



TenStep Supplemental Paper

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Adversity Quotient (AQ)

Adversity quotient (AQ) is a measure of how an individual employee perceives and deals with challenges in the work place. While adversity can come in any form and magnitude, from major tragedies to minor annoyances, individuals with high AQ levels take greater responsibility to fix problems and do not blame others for setbacks. They feel that their problems are limited in scope and can be dealt with quickly and effectively. These are the leaders of tomorrow. Those who can't handle adversity become easily overwhelmed and emotional. They pull back and stop trying.

According to Paul Stoltz, on average, the number of adversities an individual faces during a day has increased from 7 to 23 in the past decade. Research by Scripps Institute at the University of California, San Diego, revealed that one of the tendencies employees share is that they are far more compelled by adversity than by good news, and therefore it becomes more important to understand individuals' AQ levels.

AQ, the principles of which transcend culture, country and industry, is fast becoming a core competency in the new global economy. However, individuals with low AQ levels can be trained to improve their ability to respond to adversity. An AQ test, which has about 40 questions based on how an individual would react to different situations, scores employees on a scale ranging from 200 to 40. The tests are followed by intensive training sessions.

According to Stoltz's AQ theory, employees in any organization are of three kinds - climbers, campers and quitters.

- **Climbers** are employees who seek challenges and have high AQ levels. Entrepreneurs and sales personnel engaged on a commission basis are among the 'climbers.' Organizations that are adventure-centric also fall into this category. Stoltz quotes Microsoft as one such climbing organization.
- **Campers** constitute about 80% of a typical workforce in any organization. These people try to keep what they already have, no matter what it takes.
- **Quitters** are risk-averse and flee from challenges. They are usually inclined towards education and take up teaching and mentoring.

Campers and quitters are tension creators and often frustrate climbers. They are the main reason that organizations lose climbers, their key talent.

Summary

Organizations are increasingly adopting the AQ concept to capitalize on their benefits. Understanding an individual's AQ not only helps organizations to hire and retain highly motivated and talented employees, but it also helps in developing employees to their full potential and creating a leadership culture. This can in turn encourage employees to put forth their best efforts and maximize their performance capabilities, leading to better



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overall organizational performance. While awareness of an individual's AQ levels can help organizations to hire and retain the best, individuals can benefit by understanding their own weaknesses and turning them into opportunities.