

VOLUME 10 • NUMBER 4 • SUMMER 2003

Competency & Emotional Intelligence Quarterly

THE JOURNAL OF PERFORMANCE THROUGH PEOPLE

1

COMPETENCY & EMOTIONAL INTELLIGENCE • 2003 • VOLUME 10 • NUMBER 4

NEWS

- EU competency development framework in action* 2
Innovative competence development deal concluded in German chemicals sector 2
The latest on competency-based training 2
EQ is just as important as leaders' IQ 3

DEVELOPMENTS

- easyJet's selection takes off with competencies* 4
New call-centre skills make Contact 24 first in its sector 8
Notting Hill Housing Group's new approach to cultural change 11
Competencies are central to West Bromwich's people strategy 15

PRACTICE

- Managing the paradox at Oracle** 18
Linda Cooper has been closely involved in Oracle Corporation's introduction of competency-based 360-degree assessment. The experience illustrates that it is possible to reap the benefits of the traditional centralised approach while devolving personal development.
Competencies in Arcadia: the area manager 21
David Ashley, Head of Management Development at leading high-street retailing chain the Arcadia Group, and Ceri Thomas and Amanda Stainton from The Performance Management Group describe the application of competencies to Arcadia's key role of area manager.

ANALYSIS

- Ensuring competency models keep pace with changes in business strategy** 26
Chris Watkin and Katherine Thomas have drawn on the Hay Group's wide experience of working with organisations to develop a process that ensures competencies evolve in line with changing business strategy, rather than stay fixed in time.
Barriers to appraisals 29
Appraisals are failing in their mission of raising performance and supporting corporate objectives, says Mark Barlow. The problems lie in a lack of clarity about their role and a reliance on outdated, paper-based procedures.

Using job-support tools to develop competence, increase productivity and boost corporate performance

31

Colin Coulson-Thomas examines the ways that companies are capturing the essence of the success of their superstars and exploiting best practice to increase work-group performance.

EMOTIONAL INTELLIGENCE

Are we in the emotions business?

37

The way in which employees interact with customers often greatly influences customers' judgments about the quality and value-for-money of the service they receive. Steve Langhorn reports on his research into the role played by emotions in customer service.

Emotional intelligence – perspectives and people

43

Geetu Orme reports on "The Heart, Mind and Soul of Business", the recent NEXUS EQ conference sponsored by the Human Resources Association of Nova Scotia (HRANS) and Six Seconds held in Halifax, Canada.

CONTRIBUTORS

Profiles of this issue's writers

Inside covers

CONTACT CHANGE FOR IRS CUSTOMER SERVICES

The contact details for Customer Services have changed with immediate effect. Please send any correspondence to the address below, or call us on 020 8662 2000.

LexisNexis UK
 2 Addiscombe Road
 Croydon
 Surrey CR9 5AF

Emotional intelligence – perspectives and people

Geetu Orme reports on “The Heart, Mind and Soul of Business”, the recent NEXUS EQ conference sponsored by the Human Resources Association of Nova Scotia (HRANS) and Six Seconds held in Halifax, Canada.

More than 350 delegates from around the world gathered in Nova Scotia, Canada, to spend three days in late May 2003 focusing on the contribution of emotional intelligence to business performance.

“The Heart, Mind and Soul of Business” conference was held in Halifax’s World Convention Center, with delegates principally from across Canada and the USA as well as a smattering of participants from India, Singapore, Barbados, Sweden, Holland and the UK. The forum was a mix of keynote sessions and three tracks of learning on the heart, mind and soul of business. It was chaired by Lea Brovedani (of Sagacity Consulting, Halifax) and Josh Freedman (Director of Programs, Six Seconds, a not-for-profit organisation that has hosted conferences on emotional intelligence in the past).

The conference kicked off with a musical performance by a quartet. This promised to be a special conference that would move beyond “information” and into action, applying tools to create change in our respective communities. As practitioners in emotional intelligence, both Josh Freedman and Lea Brovedani encouraged delegates to make it a symposium of transformation, and to use what we learned in improving our work and personal lives.

The theme of music and harmony continued into day two when David Cory (of Cory Consulting, Vancouver) played guitar and helped the audience engage in an alternative learning experience.

Paul McGhee (President of the Laughter Remedy; www.laughterremedy.com) argued that both theorists and practitioners have

neglected a key component of emotional intelligence: one’s sense of humour. Humour has been shown to be an effective tool for managing both one’s own emotional state and the emotions of others. It was claimed that this is at the heart of humour’s power in helping individuals cope with life stress, and is the main reason why many companies are increasingly willing to allow appropriate forms of humour and fun into the workplace.

