



ROI

Business Outcome Highlights

People are your most important asset. When you use Hogan's assessment solutions to help manage your people, you want to know they work.



HOGAN
RESEARCH DIVISION

From customer service representatives to physician executives, Hogan conducted 30 ROI studies in 2013 and 2014 to demonstrate the value of personality assessment to our clients. Linking key business outcomes to personality, we highlight 10 studies that demonstrate the power of personality.

Overall Findings – Hogan Shows Strong ROI

The table below highlights our findings from the 2011-2012 business outcomes report.

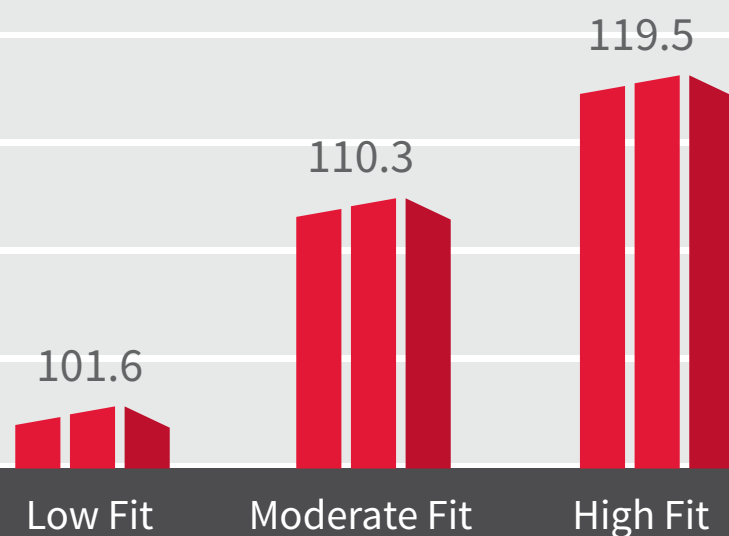
Industry	Job Title	Finding
Retail	Leaders	Satisfied Customers & Better Culture Fit
Consumer Goods	Sales Representatives	Greater Sales Growth
Retail	Consultants	Improved Chance of Budget Achievement
Retail	Sales Managers	Greater Net Operating Earnings
Retail	Store Managers	Improved Store-Level Finances
Food Producers	Commodities Traders	Better Overall Performers (3x more likely)
Automotive	Store Managers	Increase Store Sales by \$55,000
Manufacturing	Production Assemblers	Safer Employees
Pharmaceutical	Sales Representatives	2.5x Sales Performance Increase
Retail	Store Managers	3X Sales Increase

STUDY 1

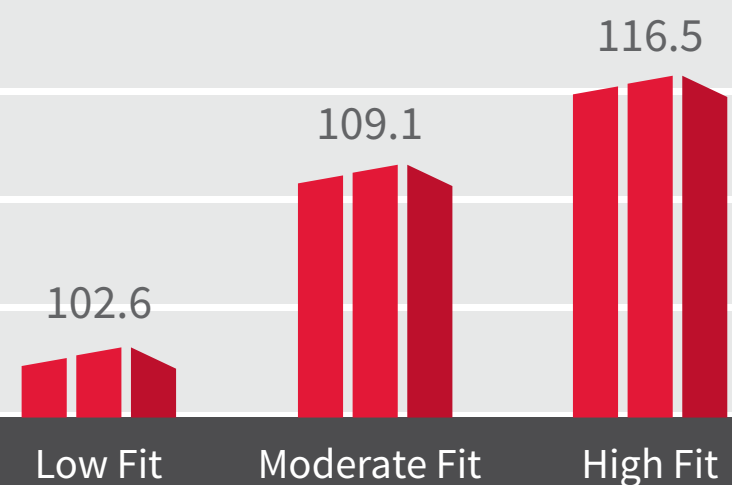
Improved Property-Level Finances

Hogan collaborated with a global hospitality company to improve its General Manager selection process. We developed a profile to identify successful General Managers who remain resilient and persevere despite stressful situations, exude confidence and energy, communicate proactively and demonstrate cultural sensitivity with guests, and balance innovation with an action-oriented business strategy. Results revealed that, on average, **General Managers classified as High Fits captured almost 18% more of their revenue per available room (RevPar) and 14% more of their expected average daily rate index (ADRI) compared to Low Fits.**

