

Case Study: Emotional Intelligence for People-First Leadership at FedEx Express

By Joshua Freedman and Jimmy Daniel

Integrating emotional intelligence assessment and development into a six-month process for new managers world-wide, the FedEx Express team at their Global Learning Institute is building the skills and expertise for people-first leadership.

The program is yielding an 8-11% increase in core leadership competencies, with over half the participants experiencing very large (10-50%) improvements in certain key emotional intelligence skills and leadership outcomes: 72% of the program participants experience very large increases in decision making; 60% in Quality of Life, and 58% show major improvements in Influence.



Background

FedEx Express is the world largest cargo airlines with over 290,000 employees moving seven million packages each day with 600 flights a day. One of the top 20 Fortune “Most Admired” for a decade,¹ FedEx stands among the world’s successful enterprises.

¹ <http://money.cnn.com/magazines/fortune/most-admired/>



While founder Fred Smith was focused on logistics and speed, from the start he believed that people were the key to business, and that leadership is about continuous growth: **“Leaders get out in front and stay there by raising the standards by which they judge themselves - and by which they are willing to be judged.”** This vision has translated to the “PSP Philosophy” – People-Service-Profit – which drives FedEx Express today.

“Leadership means forming a connection between people at an emotional level.”

The company sees that the people-side of leadership has grown more complex, and looking to the future, is committed to developing leadership capabilities to manage the changing workforce. The goal is leaders who are better at influence, make decisions that are both quick and accurate, and are able to build a culture where people feel the dedication and drive for exceptional performance in a way that’s sustainable and creates real value for all stakeholders.

To measure leadership performance, FedEx Express administers “SFA,” an annual survey where every employee can provide feedback about managers. SFA themes include respect, fairness, listening, and trust – leadership responsibilities that are all about relationships and emotions. This commitment to people-first leadership created an interest in “emotional intelligence” as a learnable skillset that would equip managers to deliver the FedEx way.

Implementation

Even though the leadership training was state of the art -- among the top ten in the world – the FedEx Global Leadership Institute is charged with continuously updating and innovating in keeping with that Fred Smith call for continuously “raising the standards.” Located near the company’s primary hub in Memphis, TN, the Global Leadership Institute, GLI, serves as the leadership university for FedEx Express.

In 2005, GLI implemented a new training program for managers to consider the impact they wished to have as leaders – the legacy they were creating. A core component of the LEGACY course was a module on emotional intelligence using the Six Seconds



Emotional Intelligence Assessment, the SEI.² LEGACY results were very positive, in part because of the effectiveness of the Six Seconds Model as an actionable process.

Action-Based Emotional Intelligence

Where other approaches to emotional intelligence remain quite theoretical, the Six Seconds Model is designed as a process framework for using emotional intelligence on a day-to-day basis. At a macro-level, the model offers a three-step process with specific learnable, measurable competencies that support the three steps:

1. **Know Yourself** – increase self-awareness of emotions and reactions (competencies: Enhance Emotional Literacy and Recognize Patterns).
2. **Choose Yourself** – shift from unconscious reaction to intentional response (competencies: Apply Consequential Thinking, Navigate Emotions, Engage Intrinsic Motivation, and Exercise Optimism).
3. **Give Yourself** – align the moment-to-moment decisions with a larger sense of purpose (competencies: Increase Empathy and Pursue Noble Goals).³



Reviewing data from LEGACY in 2009 and 2010, the GLI team identified that a few key EQ competencies were essential to strengthen “bench strength” and build the leaders who will move up the chain. Without revealing confidential details, the FedEx culture has focused on speed -- which is a key part of the company’s success. As leaders move up in the organization, the need for speed has to be balanced with a more careful, collaborative decision-making process to achieve sustainable success.

² Ghini, Freedman, Jensen (2004), *Six Seconds Emotional Intelligence Test*, Six Seconds.

³ Anabel Jensen and Joshua Freedman (2001). *Six Seconds EQ Certification Manual*, Six Seconds. Joshua Freedman (2007), *At the Heart of Leadership*, Six Seconds.