Dr McGhee also argued that humour (and making work fun) provides an effective tool in motivating employees to perform at peak levels and provide quality service. Finally, he suggested that humour also contributes to emotional intelligence by providing a “social lubricant” that helps manage social relationships on the job and by sustaining a frame of mind (or mood) that is conducive to finding innovative solutions to new problems. In a second session, Dr McGhee discussed his Humor Skills Training Program for learning to use humour to cope with job stress.

J P Pawliw-Fry (Co-Director, Institute for Health and Human Potential; www.ihhp.com) provided one of the keynote speeches. Through a mix of visuals, clips of well-known films and stories of well-known athletes, he made a compelling business case for emotional intelligence. He described the challenge in the world of business as finding ways to move our careers and organisations to the next level. His key points were that emotions count – they drive behaviour and have an impact on leadership; calm is contagious and supports survival – especially in turbulent times; connections are critical, the platform on which truly great performance takes place, and we not only connect in our “saintliness” but also in our “sin” –

The Heart, Mind and Soul of Business conference

BOX 1: THE IMPACT OF EMOTIONAL INTELLIGENCE ON PERFORMANCE



our suffering. He described emotional intelligence as the differentiator for predicting high performance (see box 1). In fact, bringing all of ourselves to work is where real trust is built.

He described the importance of handling setbacks and asking oneself three questions – “Was it me, or something outside of me?” “Will it be short-lived, or long-lasting?” and “Will it affect what I do?”

To avoid an “amygdala hijack” – where the part of the brain managing strong emotions temporarily overpowers our rational thought processes – we have to move from “certainty” to “curiosity”, so that our emotions work for us and not against us.

J P described two kinds of hijacks – anger leading to loss of control, and swallowing our truth. Hostility damages the heart, and the experience of feeling hostile (and holding it in) is equivalent to smoking one pack of cigarettes a day. He gave an example of the kinds of challenges we face in our daily interactions. A child asks its mother, “Mommy, where are all the bastards today?” and the mother, thinking quickly on her feet, replies, “Relax dear, they only come out when your daddy is driving”.

He put forward a number of other valuable suggestions and ideas, including that it is possible to select and hire for optimism, and that the task for many leaders is how to create a “container” of safety for people to step into and speak their truth. Leaders allow “creative dissent” to take place.

He advocated asking the following three questions when we are coping with adversity and difficult situations:

- “Did I give it my all?”;
- “Did I learn something and change my game?”; and
- “Did I quit?”

He ended his keynote speech with the analogy of a bamboo plant.

A bamboo root is planted under the soil and for four years there is no growth above the soil. It is building infrastructure and roots. In the fifth year, in a six-week time frame, this bamboo will grow from zero above the soil to 80 feet tall. This left me with a powerful metaphor for thinking about the field of emotional intelligence and whether or not the bamboo has broken through the soil (in many ways, I think it is still below the soil). Clearly, it has much to do with our personal growth as well.

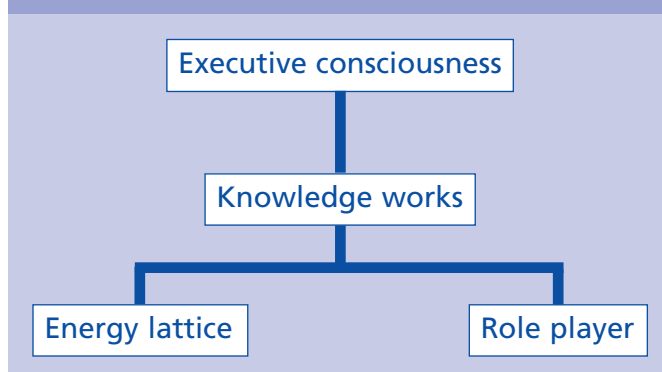
In her concurrent session, **Annabel Jensen** (President, Six Seconds EQ Network) focused on emotional intelligence being an essential ingredient in our lives and providing the energy for change. She highlighted four key elements for effective learning – humour, choice, multisensory and interactive – and modelled the use of all four of these during her excellent presentation. She talked about the “marshmallow” test and the need for children to learn delayed gratification. She mentioned that there are two things we can teach children – distracting skills (eg, count to 10, sing an alphabet song) and also “abstract ideation” (eg, tell yourself that the marshmallow is a fluffy cloud and you cannot eat it). Whatever we want our children to learn, we have to model that skill.

In his presentation, **John Mayer** (co-creator of MSCEIT, the Mayer Salovey Caruso Emotional Intelligence Test) described emotions as “evolved signals about relationships (and hence universal)” and intelligence as “the capacity to carry about abstract reasoning”. Taken together, this means that emotional intelligence involves “the ability to reason effectively with emotions, and the capacity of emotions to enhance thinking”; and the concept is just a part of a broader system called psychology. He described performance measures of emotional intelligence as the gold standard in intelligence research. He used the model shown in box 2 to describe the four major areas of personality.