RevPar by Fit Level



ADRI by Fit Level

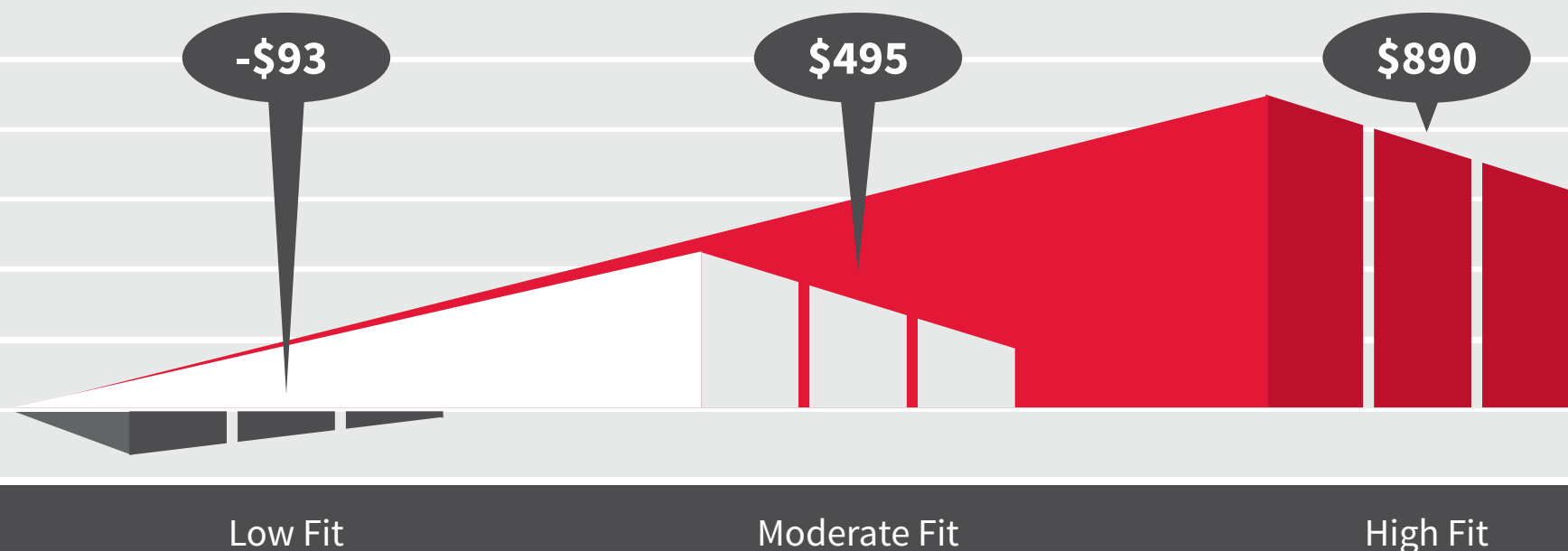


STUDY 2

Greater Sales Growth

A well-known food retailer established a Hogan profile to hire Sales Representatives in 2009. In 2014, they investigated the extent to which the profile predicted sales performance and turnover using a sample of 115 Sales Representatives. Although High-Fit Sales Representatives grew their weekly sales at a greater rate compared to Low-Fit Sales Representatives, the company experienced higher turnover among High Fits. Based on these findings, Hogan revised the selection profile to balance prediction and business necessity. With the revised profile, results not only predicted tenure better but also demonstrated that Sales Representatives classified as High Fits still **achieved higher weekly sales growth** compared to Low-Fit Sales Representatives. After one year, **High Fits' sales growth averaged \$983 more per week** compared to Low Fits.

