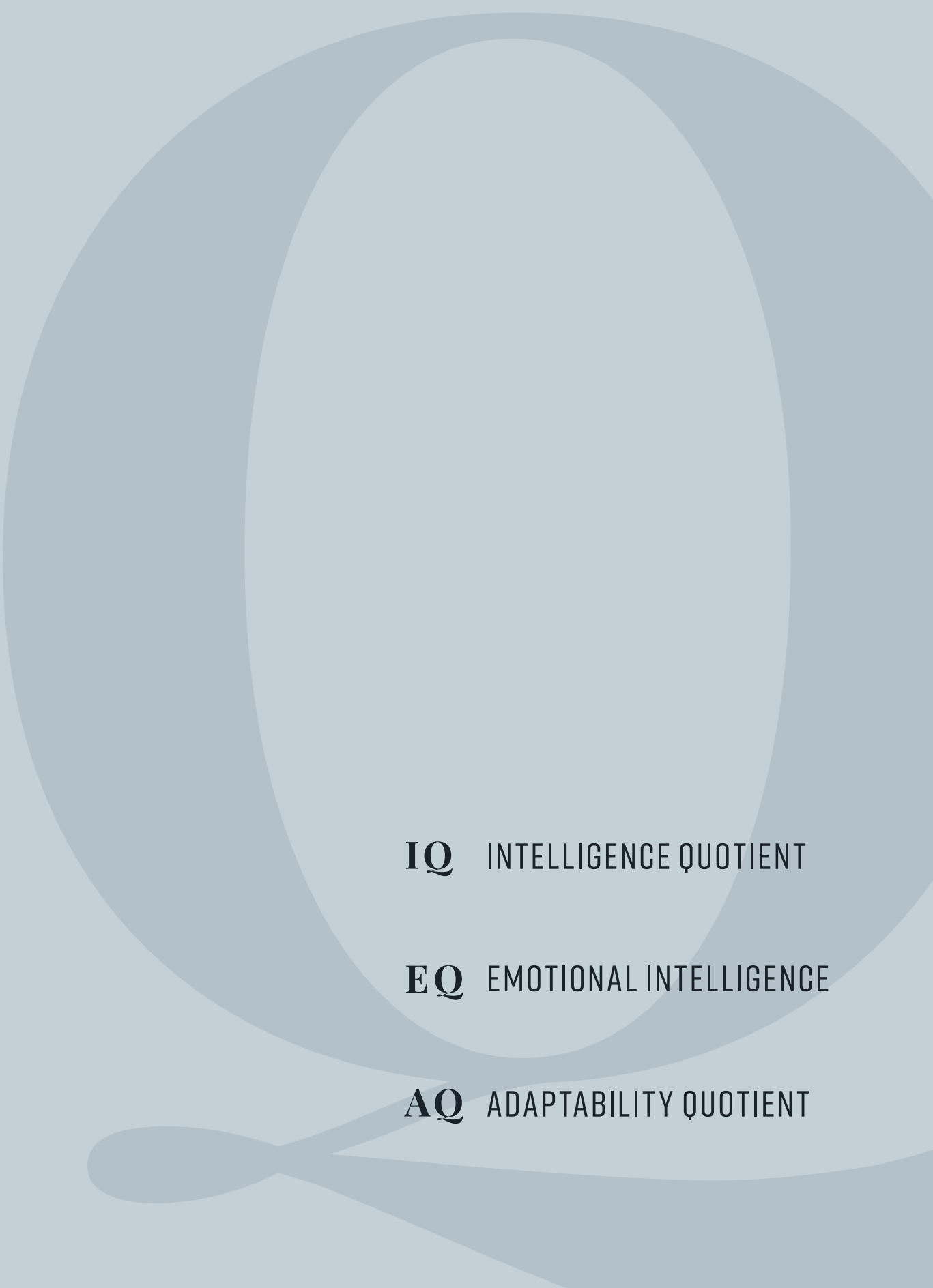
As with emotional intelligence (EQ), AQ research stands on the shoulders of research in classical intelligence, which has shown how logical abilities are interconnected and together form one underlying factor, known as the "g factor" or "IQ". Unlike intelligence research, however, AQ is a very broad and quite early research topic, where there is currently no consensus on neither the definition nor theoretical models.

