If business is about leadership, teamwork, customer service, and sales, then business depends on human interactions. This is why most of the issues related to the performance of organizations can be traced to how individuals within the organization communicate, resolve conflict, and develop effective working relationships with each other.

We all have our own informal ways of measuring people skills. Most people, for example, form an assessment if someone is “a jerk” or “a difficult person.” But is it possible to scientifically measure people skills? And, if so, what exactly would we measure?

In 1981, Dr. Reuven Bar-On began his research by wondering why some people with high IQ scores seem to struggle with life while others with average IQ scores seemed to thrive. In other words, “why did smart people do dumb things?” To answer this question, Dr. Bar-On set out to create an assessment of social and emotional functioning that tested other factors that did not seem to be related to IQ.

His work was successful in identifying a set of competencies that helped explain many aspects of human behaviour that IQ alone cannot. The factors that correlate highly with workplace performance are: Self-Perception (self-regard, self-actualization, emotional self-awareness), Self-Expression (emotional expression, assertiveness, independence), Interpersonal Factors (interpersonal relationships, empathy, social responsibility), Decision-Making (problem solving, reality testing, impulse control), and Stress Management (flexibility, stress tolerance, optimism). All of these factors and their corresponding subfactors are interestingly differentiated from IQ factors by the fact that they are all based on emotions. Yes, even decision-making is influenced by one’s emotions.

It was nine years after Dr. Bar-On began creating the Emotional Quotient Inventory (EQ-i) to measure social and emotional functioning when Dr. John Mayer and Dr. Peter Salovey used the term ‘Emotional Intelligence’ in an academic journal article for the first time. It was then Dr. Daniel Goleman, who wrote about Emotional Intelligence in his 1995 book of the same name, who publicized the idea around the world.

New Zealand Telecom decided to see if ‘EQ’ could help them identify high performing leaders and help determine how to better develop leaders for the future. They categorized 70 senior leaders into high and low performance groups based on established leadership performance indicators. High performers had significantly higher EQ-i scores than the lower performers. The EQ-i study resulted in significant bottom line findings that New Zealand Telecom now integrates into their training and coaching initiatives. Several other organizations have done similar studies, including American Express, CIBC, the US Airforce, and the Center for Creative Leadership.

Now every leading business school in the world, including INSEAD, Harvard, and Stanford, has a course on Emotional Intelligence as it relates to leadership. And the Emotional Quotient Inventory (EQ-I 2.0) has thirty years of hard data behind it. So it is possible to scientifically measure people skills by using an assessment tool. Doing so has become part of the foundation upon which many successful organizations depend.

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