With this in mind, under the leadership of SVP Shannon Brown, the company wanted a world-class leadership program that would move the company to be one of the top five in the world. With the support of Dennis Reber, Managing Director, and Ray Murphy, Manager, of the Global Leadership Institute, FedEx decided to increase the emotional intelligence focus of the leadership training and deliver a new course called LEAD1 to put EQ into action at the frontlines. All new FedEx Express managers would receive the program to provide a solid people-first foundation upon which to build their leadership careers.

Blended Training & Coaching

A team of eight GLI experts was certified in the Six Seconds Emotional Intelligence Assessment (SEI) through a mix of on-site and virtual training delivered by Six Seconds. Some team members undertook additional trainer-training in Six Seconds' methodology to ensure that the implementation would go deeply into what drives people performance.⁴

GLI Senior Management Facilitators Jimmy Daniel and Pamela Williams became certified as a SEI Master Trainer to deliver SEI Certification internally within L&D team in US and globally.

“Emotional intelligence provides the insight and skill to allow for a strategic use of feelings.”

The FedEx GLI team designed LEAD1 as a five-day course with a six-month follow up coaching process built around the SEI.⁵ Through the in-person training, participants learn about key concepts in FedEx leadership and what it means to lead people. In an extremely faced-paced, task-focused environment, a common challenge for managers is losing sight of the relational dynamics that ultimately sustain team performance. To build a team where people give their “discretionary effort,” task-based management is insufficient: people-leadership is required. This means forming a connection between people at an emotional level. Emotional intelligence provides the insight and skill to allow for this strategic use of feelings. In LEAD1, the new managers focus on how

⁴ The Six Seconds EQ Certification and Advanced Trainer Certification programs (www.6seconds.org/certification).



emotional intelligence will assist them to show up as leaders by managing themselves first, taking charge of their own emotions and behaviors so they can be effective role models and influencers.

The six month coaching process begins with a one-to-one debrief of the participant's SEI profile as a framework for goal setting. The new manager identifies specific competencies to improve, as well as strengths to leverage, and how these can be employed to improve people-leadership. The coaching process is "specific customized," meaning that while all participants are working within a shared framework of concepts and goals, each coach and participant work in partnership to develop personalized goals that can be made actionable. Part of the effectiveness of the coaching is that the coaches all now have several years of experience with emotional intelligence themselves, giving them added insight into what drives people.

At the end of the coaching process, participants re-take the SEI to clearly identify areas of progress, to set next goals, and provide accountability for the program.

At present, over 100 facilitators have been, or are being, trained to provide the SEI assessment and coaching, and to run LEAD1 worldwide.

"44% of participants experienced very large increases in emotional intelligence."

Results

Initial responses to the program are extremely positive. LEAD1 trained managers are showing increased ability to push the FedEx strategy and the "People First" leadership philosophy. In the words of a program participant, one of FedEx's senior widebody captains, "I began the week realizing that I was limiting myself with a single leadership style and an emotional intelligence level that was preventing me from reaching my full potential, particularly in stressful situations. I had learned how to apply different leadership styles to meet specific situations, apply consequential thinking, and continue to improve my emotional intelligence. I am

"58% of participants showed very large improvements in influence.

72% did so in decision making."