Rather than building our foundation on a single theory, we have therefore made a comprehensive literature review. We looked at research on both Adaptability, which is about adapting and Learning Agility, which focuses more specifically on learning.

AQ can be defined as "an individual's ability, skill, disposition, willingness, and/or motivation to change or fit different task, social, and environmental features" (Ployhart & Bliese, 2006).

AQ thus consists of both cognitive and personality elements. Based on the review, we have summarised it in four dimensions that form the basis of AQ. In fact, research also points to EQ as one of the components of AQ. However, we have chosen not to consider this in more detail, as we have already addressed this topic in our previous report, *IQ vs. EQ*.

On the following pages, we elaborate on the four dimensions of AQ and show how they can be linked to our personality and behavioural assessment, People Test Person (PTP), and put this into perspective using the intelligence and skill set test, People Test Logic (PTL), which shows the cognitive aspect of AQ.

A large, light blue, stylized letter 'Q' serves as the background for the page. It is composed of a thick outer ring and a lighter inner oval, with a short tail at the bottom left.

IQ INTELLIGENCE QUOTIENT

EQ EMOTIONAL INTELLIGENCE

AQ ADAPTABILITY QUOTIENT

AVOID AGE PREJUDICES IN YOUR RECRUITMENT

We've heard it before. The labour market is undergoing rapid development and many of the jobs we have today are not expected to exist in the future.

Professor and labour market researcher Bent Greve estimates that approximately half of the jobs we have today will be gone in 10-15 years. In 2019, an analysis from Randsted showed that almost a quarter of Danes expected their jobs to be automated over the next 5-10 years. And according to the World Economic Forum's Future of Jobs Report, 50% of all employees will need new competences by 2025. It goes on and on. There are countless investigations, reports, and studies concluding unanimously that in-demand competences in the labour market are constantly being replaced at an increasingly fast pace.

This accelerating development results in the lifespan of employees' competences constantly being shortened, and the importance of employees' adaptability – popularly called AQ (Adaptability Quotient) – becomes more and more essential.

AQ is made up of two areas. The first is related to employees' cognitive learning capabilities. The second is related to personality and the extent to which employees thrive on change.

Our cognitive development gives young people a head start

Our cognitive learning capability is largely determined by our *fluid intelligence*, which is the ability to think logically, analyse problems, and identify patterns and relationships independently of acquired knowledge.

Furthermore, our fluid intelligence is not constant throughout life. It peaks in early adulthood and gradually decreases with age. At a very general level, it gives young people a head start, and this is also supported by our data, which shows that young people score higher on, e.g., *complexity* and *learning capability* compared to older employees.

On the other hand, older candidates will most likely have a higher *crystallised intelligence* that covers the abilities and knowledge they have learned throughout life. Crystallised intelligence can therefore be increased or maintained throughout most of the life span.

Focusing on data related to personality, it also suggests that young people generally have a slightly higher AQ. However, the picture is more varied than that, as young people are admittedly more *Experimentative* and *Open to learn*, but not necessarily as

Open to feedback or *Composed* as older employees. As groups, both young and older employees have AQ – but each in their own ways.

Should we just put older employees into early retirement and only hire young people?

That would be a definite no! We know from research that age is one of the absolute worst predictors of job success. Age has practically zero influence on job performance. Finally, it is important to understand that differences within age groups are as great as between them.

Yet, a survey among HR employees and department heads at more than 2,000 Danish workplaces shows that many employers have prejudices about employees over the age of 60 being worse at mastering new technology and less productive than their younger colleagues. However, it's not that simple. But prejudices persist, nonetheless.

Although young people generally have a higher AQ, this is of course not always the case when focusing on an individual level. If you want highly adaptable employees, you shouldn't consider age. Instead, test for it.

Do we always need more AQ?

Even if AQ suits the future, it would be wrong to put all your eggs in that basket. Perhaps you can get too much. A workplace should have a mix of competences, and it is no use having everyone wanting to experiment and learn new things all the time.

Let's consider an accountant for example. Who wants an accountant constantly experimenting and innovating in his/her work? The accountant should be drawing on his/her expertise and the experience gained over many years of work. Equally, there will always be roles and tasks in a company that do not call for lots of creativity and innovation, but that must be solved through experience-based knowledge, and that are crucial for the cogwheel in the engine room to keep turning.