Average Weekly Change in Sales after One Year

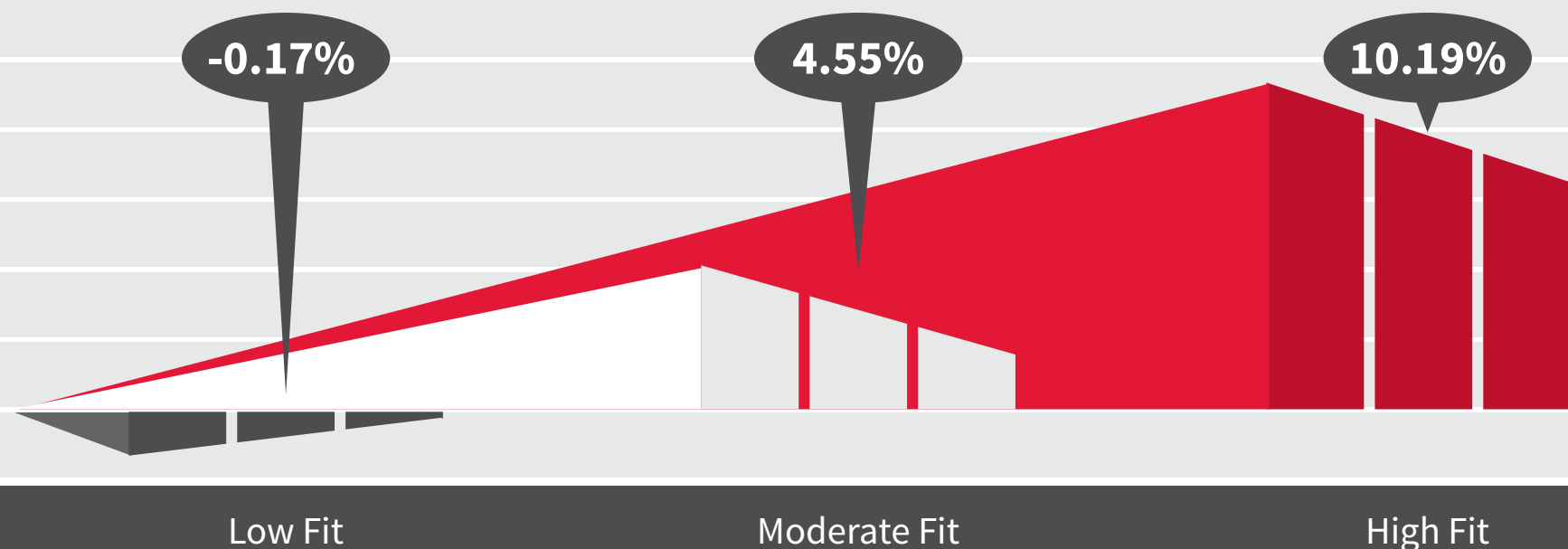


STUDY 3

Higher Planned Sales Achieved

We also collaborated with a food retailer to examine the relationship between personality and Sales Manager performance. Sales Managers are responsible for the sales and distribution of food products within a territory and the selection and training of Sales Representatives. We found that screening in applicants who tend to be stress tolerant, competitive, build and maintain relationships with customers and staff, and are practical decision-makers impacted the bottom-line. After one year, Sales Managers classified as High Fits **increased their percentage of planned sales achieved by 10%** compared to Low Fits. Translating to dollars, if all Low Fits were High Fits, the company would have generated **an additional \$82,854.86 in one month**.

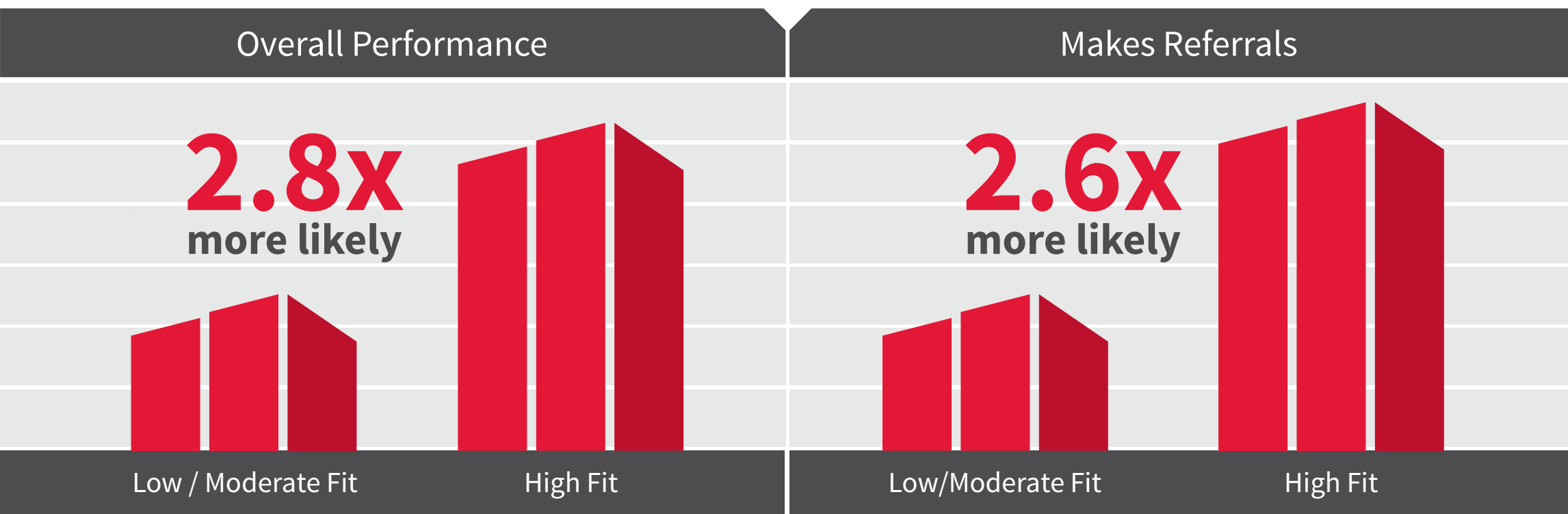
Planned Sales Percentage Change after One Year



