

visioned by

# FQUR

...growing from within...

## THE IMPORTANCE OF EQ IN BUSINESS AND ORGANISATIONS

**In working with Emotional Intelligence (EQ) Daniel Goleman reported that 80-90% of the characteristics that differentiate top performers are in the domain of EQ.**

There is no doubt in my mind that EQ is THE key differentiator between average organisations and those that are high performing – whether in the private, public or third sector.

We can even easily demonstrate this by using the usual narrow IQ way of money as a ‘measure’ by looking at The Sunday Times Top 100 Companies To Work For list, published every April.

Those companies are shown to earn, on average, 12.4% more year on year profit than their FTSE 100, size and industry specific counterparts.

What is the difference between these companies and their FTSE comparisons? Almost all components are driven by Leadership and EQ to achieve motivated and engaged employees.

If the only constant in business and life today is change – let’s explore what makes the difference for those who thrive (usually through EQ and thus People) and those who simply survive, or slowly die (usually through IQ and endless Processes, Procedures, Policies and Programmes).

Place your need for Profit, before your care for People and you’ll soon find that all employee engagement – the key to any sustainable success – diminishes and dies, long before the company reaches the ripe old age of 21!

Yet in the fast and ever changing world in which we now live, where success is about being fleet of foot, interdependent not independent and team focussed, employee engagement will mostly be built through the one thing that changes everything – trust.

Almost always, the approach needs to be about relationships before regulation, heart before head, people before process, human-beings before human-doings and eco before ego, starting of course, inside ourselves.

### Do you trust yourself to do what you said you would do?

- Have you developed improved trusting relationships with people in the company or are you still talking behind their back?
- Have you lost that weight you said you will?
- Have you stopped drinking as much / smoking / drugs / working late / losing your patience as you said you would?

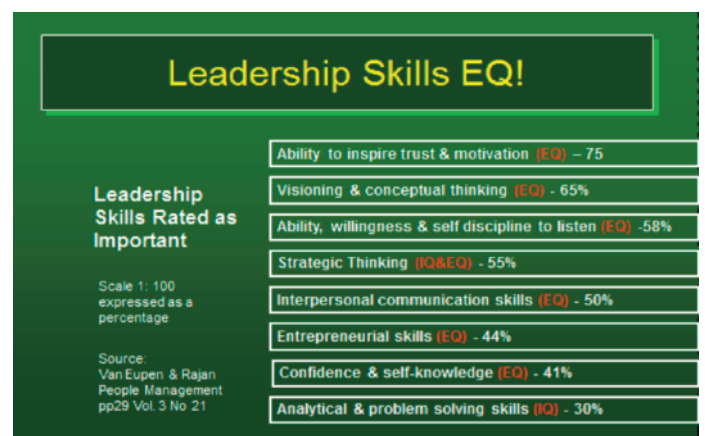
Even when we drill down through the number one success key to change - (leadership and what it means) - we see that the EQ element of trust is by far THE key differentiator. This time that old Newtonian IQ chestnut of analysis and problem solving is even further down the list.



The slide above shows that the top four differentiators in not only dealing with change but thriving in such times, are all EQ and focussed on Character (person and organisation).

Yet the one that many organisations and institutions (e.g. Scottish Enterprise) spend so much money on, comes way down the list – education and training, which is IQ and based on Competencies.

This for me perpetuates the old IQ ‘schooling’ system mentality created as far back as 1902! IQ only measures a narrow cognitive ability to memorise facts and solve puzzles – which is not really so necessary in today’s culture of ‘access all areas’ of knowledge instantly on the web! Also IQ peaks around 21 and diminishes thereafter, while EQ can be developed and strengthened until the day you die. EQ is required in building all relationships which is what bring results in organisations and specifically profit in the private sector.



It is also interesting to note that CEOs are normally hired for their Competence (IQ) and fired for their Character (EQ).

This amplifies the importance of strong organisational values and values based culture and the reason why there should be a very strong focus on EQ involvement in any appointment process, unlike the present mostly pantomime IQ appointment processes. This can especially be the case when external IQ ‘Head-Hunters’ are used, rather than taking a values driven EQ ‘Heart-Finders’ approach, which places morals before money.

# Four practical EQ characteristics.

## Increasing Empathy

Empathy is the ability to recognise and appropriately respond to other peoples' emotions. It is a non-judgemental openness to others' feelings and experiences that builds connection and awareness.

As a leader, increasing empathy is the key to understanding others and forming enduring and trusting relationships. Leaders who are not empathic may miss critical insights into others and can be seen as self-interested, cold or not trustworthy.

## Enhance Emotional Literacy

Feelings are a complex aspect of every person. This skill lets us sort out all of these feelings, name them and begin to understand their causes and effects. It is the basic building block of emotional intelligence.

As a leader enhancing emotional literacy helps you gain important data about yourself and others, access your intuition and master the inner landscape of emotion. Without this skill, emotions remain vague, confusing and can be misleading noises. Leaders who do not have emotional literacy are unlikely to communicate effectively with and about people. They will be surprised by others reactions and they might make a lot of mistakes interpreting their own and others' reactions.

## Engage Intrinsic Motivation

If we require external motivation to be motivated, we are always at the mercy of others. This skill galvanises us to discover and engage the lasting inner, motivation that lets us make changes and grow.

As a leader, engaging intrinsic motivation helps you gain the energy to do the hard work and be true to your own vision rather than being unduly influenced by others. Leaders without this skill seek approval from others and come across as weak and or passive.

## Optimism

Optimism allows us to see beyond the present and take ownership of the future. This skill blinds feelings and thinking to shift our beliefs and attitudes - to a more proactive stance.

As a leader, exercising optimism lets you find innovative solutions and it energises you and others. Pessimistic leaders foster distrust and self-protection. They are less inspiring and less innovative. In addition, research also shows that high optimism leads to far better health – personally, family and organisationally.

The more work I do whether in the UK or Europe, for individual companies or Y.P.O., the more I see that EQ is at the heart of any real difficulties.

Most business leaders / managers seek to fix 'things', yet the only real answer is to change people - and that reminds me, who is the only person you can change?

Yup – yourself.

We have been trying to change others for at least 2016 years – it hasn't worked yet!

We can inspire (EQ) others to change through our behaviours – we cannot tell (IQ) them they 'need to' change through processes. When have you ever seen processes working in any effective and sustainable way to effect and embed change? There must be the 'want –to' to change.

The only real change is 'inside out' (want to) – never 'outside in' (need to)

- EQ starts inside – IQ comes from outside.
- EQ is about your feelings – IQ is about your thoughts
- EQ leads to action – IQ leads to conclusions

**“In a recent study, when asked, “What are the top issues you face at work?” leaders said that 76% are on the people/relational side, and only 24% on the finance/technical side.**

**In another study of primarily managers and senior managers, of 775 respondents, a massive 89% identified EQ as “highly important” or “essential” to meeting their organizations' top challenges.”**



The EQ breakthrough scene from Good Will Hunting.

***“EQ has twice the power of IQ to predict performance. EQ is also a better predictor than employee skill, knowledge, or expertise.”***

**If you wish to explore EQ and leadership in your organisation – email or call  
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