Of course, it might make sense to raise the overall level of AQ within the organisation to meet future demands. But an army of AQ soldiers might risk harming diversity. Maybe one should pause for a moment and reflect on the purpose of all this AQ. Anything can become too much – even AQ.

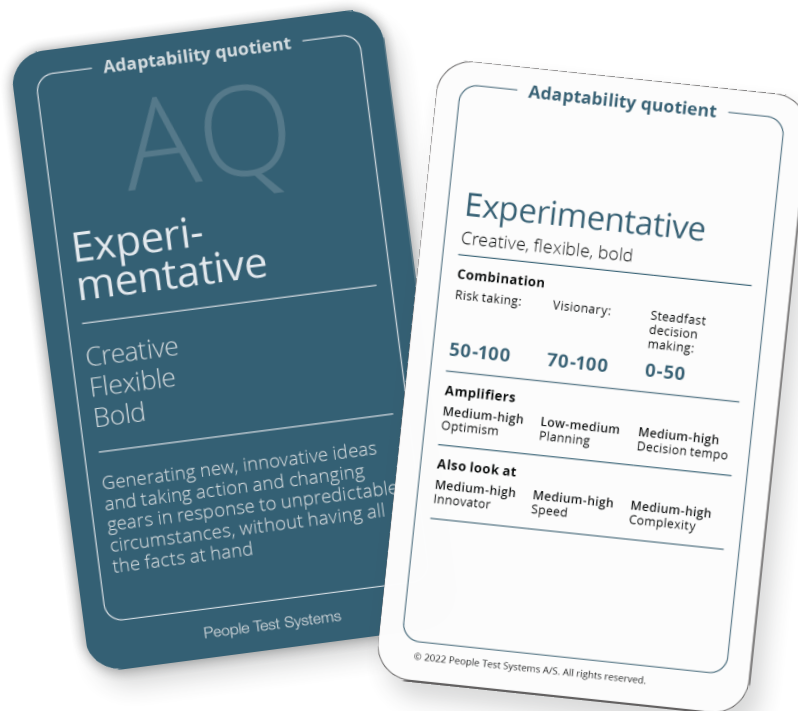
Therefore, we recommend a gradual development acknowledging the importance of different competences.

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EXPERIMENTATIVE

TO DARE IS TO DO



When it comes to AQ, there is no getting around the willingness to experiment. Research refers to the concept of creative problem solving, which covers getting new, ground-breaking ideas as well as seeing opportunities that others may overlook.

Not least, it's about having the courage to try new measures to deal with unpredictable situations by daring to change a decision when the situation requires it – without necessarily having all information at hand. To be able to learn something, one must have the courage to do something new with the risk of making mistakes.

In PTP, *Experimentative* can be identified via three attributes in particular:

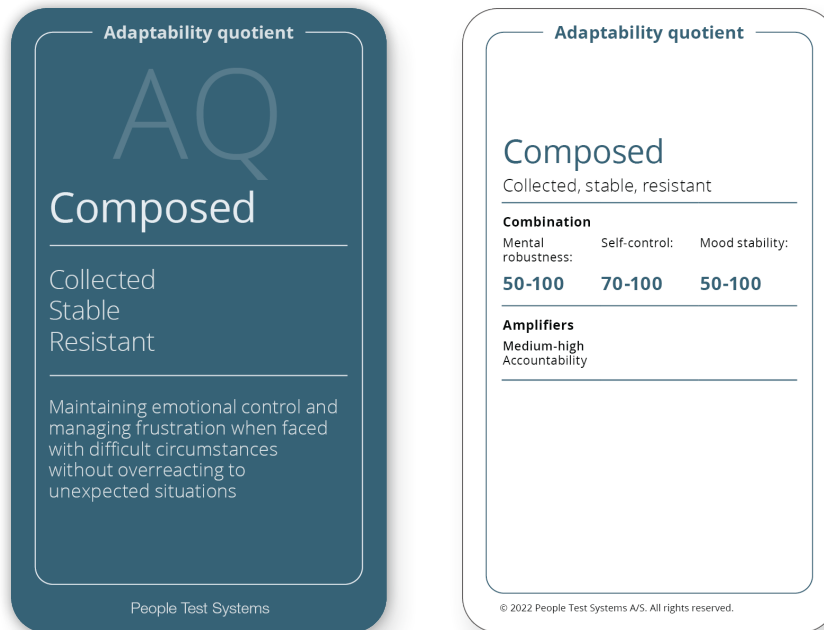
- **Medium-high Risk taking:** Is bold, takes chances, and tests limits
- **High Visionary:** Is inventive and sets ground-breaking goals
- **Low-average Steadfast decision making:** Is pragmatic and willing to change decisions

With this combination, you have the ideas, the courage, and the will to change. At the same time, if one maintains a positive view of the future, prefers to solve tasks ad hoc and can make quick decisions without having to know all the details first, the tendency to be *Experimentative* will be amplified.