STUDY 4

Increased Customer Referrals and Higher Performers

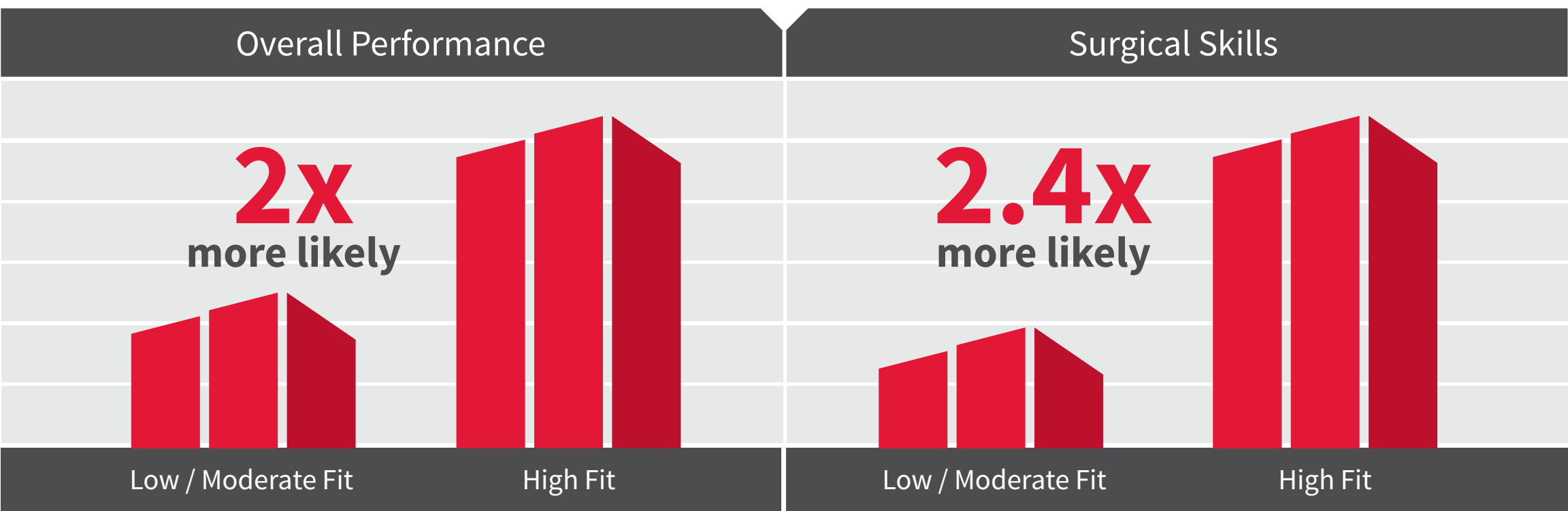
Hogan partnered with a banking and financial solutions company to improve its selection process for Tellers. Findings showed that Tellers who are proactive about engaging customers, focus on providing professional service, are detail-oriented, process focused, and have a sense of integrity and strong work ethic tended to be better performers. Specifically, High-Fit Tellers were **2.8 times more likely to be rated as a high performer** and **2.6 times more likely to make customer referrals** compared to those who did not meet the profile.



