

# EI, Not IQ, Is The Key to Outstanding Leadership Performance

By Manya Arond-Thomas

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Does your executive team work at cross-purposes? Are you successfully executing your vision? If you are struggling to take your leadership or your organization to a higher level of performance, you may be unaware of the power of emotional competence as a performance differentiator. Several decades of research in Emotional Intelligence (EI) have demonstrated that EI is what differentiates outstanding performers from average performers.

While technical skill and cognitive ability are essential competency areas for leaders, emotional intelligence has been shown to be twice as important in outstanding performance as the other two competencies combined! In fact, 80-90% of the difference between outstanding and average leaders is linked to EI. The abilities that drive successful execution of vision – motivating, guiding, inspiring, listening, persuading, and creating resonance – are emotional competencies. If you want exceptional business results, you should assess your EI or your team's EI, for these are abilities that can be developed.

What is emotional intelligence? Dr. Daniel Goleman, a thought leader in the field, defines it as “the capacity for recognizing our own feelings and those of others, for motivating ourselves, for managing emotions well in ourselves and in our relationships.” Thus, emotional competence integrates thought and emotion.

There are four domains of emotional intelligence - self-awareness, self-management, social awareness, and relationship management – within which are eighteen competencies that have been identified as differentiating characteristics in outstanding performers. Effective relationship management is at the heart of great leadership but self-awareness is considered the linchpin for developing the other three domains. Emotionally intelligent

leadership, then, builds up from a foundation of self-awareness.

Furthermore, a leader's EI creates a certain culture or work environment. Organizational research done by the Hay Group, co-creators of the Emotional Competence Inventory (a 360 assessment of EI), discovered that "EI is carried...like electricity through wires....the leader's mood is quite literally contagious, spreading quickly and inexorably throughout the business." Feelings and emotions have a direct impact on effectiveness, efficiency and ultimately the bottom line.

Leaders need to understand that their single most important task is to create resonance. Put another way, they must create a positive emotional environment that frees the best in people. Climate, or how employees feel about working in the organization, accounts for 20-30% of business performance; and 50-70% of how employees perceive their organization's climate can be traced to the actions of one person - the leader.

How does this translate to the bottom line? In one study, experienced partners in a multinational consulting firm were assessed on the EI competencies plus three others. Those who scored above the median on 9 or more of the 21 competencies delivered \$1.2 million more profit from their accounts than did other partners – a 139 percent incremental gain. Another study of 130 executives found that how well people handled their emotions determined how much people around them preferred to deal with them.

### Harnessing Emotional Intelligence for High-Performing Teams

With the complexity of problems facing health care leaders, collaboration and the ability to synthesize divergent points of view are needed more than ever if we are to solve these problems. Because most work in organizations today is done by teams, there is a pressing need to make teams work together better.

Research has demonstrated the superiority of group decision-making over that of even the brightest individual in the group, except when the group lacks harmony or the ability to cooperate. Then decision-making quality and speed suffer. When people feel good, they work more effectively, and are more creative. Common sense tells us that workers who feel upbeat will go the extra mile to please customers and therefore improve the bottom line.

To be most effective, the team needs to create emotionally intelligent norms that support behaviors for building trust, group identity and group efficacy - three conditions

essential to a team's effectiveness. Norms that foster group EI involve: courageously bringing feelings out in the open and dialoguing about how they affect the team's work, using humor to defuse tense situations, the willingness to explore and expose unhealthy work habits in order to build more effective group norms and performance, and behaving in ways that build relationships both inside and outside the team. In self-aware, self-managing teams, members hold each other accountable for sticking to norms.

However, it is the leader's job to instill a sense of responsibility in each person for the well-being of the team. It takes a strong emotionally intelligent leader to hold the team to such responsibility. An emotionally competent leader who is skilled in creating good feelings can keep cooperation high. Good team leaders know how to balance the focus on productivity with attention to members' relationships and their ability to connect.

### How Do You Build an Emotionally Intelligent Organization?

In addition to specific emotional competencies, there are certain Rules of Engagement that help to create a resonant, emotionally intelligent, and effective culture:

1. Discover the emotional reality of the organization.
2. Slow down in order to speed up – talk to people at all levels and find out about systems and culture.
3. Start at the top with a bottom-up strategy, engaging all the representative stakeholders who in any way impact the patient-customer interface, and learn about what's working and what's not working. Then create a whole-system conversation in which all the stakeholders who need to be in the conversation are in the room and talk about what needs to happen to move things forward.
4. Create a preferred future, with an energizing vision to which employees can bring their best selves.
5. Sustain emotional intelligence by turning the vision into action, creating systems or processes that promote emotionally intelligent behavior.

Matters of emotion are typically dismissed as the “soft” stuff, yet in reality emotional competence is the “hard” stuff. Developing EI is well worth the effort, for emotional competence is what sets the best leaders and the best teams apart from the rest.

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