In PTL, it is particularly relevant to look at the **Speed** with which the person solves tasks, as well as the ability to understand **Complexity**. Change can be fast, and it helps to quickly be able to see several different perspectives and scenarios for the future.

COMPOSED

COOL, CALM, AND COLLECTED



Traditionally, this dimension has been described as the ability to handle stress, crises, and life-threatening situations, as AQ has its roots in military research. Changes in organisations are rarely that serious. Yet any change is associated with some uncertainty and risk. With new initiatives, you cannot be sure of the results in advance or rule out mistakes being made during the process.

The *Composed* dimension includes both an external and an internal component. The external component is about controlling oneself and exuding calm in difficult situations. Internally, it is about not being easily influenced by adversity or challenges. The external component, in particular, contributes to the organisation's foundation for learning, as a calm attitude can create the right conditions for reflection and contemplation. It is difficult to learn something in a state of panic.

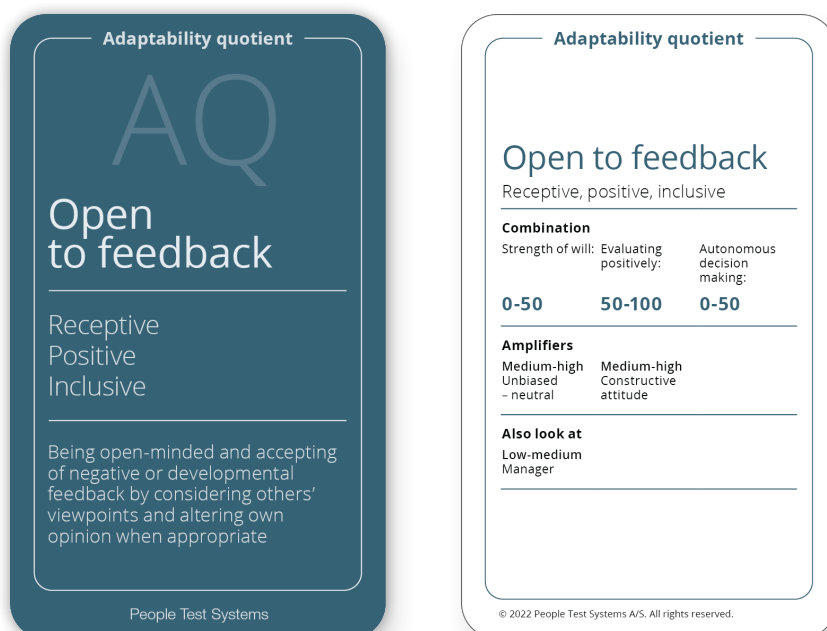
In a PTP context, *Composed* is particularly expressed in the following three attributes:

- **Medium-high Mental robustness:** Remains relatively unaffected by resistance and adversity
- **High Self-control:** Manages and controls emotional expressions
- **Medium-high Mood stability:** Has a stable mood in general

If you are relatively unaffected by adversity, can control your emotional expressions, and have a stable mood, then you will score highly on the *Composed* dimension. If you are also aware of your responsibility and recognise your opportunities of influencing the course of events (positively as well as negatively), then you will contribute to constructive solutions by not blaming others for things that have gone wrong.

OPEN TO FEEDBACK

IF YOU DON'T WANT THE ANSWER, DON'T ASK



A third important dimension in both Adaptability and Learning Agility is the motivation to seek out and accept feedback – positive as well as negative. Open to feedback is characterised by being receptive and listening to the opinions of others, as well as being accepting of negative or developmental feedback.

This can be expressed both proactively, by involving others and asking for good advice when solving work tasks, or reactively, by taking input from others and using it as a basis for changing one's opinions or behaviour going forward.