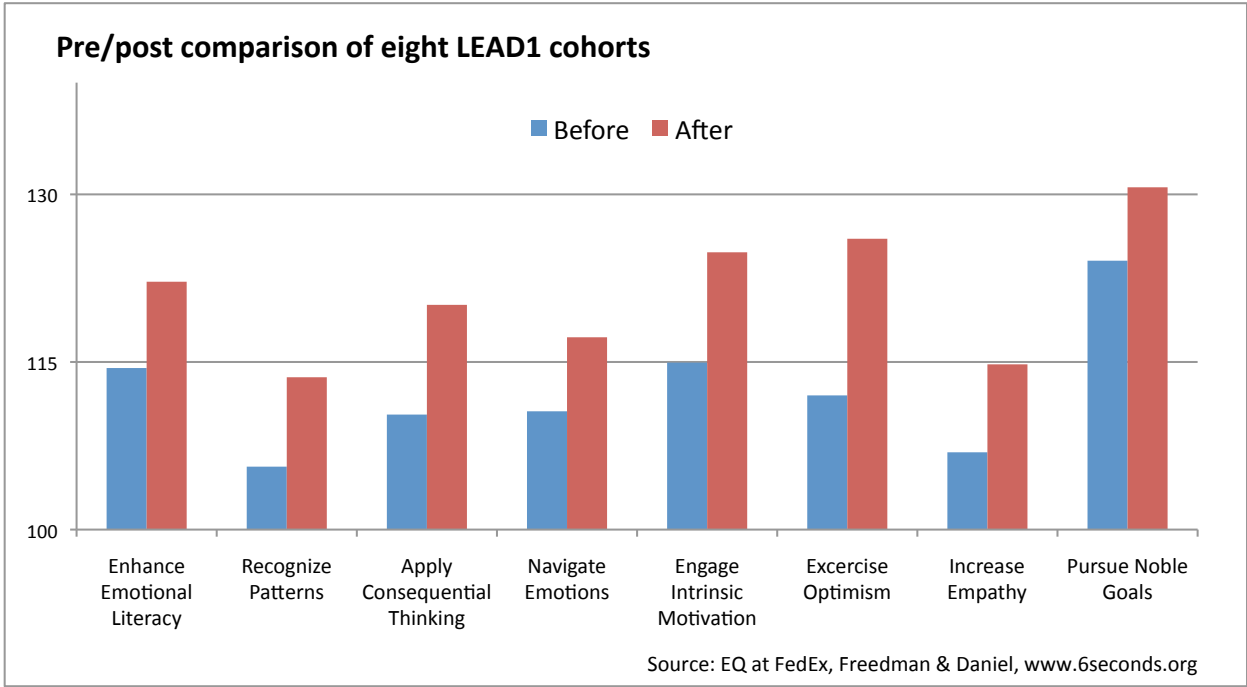


already applying this new found knowledge in my day to day work environment as well as my personal life.”

These insights and skills will shape the culture of FedEx for years to come. As Shannon Brown, Chief Diversity Officer for FedEx Express, and the senior HR leader for the organization puts it: “At FedEx Express, we’re committed to staying on the leading edge. For us, that’s always meant bringing out the best in people. As the business landscape becomes even more complex, we need additional capability. Leveraging the Six Seconds approach to emotional intelligence is helping us build a strategic asset that will let us maintain and strengthen our culture – which is essential to our competitive advantage.”

Quantitative Results

Another measure of success is through analysis of the SEI assessments given at the start and end of the six-month program. Based on comparisons of eight LEAD1 cohorts, 106 individuals (on pre-tests), the group experienced a median increase of 8% to 11% in EQ competencies. A paired t-test of individuals’ pre-test and post-test comparisons shows $P < 0.0001$, indicating that statistically, the change is extremely significant.



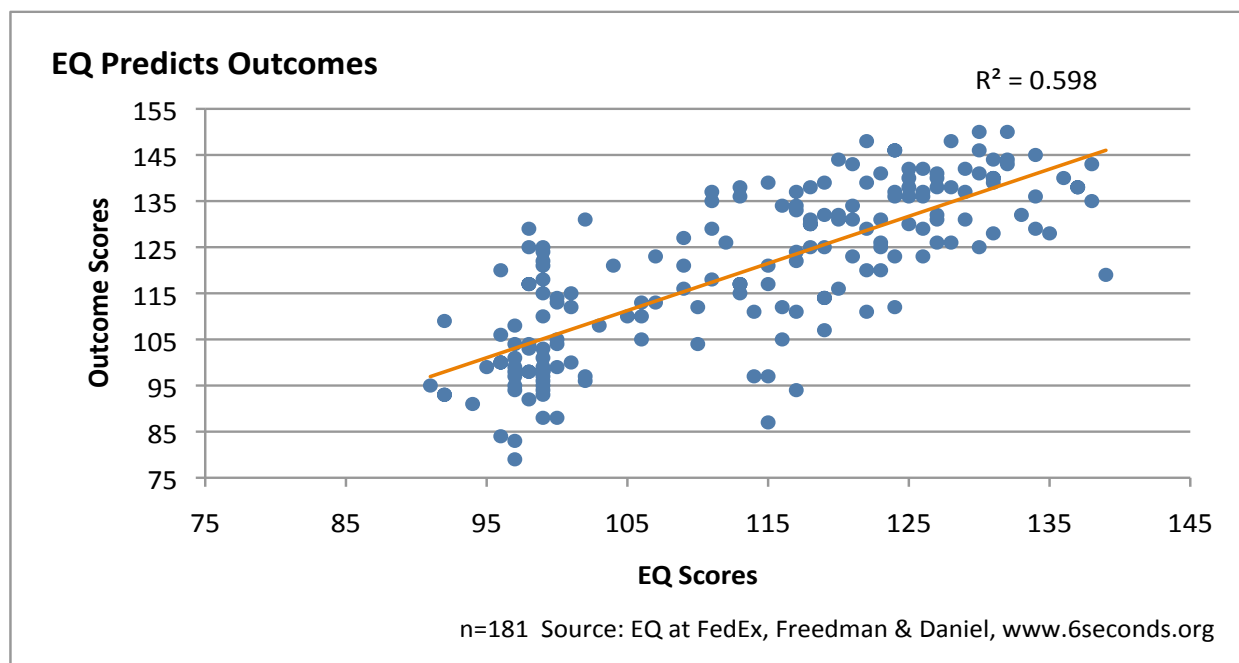
In all the competencies of EQ (as measured by the SEI), there were a very substantial number of participants with major increases. In any group, some participants will be more fully engaged in the process:

