By Daniel Goleman

Who was the best leader or manager you’ve ever worked with?

What did they say or do to make you love working with them?

These qualities are grounded in how they related to you and to others—reflecting their emotional intelligence.

Emotional intelligence, a different way of being smart, is a key to high performance at all levels, particularly for outstanding leadership. It’s not your IQ; it’s how you manage yourself and your relationships. It’s not usually taught in schools. You learn it in daily life—at home, on the
playground, or in the office. David McClelland, my mentor in graduate school, made a radical proposal for those days. He wrote an article in the journal *American Psychologist* that argued, hire for competence not for intelligence.¹ Test for competence, not for intelligence.

**A Competence Model**

What McClelland meant was this: If you want to know the best person for a given job, don’t look at their IQ scores, don’t look at how well they did in school. Look, instead, at people now in your organization who are in the top 10% of performers who hold that position. Compare them to people in the same job who are only average. Do a systematic analysis and determine the abilities, or competencies, that you find in the stars that you don’t see in the average.

That gives you what is called a competence model. Today, every organization that has a high-quality Human Resources operation uses a competence model for their key positions. They use it to hire people. They use it to promote people. And, now they know what to help people develop so they can become star leaders.

**What Kind of Competence?**

There are two kinds of competencies. There are threshold competencies that everyone needs to get the job. IQ turns out to be largely a threshold competence. When you apply for a job you must show you have the intelligence to handle the cognitive complexity of that particular position. But once you’re hired, you’re working with and competing with people who are as smart as you are. There’s what’s called a “floor effect” for IQ. That is, it’s an important base-level skill that everyone must have for that position. The other kind of competence, a distinguishing competency, is what sets apart the outstanding performers from the average ones at any given job.

*It’s the distinguishing competencies that count in terms of promotion, in terms of being a highly effective performer, or an outstanding*
leader. I did an analysis after I wrote *Emotional Intelligence*. I asked close to 100 organizations to let me look at their competence models. It’s unusual, because these are normally proprietary information. A given company wants to know, who should we hire? Who should we promote? They don’t want to share this information with other companies.

I aggregated all of these models and looked at the composite with one question in mind: Of the distinguishing competencies independently chosen by these organizations, how many are based on IQ—purely cognitive abilities like analytic reasoning or a technical skill—and how many are based on emotional intelligence?

Why Emotional Intelligence Matters

What I found was quite revealing. It turned out, for jobs of all kinds, at all levels, on average, emotional intelligence was twice as important as cognitive ability in terms of the distinguishing competencies. The higher you go in the organization, the more it matters. If you look at top leadership positions, C-suite positions, you’ll see that 80 to 90%, sometimes 100%, of the competencies that organizations independently determined to set apart their star leaders are based on emotional intelligence.
What is Emotional Intelligence?

There are four parts to my Emotional and Social Intelligence Model:

- Self-Awareness
- Self-Management
- Social Awareness
- Relationship Management

Within each of these four parts, or domains, there are learned competencies based on the underlying ability that make people outstanding in the workplace. By learned competencies, I mean that these are skills that can be developed just like you can develop other skills. To understand those competencies, my colleague Richard Boyatzis from Case Western Reserve University and I looked at the full range of competencies that companies identified in their outstanding leaders.

We distilled them down to twelve generic competencies that embody the core of distinguishing abilities of leaders in organizations of all kinds. From that we developed a 360-degree rating instrument called the Emotional and Social Intelligence Model.
Competency Inventory (ESCI). By 360-degree, I mean the instrument has the leader rate themselves, and choose to also be rated by the people whom they trust and whose opinions they value. This gives the fullest picture, combining a self-assessment with the same evaluations by other people. This assessment instrument, called the ESCI 360, is now available from Korn Ferry Hay Group.\(^3\)
There are two sets of Emotional Intelligence Competencies. The first is crucial for leading ourselves, for self-management. It includes Emotional Self-Awareness, Emotional Self-Control, and other competencies. These are the skills that play out on an individual basis. They refer to how we relate to ourselves, our emotions, and our responses to the world around us. The second set of competencies deals with how we relate to others. It includes our relationships and awareness of other people. They are crucial for teamwork, for sales, for handling clients, and particularly for leadership.

The self-management competencies are:

- Emotional Self-Awareness
- Emotional Self-Control
- Positive Outlook
- Achievement Orientation
- Adaptability
Building Blocks of Emotional Intelligence

The relationship management competencies are:

- Empathy
- Organizational Awareness
- Influence
- Coach and Mentor
- Inspirational Leadership
- Teamwork
- Conflict Management

In the Building Blocks of Emotional Intelligence: The 12 Crucial Competencies series, my colleagues and I look at each of these competencies, what they are, why they matter, and how to develop them.

Leader Emotional Intelligence and Performance

Korn Ferry Hay Group researchers looked at these 12 Emotional and Social Intelligence Leadership Competencies in terms of how they impacted the style of a leader, the climate that leader produced, negative or positive, and whether the outcome was high or low performance. What they found was quite telling. If a leader has strengths in six to ten of these Emotional and Social Intelligence Competencies, he or she produces a very positive climate. Leaders with strengths in EI/SI Competencies tend to use leadership styles that improve work climate. The styles that tend to produce a positive work climate are:

- The visionary leader who articulates a shared mission and gives long-term direction
- the participative leader who gets consensus inputs to generate new ideas and build commitment
- the coaching leader who fosters personal and career development
- the affiliative leader who creates trust and harmony.
These styles result in outstanding performance, as well as greater satisfaction and better quality of work of the whole team.

The organizational consequences can be great. The leader’s EI Competencies boost employee effectiveness in several crucial ways: operational excellence, customer loyalty, financial performance, and attracting and retaining talent. People are willing to go the extra mile.5

On the other hand, if a leader has strengths in three or fewer of the 12 Emotional and Social Intelligence Competencies, they tend to fall back on what’s called the “directive,” or coercive approach, just giving commands, ordering people around. That doesn’t work in the long run, because these leaders don’t engage their team members. They don’t provide long-term direction. They don’t try to create harmony or listen to people, nor do they encourage new ideas or invest in the development of the members of their team. Instead, they just tell them what to do.

Or they become pacesetters, a leadership style focused mainly on hitting targets – but that can hurt climate when the leader ignores all the positive styles. Such leaders tend to give feedback that highlights the negative, not the positive, lowering morale. Both directive and overly pacesetting leaders produce a negative climate and very poor performance all around.
Building Blocks of Emotional Intelligence


12 volumes in the *Building Blocks of Emotional Intelligence* series (volumes 11 and 12, forthcoming) are available from Key Step Media.

Visit keystepmedia.com for more information.