Being *Open to feedback* can be identified via three PTP attributes in particular:

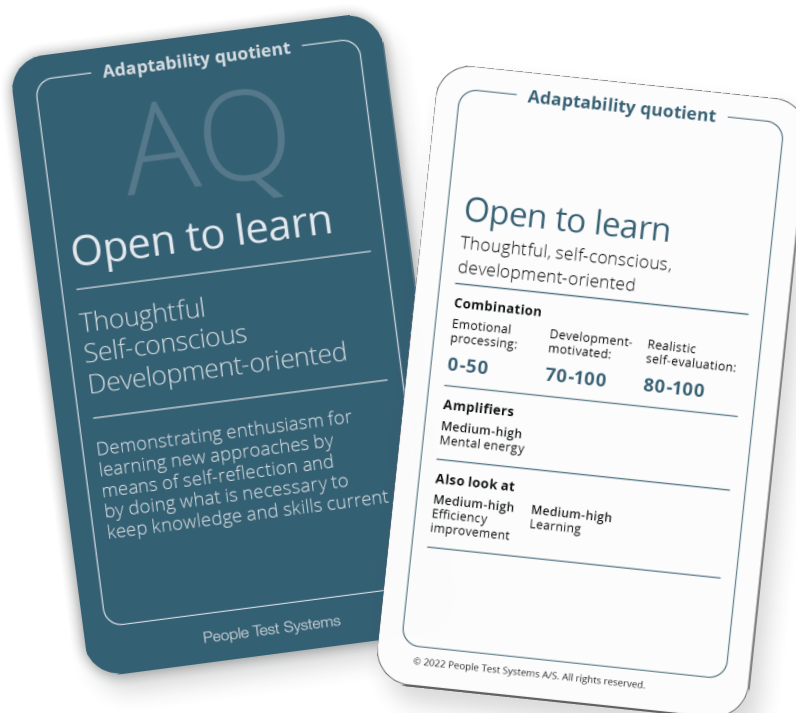
- **Low-medium Strength of will:** Is receptive and adapts to the wishes and opinions of others
- **Medium-high Evaluating positively:** Perceives people and situations positively
- **Low-average Autonomous decision making:** Seeks feedback from others when making decisions

To be *Open to feedback*, you must listen to what others have to say, see the positives in their perspectives, and involve them when making decisions.

This is further amplified if one relates objectively and neutrally to others while also having a high degree of trust in others, as these elements can minimise bias in encounters with others and ensure greater openness to input from many different people.

OPEN TO LEARN

LEARNING IS LIVING



Of course, AQ also involves an element of learning. Among other things, *Open to learn* is about the motivation to develop and acquire new knowledge, skills, or competences.

In addition, learning presupposes that you reflect on mistakes and that you are aware of your own strengths and weaknesses and know which areas to improve.

Finally, there is a cognitive aspect relating to the ability to quickly familiarise yourself with new methods and tasks, and continually become better and more efficient at solving them.

In PTP, the following three attributes are crucial to being *Open to learn*:

- **Low-medium Emotional processing:** Spends time reflecting on negative events
- **High Development-motivated:** Prioritises professional and personal development in the job
- **Medium-high Realistic self-evaluation:** Has a realistic view of themselves without over- or underestimating their own abilities

Reflecting, prioritising development, and knowing oneself for better or worse are thus the key prerequisites for being *Open to learn*. This is amplified if one also possesses the mental energy needed to engage in many different activities and interests.

In PTL, the cognitive element of learning is expressed under **Learning Capability**. **Efficiency improvement** is the ability to time-optimize task performance and **Learning** is the tendency to increase accuracy and knowledge, as experience builds.



TAKE THE POSITION OF ONBOARDING EXPERT

– AND GET AHEAD OF YOUR COMPETITORS

When there is demand for adaptable, agile candidates with a solid foundation for learning, it is often due to an urgent need for effective onboarding of a new employee who can get to work, create value, and cover a gap in staffing.

When attracting these candidates, many resources are spent on showing how appealing a workplace is. A whole branding discipline has been dedicated to this – Employer Branding. A lot of resources are also spent on selecting the right candidates through tests, interviews, head-hunters, references, etc.