44% of the participants experienced very large increases (10-50% improvements).

The largest numbers of these were the areas of “Apply Consequential Thinking” with 54% of the participants are in this group of large increases, and “Exercise Optimism” with 57% of the participants improving from 10-50%.

The SEI measures eight competencies of emotional intelligence as well as six outcomes: Effectiveness, Influence, Decision-Making, Relationships, Quality of Life, and Health. Statistically, we know that variation in EQ predicts from 55-65% of the variation in these outcomes.⁶ This correlation was confirmed in this sample population, where:

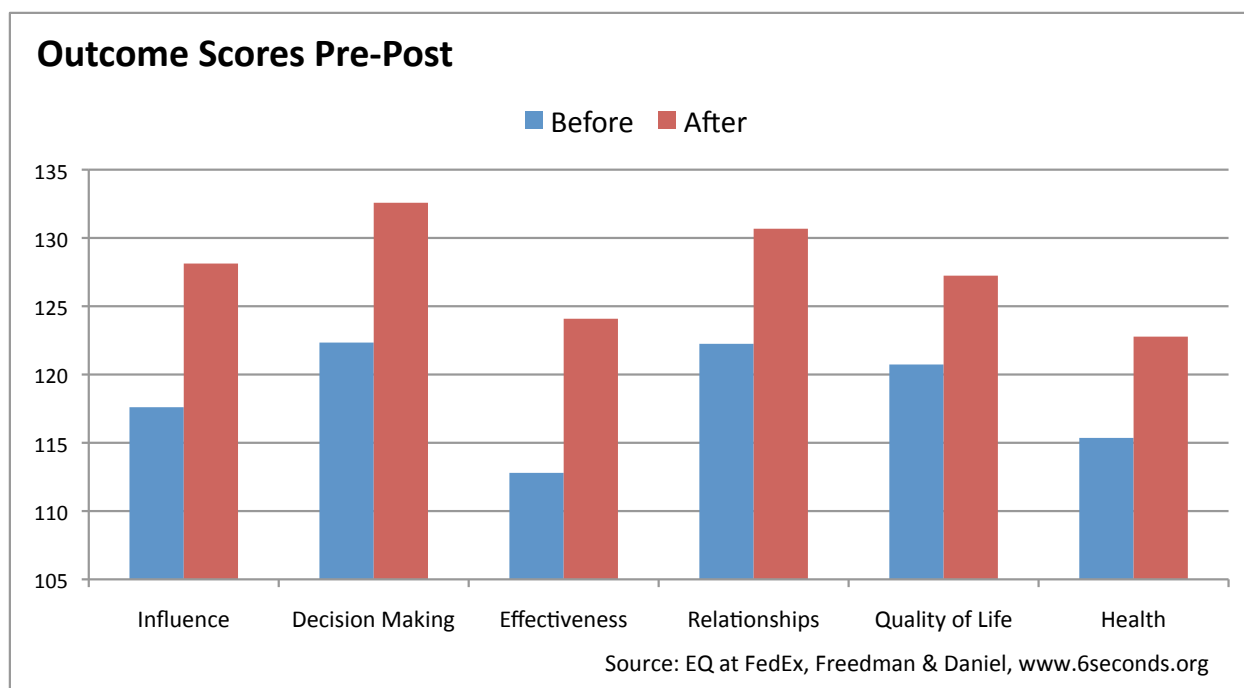
59.8% of the variation in outcome scores can be predicted by EQ scores.