John Mayer then explained the four-branch model of emotional intelligence created by himself and his colleagues Peter Salovey and

The Heart, Mind and Soul of Business conference

BOX 2: THE MAJOR AREAS OF PERSONALITY



David Caruso. The branches are perceiving emotions, using emotions, understanding emotions and managing emotions. He refuted claims made by others that emotional intelligence can predict 80% of key aspects of performance, such as leadership skills.

He said: "There is no variable in psychology that can predict 80% of life." A Swedish study has shown that a year of schooling can raise IQ by two points and he advocated that knowledge is one way to raise someone's emotional intelligence.

John Mayer is currently working on a major textbook on personality.

Esther M Orioli (CEO, Essi Systems and author of EQ Map) ran a concurrent session entitled "HR EQ: Practical applications of emotional intelligence in negotiation with, attracting and motivating an exceptional workforce". She opened her presentation with an invitation to conference delegates to take responsibility for one's own learning; quoting the respected management writer Peter Drucker who said he would no longer teach people to be bosses:

"Your foremost job as leader is to take charge of your own energy, and then orchestrate the energy of others."

She advocated a focus on values as being the driver of behaviour (rather than competencies). Esther's session focused on five main areas of HR and their concomitant values: negotiation, attraction, retention, motivation and leadership.

During her presentation, she encouraged the participating group to keep a check on their energy and attention levels, and to make a

journal of their personal observations, areas of awareness and judgments as a method of developing a keen authentic presence.

Dr Reuven Bar-On (one of the pioneers of emotional intelligence testing, and the man who coined the term "EQ") focused on the impact of emotional intelligence on leadership and organisational practice in his presentation. He proposed that we need to connect six "dots", or issues, (shown in box 3) to convince others that emotional intelligence is a valuable contributor to organisational productivity.

Dr Reuven Bar-On concluded that the two most important ways to increase organisational productivity from an EI perspective are:

1. Recruit people who possess a close fit with the emotional intelligence model of successful leaders in their organisation; and
2. Train leaders to increase their emotionally intelligent behaviour to more closely fit this emotional intelligence model.

He also suggested a third way to increase productivity by promoting leaders who possess a close fit with the EI model of successful leaders in their organisations (an EI road map to succession planning). However, he concluded that this still has to be supported by research findings.

The author of the present article **Geetu Orme** (Founder and Managing Director of Ei (UK) Limited; www.eiuk.com) shared examples of data and interventions from the education, corporate and research-based applications of emotional intelligence. She distinguished four criteria for high-quality interventions:

- research;
- internal advocates (not just people who know about the topic, but who are also equipped to work with it);
- the business case (not just articulating a bland business case, but making the links explicit between emotional intelligence and top performance); and
- support (from key stakeholders).

Frances Clendenen (Behavioral Health Strategies, LLC) presented in place of Kate Cannon on the topic of "Resilience". She emphasised its relationship to emotional intelligence. While media reports often blandly state that resilience is critical to individual's business

The Heart, Mind and Soul of Business conference

Conference quotes:

Ships are safe in the harbour – but that is not what ships are for.

We meet as saints, but we are sinners. To the degree that we are saints, then we are alone with our sufferings.

During the presentation by J P Pawliw-Fry.

The greatest problem in communication is the illusion that it has been accomplished.

George Bernard Shaw – during the presentation by Anabel Jensen.

Inspiration is when the inner voice speaks louder than the outer voice. Perspiration is when the outer voice speaks louder than the inner voice.

During the presentation by Peter Davidson.

The dichotomy between ability and personality is a false one.

Jack Mayer during his presentation.

Happiness is not the same as alleviating misery. Positive emotion jolts us into a different mode of thought.

Martin Seligman.

He who knows others is wise. He who knows himself is enlightened.

Lao Tzu, quoted in Josh Freedman's session.

If people change, organisations change.

Josh Freedman.

success, few suggest what it takes to be resilient. Her presentation demonstrated that resilient thinking and behaviour is a function of seven underlying emotional competencies:

1. self-actualisation;
2. optimism;
3. flexibility;
4. stress tolerance;
5. emotional self-awareness;
6. self-regard; and
7. problem-solving.

Susan David (from the University of Melbourne, Australia; susan.david@bigpond.com) presented the case for incorporating coaching behaviours and interventions into organisations. She highlighted the likelihood that skilled coaching will increase employee engagement and enhance the effectiveness of their performance.

Coaching is about change, she said, and emotions are central to this change and self-regulation process. However, coaches may be reticent to adopt a focus on emotions because of a lack of confidence in negotiating emotions, or a concern that this focus will not be solution-based.