However, when the carefully selected candidate starts the job, studies show that very few companies have an effective plan for getting the person started. Among other things, studies show that:

- 45% experience an inadequate or non-existent plan for their first month on the job.
- 22% think that everything was ready for their first day of work.
- 25% of newly hired employees leave their jobs within the first year.

So, despite companies' search for employees that are ready to learn, the companies themselves are not prepared enough to receive new employees, and it costs them dearly in terms of both finances and human resources. This calls for a new strategy and a more personalised approach to onboarding that shifts responsibility away from the candidate and towards the plan laid for their onboarding. A plan that focuses on how new employees can have greater job satisfaction, unleash their potential quickly, and start creating results for the company.

There are, of course, some basic practical considerations that need to be in place before any onboarding takes place. This includes showing the employee their workspace, giving them a computer, setting up IT systems, access cards, etc. Once this is all in place, the individual onboarding can begin.

Personalised onboarding

To support effective onboarding ensuring the individual's motivation, satisfaction, and learning, your company can use the results from test tools used in the recruitment process (both personality and cognitive tests), as well as the insights gained during the feedback and interview sessions. For example, if the person prefers structure in their work, they will probably also appreciate a structured onboarding process. This way, both tests and interviews can provide some crucial insights into, for example:

- What type of training will be best for the individual (peer training, learning by doing, etc.)
- How steep a learning curve is to be expected based on the individual's cognitive ability and learning capability
- Whether the person is very independent or needs a lot of feedback
- Whether the person wants little or a lot of social contact
- How ambitious the candidate is and when they should be presented with the prospects and opportunities of the position

Looking at how the candidate's onboarding process can best be set up and making a summary with some concrete instructions for the hiring manager can create great value. This also increases the likelihood that the employee will thrive quickly and perform well in the job – rather than leave the company all too soon.

AGILE OR FRAGILE?

LEADERS IN THE LEAD

As mentioned, AQ consists of many elements, and finding one person who accommodates all of these is hard. Fortunately, you don't have to because the groups largely have their highest scores on each of the AQ dimensions.

In total, it is in fact middle management who scores the highest on most AQ dimensions. On the cognitive aspect, however, the executives stand out by solving tasks faster, mastering a higher degree of complexity, and learning more from experience than middle managers.

EXPERIMENTATIVE

Managers are clearly in the driver's seat when it comes to being *Experimentative*. Compared to employees, managers are significantly more risk-taking and inventive. This tendency is reinforced by the fact that managers are also more optimistic, have less need for planning and prefer to make fast decisions, also on a less firm basis. On the other hand, they are a bit less flexible than employees, in that they prefer to stick to decisions.

When comparing manager groups, we find that executives are more inventive, risk-taking, and flexible than middle managers. There is simply no stopping the executives!

1. EXECUTIVES

2. MIDDLE MANAGERS

3. EMPLOYEES

COMPOSED

1. MIDDLE MANAGERS

2. EXECUTIVES

3. EMPLOYEES

When it comes to being *Composed*, the results are a little more mixed, but again the managers take the lead – especially in terms of the inward-looking component. Managers are less affected by resistance, and their mood is also somewhat harder to influence. On the other hand, managers do not hold back from showing what they feel externally and have a slightly greater tendency to delegate responsibility.

On the other hand, middle managers beat the executives when it comes to being *Composed* – mostly because they have a higher degree of self-control than executives.

LISTEN AND LEARN!

EMPLOYEES RIGHT BEHIND

Where managers in general had more AQ on the first two dimensions, quite the opposite pattern emerges on the two remaining AQ dimensions.

In general, the differences between specialists and employees are not very large – at least not for the parts related to personality. Regarding the cognitive foundation of AQ, however, the specialists pull away from the employees somewhat, as they are faster, better at handling complexity and learn more as they gain experience.

OPEN TO FEEDBACK

Employees are clearly more receptive and positive towards input from others and involve others far more in their decisions than do managers. In addition, employees are more objective and show more trust in others than do managers.

Although employees are just behind the specialists on *Open to feedback*, both groups score higher than managers here – perhaps because employees are expected to be more receptive and responsive by virtue of their position in the organisation.

1. EMPLOYEES

2. MIDDLE MANAGERS

3. EXECUTIVES

OPEN TO LEARN

1. EMPLOYEES

2. MIDDLE MANAGERS

3. EXECUTIVES

On the last dimension, *Open to learn*, employees and managers are very similar – but this is masked by differences within the groups. In general, employees tend to reflect more than the managers, but are neither more nor less motivated to develop professionally and personally. Managers and employees are also almost equally realistic in evaluating themselves.