STUDY 5

Improved Resident Performance and Surgical Skills

We also teamed up with a healthcare client to identify characteristics associated with successful orthopedic resident performance. Currently, most resident selection programs rely on subjective or irrelevant criteria such as appearance, interviews, or letters of recommendation. Such sources often provide little information concerning one of the most critical aspects of success: the ability to provide quality patient care. Hogan developed a personality-based selection profile and found that Orthopedic Residents meeting the profile were **twice as likely to be rated as a strong performer** and **2.4 times more likely to receive higher ratings on surgical skills** compared to those not meeting the profile.

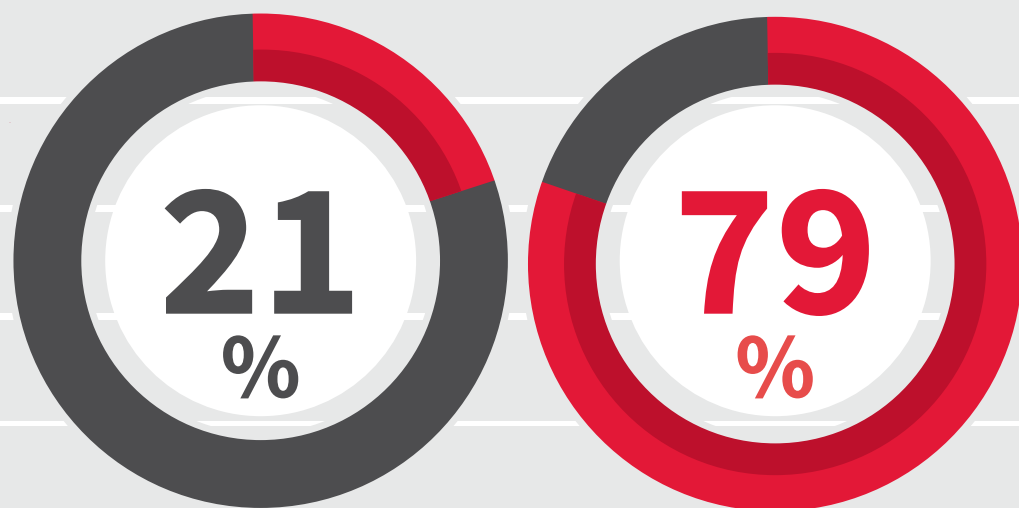


STUDY 6

Improved Values Alignment and Greater Advancement Potential

A U.S. public accounting and advising firm sought to implement personality assessments into the Associate and Consultant selection process to improve the quality of hires. Findings showed that Associates and Consultants who are driven and motivated by bottom-line considerations and financial matters, comfortable working independently or in collaborative groups/teams, able to balance candor and tact when communicating with others, likely to follow rules and processes, able to avoid unnecessary risks, and remain practical and focused when under stress tended to be higher performers. As rated by managers, we found that individuals meeting the profile were **3.8 times more likely to exemplify the organization's values** and **2.7 times more likely to show potential career advancement** compared to those classified as Low Fits.