⁶ Joshua Freedman, Massimiliano Ghini and Carina Fiedeldey-Van Dijk (2006), *Emotional Intelligence and Performance*, www.6seconds.org. Joshua Freedman, Jayne Morrison, Andreas Olsson (2009), *Leadership Success and Emotional Intelligence In The Middle East*, www.6seconds.org.



Like the EQ scores, participants' **outcome** scores increased significantly. Group average improvements range from 6-10%:



Again, the question arises, “What part of the group made serious improvements?” The largest major improvements were in:

Decision Making 72% made major improvements.

Quality of Life 60% made major improvements.

Influence 58% made major improvements.

Qualitative Results

While the data are impressive, the human stories are compelling. Behind a 20% increase in relationships, we heard the story of a leader rebuilding trust with her team, or a marriage staying together. Behind a 15% increase in Quality of Life, we heard the story of someone finding meaning and recommitting to stay sober. That 10% increase in Decision Making is a story of a new manager finally “getting it” that people are what create value and changing the way he treats people.

The results of LEAD1 have gone far beyond the workplace. Participants have shared numerous stories of using the EQ tools to cope with loss, reunite with family members,



step up to become better parents, and even make dramatic changes to improve health and wellbeing. By supporting new managers in this way, FedEx gains by having more competent leaders – and also by showing its people that the company puts its values into action. In turn, this role models the kind of people-centered leadership that FedEx expects from all managers.

As a result of initial success, LEAD1 has expanded to FedEx regional globally – Asia-Pacific (APAC), Latin America/Caribbean (LAC) and Europe/Middle East/Africa (EMEA). There are now certified SEI Coaches around the world providing one on one “specific customized” coaching for managers to begin this phase of their careers with the insight and skills for people-first leadership.

Conclusion

The success of the project at FedEx offers several insights for other companies looking to gain value from emotional intelligence:

1. **Link to what matters.** At FedEx, concepts like “discretionary effort” and the leadership requirements from the annual SFA survey create an internal “case” for emotional intelligence. The champions of this project have helped leaders see that the learnable skills of emotional intelligence are building blocks to create the kind of people-first leadership the company wants – which, in turn, increases economic value. This recognition has built support of the initiative at very senior levels.
2. **Build internal capacity.** By developing an internal team of emotional intelligence practitioners, the company has been able to assimilate the concepts and skills of EQ and “translate” them to work within the company culture. Having a large, strong team of emotional intelligence coaches and trainers means this program can be delivered at a large scale, creating a new “strand of DNA” to support the desired organizational culture.



3. **Walk the Talk.** The company tells supervisors to put people first, so the company puts people first. By supporting new managers to be good people, and investing in their growth right at the start of their management careers, FedEx senior leadership is providing a powerful role model.

One of the basic principles of Six Seconds' work in business is:

Emotions drive people, people drive performance.

This simple formula makes sense at FedEx where there is a very strong recognition that productivity is created by people – and leaders need the skills to understand what makes people really work: Emotional intelligence.



About the Authors

Jimmy Daniels is a leadership consultant at Six Seconds. Previously, he was part of the team that designed and delivered LEAD1 as Senior Management Facilitator for the FedEx Express Global Leadership Institute (GLI). He joined GLI after 24 years in FedEx operations, where he launched tens of thousands of airplanes as a Director of Flight Operations. Jimmy now delivers training and consulting for leaders and teams to build productivity through people.

Joshua Freedman is one of the founders of Six Seconds, where he serves as global CEO. He is co-author of the Six Seconds Emotional Intelligence Assessment, and author of At the Heart of Leadership: How to Get Results With Emotional Intelligence, as well as six other psychometric assessments and several books and management programs. For more information, visit www.6seconds.org.

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