Within the group of employees, specialists are the ones most *Open to learn* – which is quite lucky, as this is probably expected from them.

THERE IS NO Q IN ADAPTABILITY

WE TEND TO WANT IT ALL

AQ is and will be a coveted competence – probably to an increasing degree as work life becomes more and more changeable.

If we look at the four AQ dimensions, it is clear that none of them contradict each other. Statistically, however, we can see that it is difficult to have them all, as not all elements correlate positively. That is, they pull in different directions. For example, we can see from the numbers that the more you act experimentative and composed, the less likely you are to be open to feedback and learn – although they are not mutually exclusive.

Finding a person with a full score in all four AQ dimensions is a bit like finding a needle in a haystack. It's not impossible. But it's also very unlikely.

This raises the question of whether there is a "Q in the A" - that is, whether the dimensions are interconnected to such an extent that they constitute a general factor or "Quotient" (as is known from IQ). Or rather, if the different dimensions are an expression of the fact that you can have AQ in very different ways – just as we have seen from the results of the study that managers and employees have different strengths when it comes to AQ.

Either way, it doesn't mean you shouldn't look for AQ. In fact, AQ predicts job performance beyond what IQ and EQ can predict. You must first determine which element(s) of AQ are most important for a given position – e.g., by doing a thorough job analysis and setting up a job profile before starting your recruitment process.

It's also important not to stare blindly at AQ, but to consider what other competences are needed in the organisation and individual teams. If you want high job performance, look for the three Qs:

IQ EQ AQ

“ IQ is the minimum
you need to get a job,
but AQ is how
you will be successful
over time ”

Natalie Fratto, Vice-President, Goldman Sachs

WHEN CULTURE EATS AQ FOR BREAKFAST

MISTAKES ARE THE NEW BLACK

Now you might be tempted to think that AQ is the bee's knees, and that all you need to do is recruit enough of it and success will be guaranteed. But it's not quite that simple!

"Culture eats strategy for breakfast", as Peter Drucker so popularly put it – and the same goes for AQ. In other words, you can recruit as many candidates with as much AQ as possible, but if the company's culture doesn't provide the basis to unfold it, you will not reap the benefits.

Experimenting and testing new initiatives involves a certain amount of risk; partly of making mistakes and partly of not fully delivering the expected results. Sometimes, it may even be necessary to make mistakes in order to learn something – both as an individual and as an organisation.

Therefore, you should start by laying the foundation to allow AQ to develop and thrive in the organisation. That foundation consists of two pillars: *Psychological safety* and *Performance management*.

Amy Edmondson's well-known concept of *Psychological safety* is defined as "a shared belief that it is safe to take risks" within the organisation and the individual teams. It is this fundamental safety that creates the precondition for daring to experiment, get honest feedback, make mistakes, and not least admit them once they have been made – to subsequently talk about them and learn from them. Management should lead by example and acknowledge their own mistakes rather than sweeping them under the rug.

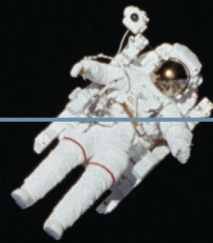
Performance management is also of great importance for AQ to flourish in the organisation. KPIs focusing solely on narrow target criteria and a punitive culture that penalises mistakes or failed attempts to do something different will create a "being right" and "looking right" culture that stifles any innovation and motivation to admit mistakes or ask for honest feedback.

Now that we're talking foundations, you should also ask yourself what all this AQ is needed for. What is the purpose of all this changing and learning? What results do you want it to produce? Do we risk overlooking other important competences in our eagerness to find adaptable and agile employees?

If you can't get all the AQ dimensions in one person, you will find them in several different people. Ensuring that you have all the dimensions of AQ within the organisation requires working with diversity. Make sure you have a fair distribution of AQ among the organisation's managers and within individual teams.

CURIOUS FOR MORE AQ?

Use these cards to discover where you can find it in People Test Systems' personality and behavioural test, People Test Person (PTP) and intelligence and skill set test, People Test Logic (PTL):



OTHER STATISTICAL STUDIES