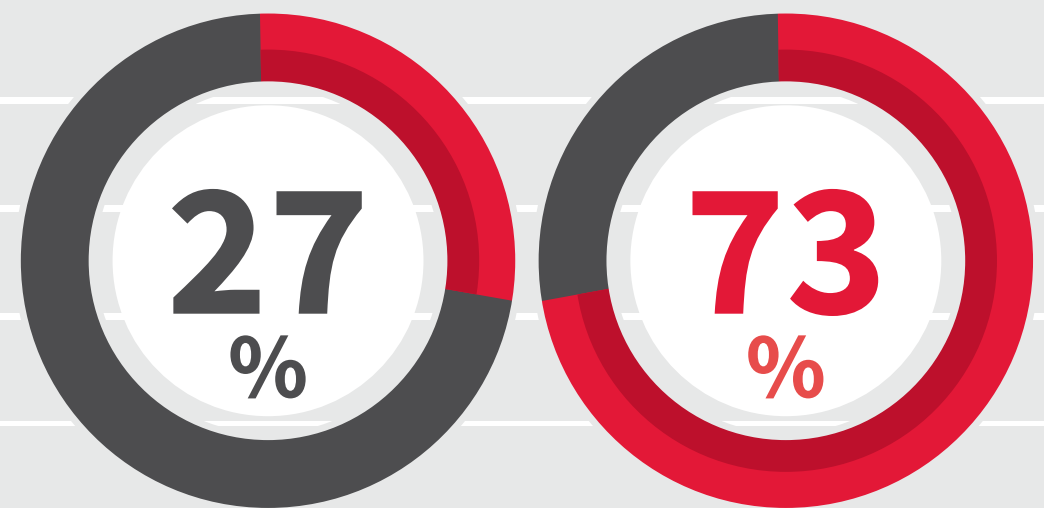
Exemplifies Organizational Values



Low Fit

Moderate / High Fit

Potential For Advancement



Low Fit

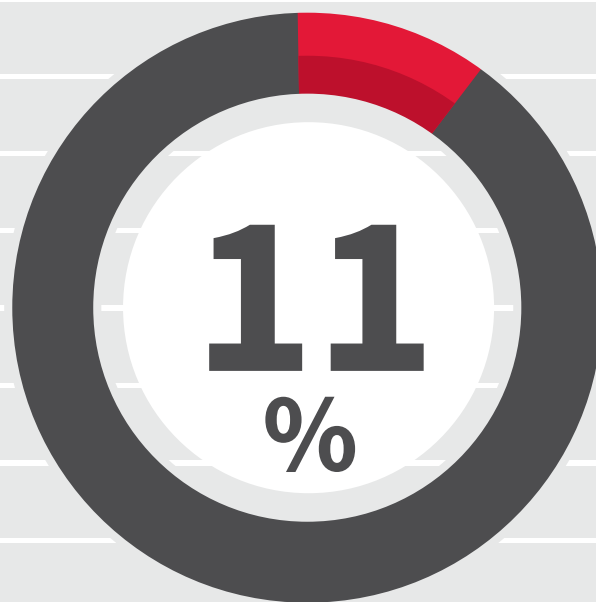
Moderate / High Fit

STUDY 7

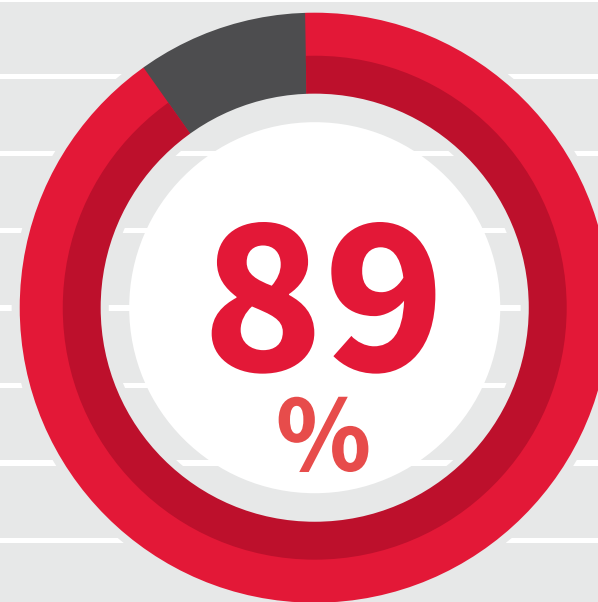
Higher Supervisor Ratings

Hogan collaborated with a healthcare supply manufacturer and distributor to improve its selection process for Product Managers. Results indicated Product Managers who are passionate and act with a sense of urgency, balance competition and collaboration, cooperate with others to support the sales force, are detail oriented and focused on high-impact results, and value established ways of doing things received higher performance ratings on average from supervisors. Results showed that personality predicted performance, such that Product Managers who met the profile were **8 times more likely to receive favorable ratings from supervisors** (based on overall performance, values alignment, and critical work behaviors) compared to those not meeting the profile.

PRF Average Score



Low Fit



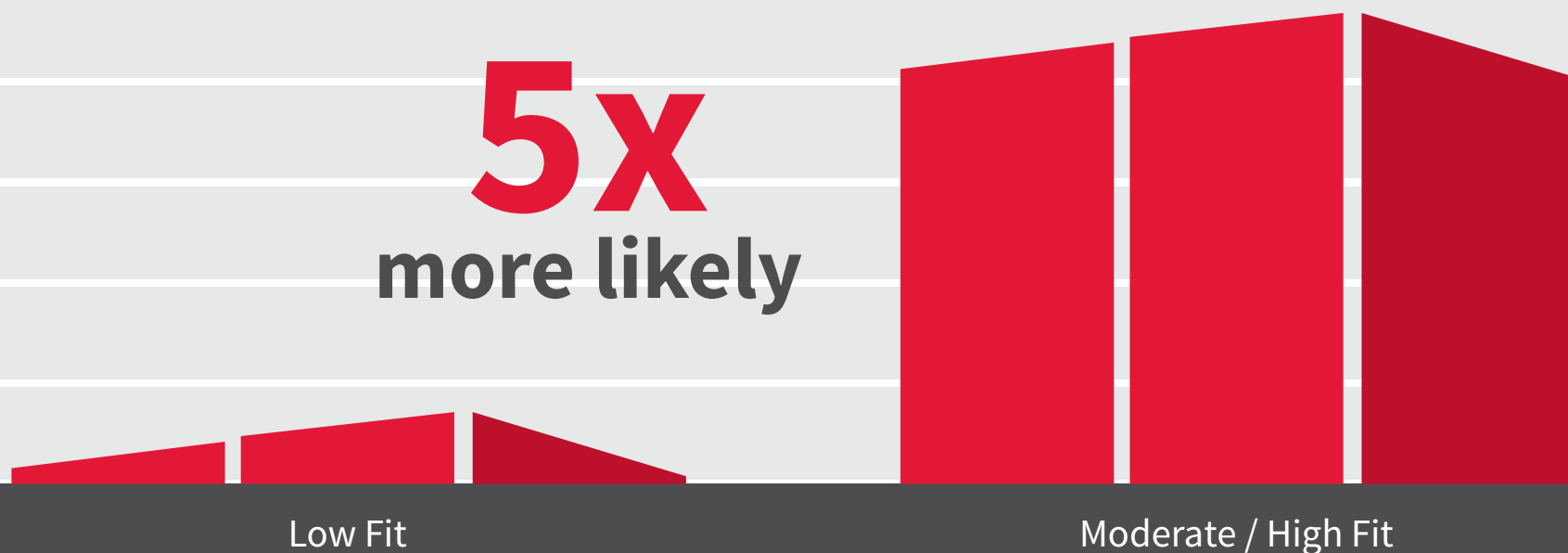
Moderate / High Fit

STUDY 8

Higher Performers

Hogan also partnered with a healthcare supply manufacturer and distributor to implement personality assessments into the selection process for Sales Representatives. Sales Representatives who are entrepreneurial, build and maintain relationships with others, independent and able to voice opinions, understanding of customer needs, focused on the bottom line, organized and task-oriented, and solve problems strategically tended to receive higher ratings from supervisors. Specifically, Sales Representatives meeting the profile were **5 times more likely to be ranked as a high performer** compared to Low Fits.

Performance Rank



5x
more likely

Low Fit

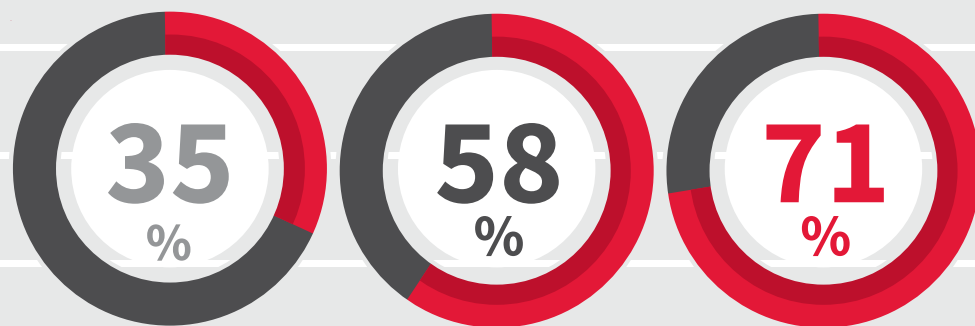
Moderate / High Fit

STUDY 9

Dependable Employees

Hogan partnered with a U.S. state agency to better understand the relationship between personality and success for Foresters and Forestry Technicians. Foresters and Forestry Technicians establish short- and long-term plans for forest land and resource management, suppress and mitigate fires, and conduct fire prevention programs. Hogan created a profile to screen in applicants who are stress tolerant, decisive, vigilant, maintain positive relationships with others, tolerate ambiguity, and manage risk appropriately. Results indicate that supervisors were **twice as likely to rate High Fits as dependable and have greater advancement potential** compared to Low Fits.

Exemplifies Organizational Values

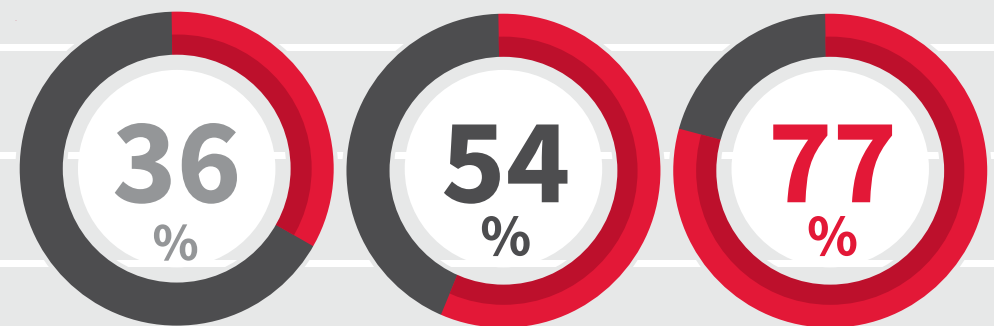


Low Fit

Moderate Fit

High Fit

Potential For Advancement



Low Fit

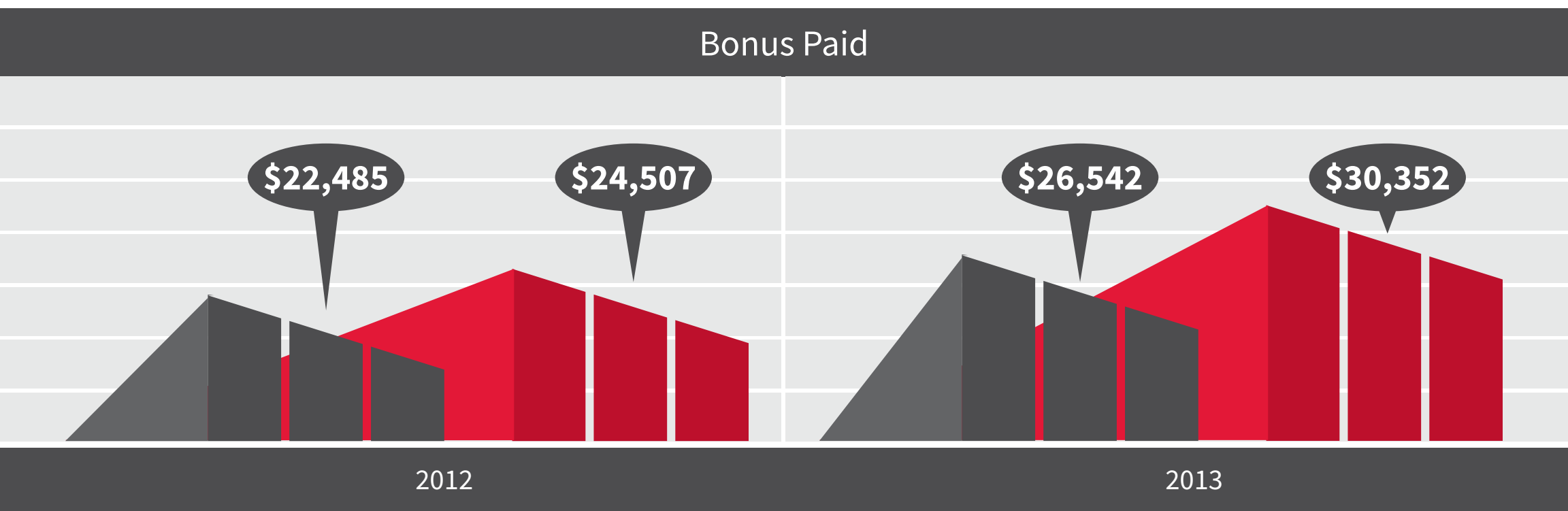
Moderate Fit

High Fit

STUDY 10

Higher Bonuses

A global construction product manufacturer established a Hogan profile to hire Account Managers several years ago. In 2014, they investigated the difference between Account Managers hired using Hogan and those hired without personality assessment. Results showed that Account Managers hired using Hogan received **higher bonuses over two years** compared to those hired without personality assessments.



ROI

Business Outcome Highlights

The Bottom Line

Year after year, Hogan provides empirical evidence to demonstrate how our assessments impact clients' unique business challenges and bottom lines, regardless of industry sector or job type. Hogan assessments, when integrated into talent management initiatives, provide a significant, long-term return on investment.

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