Susan described how the Mayer-Salovey model of emotional intelligence can be usefully incorporated into coaching contexts. This framework facilitates the exploration and strategic use of emotions, and assists in the pursuit of goals. She has written a chapter on this topic which is being published in a book on evidence-based coaching later in 2003.

Josh Freedman (Director of Programs, Six Seconds) in a session towards the end of the conference focused on change. Drawing on stories from his own teaching life, he helped delegates to focus on how to help someone to change. He described a process he uses in corporate programmes called "Lights, Camera, Action" to create dialogue and data to inform organisational change. He showed us how the three activities of thinking, feeling and acting are all affected. Heart, mind and body are, therefore, three essential elements of helping someone to change. He emphasised the importance of identifying "known needs".

continued on p.48 ➤

The Heart, Mind and Soul of Business conference

3. THE SIX ISSUES INVOLVING IN MAKING THE BUSINESS CASE FOR EMOTIONAL INTELLIGENCE

1	The need to provide a working definition of emotional intelligence.	Emotional intelligence is a cross-section of emotional and social competencies that determine how well we understand and express ourselves, relate with others and cope with daily demands and pressures.
2	The need to provide a reliable measure of emotional intelligence.	The Bar-On EQi (Emotional Quotient Inventory) has 23 years of underpinning research to demonstrate that it is a reliable and valid measure, allowing us to show that EI can be applied in the workplace and elsewhere.
3	The need to prove that emotional intelligence impacts on leadership.	<p>A Centre for Creative Leadership study of 240 leaders has shown that emotional intelligence is highly correlated with leadership ($r = .74$, classification accuracy = 86%). The EI components that distinguish highly effective leaders are:</p> <ul style="list-style-type: none"> ■ social responsibility; ■ empathy; ■ interpersonal relationship; ■ stress tolerance; and ■ problem-solving.
4	The need to demonstrate that we are able to recruit emotionally intelligent leaders.	<p>In two separate studies that clearly identify leaders (officer candidates in the Israeli military and in the Young President's Organisation), the following EI competencies emerged as the strongest, despite the fact that the two groups differed regarding age and ethnicity:</p> <ul style="list-style-type: none"> ■ independence; ■ assertiveness; ■ stress tolerance; ■ optimism; ■ self-actualisation; and ■ problem-solving. <p>A study conducted in the US Air Force Recruiters ($n = 590$) found that the following set of EI competencies best predicts successful recruiters and has been effectively applied:</p> <ul style="list-style-type: none"> ■ assertiveness; ■ social responsibility; ■ interpersonal relationship; ■ happiness; ■ empathy; and ■ problem-solving.
5	The need to demonstrate that we are able to train leaders to become more emotionally intelligent.	Dr Bar-On presented two studies based on Kate Cannon's work showing that it is possible to increase emotional intelligence by training: one from a Swedish construction company and the other with American Express Financial Advisors. People with the lowest EQ made the greatest improvements in their emotional intelligence.
6	The need to prove that emotionally intelligent leaders are able to increase productivity (the organisation's bottom line).	<p>In a UK study conducted at Whitbread in collaboration with Ei (UK) and Dr Bar-On, it was found that restaurants run by managers with high EI demonstrated better team satisfaction ($r = .36$), less employee turnover ($r = .49$), higher guest satisfaction ($r = .50$) and higher annual profit growth ($r = .47$). The bottom-line increase of these restaurants was found to be 34% higher than the average restaurant in the sample. The key EI competencies that contributed the most to productivity in this study are the following:</p> <ul style="list-style-type: none"> ■ social responsibility; ■ interpersonal relationship; ■ emotional self-awareness; ■ reality-testing; and ■ happiness.

The Heart, Mind and Soul of Business conference

The closing keynote address was presented by **Martin Seligman**, author of *Learned optimism* and *Authentic happiness*. This, for me, was the highlight of the whole conference. He spoke about the current state of the psychology profession being “not good enough”, and advocated “positive psychology” – the study of positive emotions. Through his website at www.authentichappiness.com, he has collected data on some 120,000 people around the world; his organisation made a decision to make available all its tests of positive emotions at no charge.

Positive psychology is concerned with strengths as well as weaknesses. It is about building the best things in life, Martin said, as well as repairing the worst; it is about helping to make the lives of people fulfilling, as well as dealing with the problems of disease.

He talked of the three pillars of positive psychology – positive emotions, positive character and positive institutions. He highlighted that the cost of the current negative model of psychology is that we become “victimologists and pathologists”, and that we forget about improving normal lives and developing talent. Positive emotions are not the opposite of negative emotions; positive emotions build three sets of resources: intellectual resources, social resources and physical resources.

Martin Seligman highlighted three different routes to happiness – the pleasant life, the good life and the meaningful life. These are all different, though not exclusive, he told delegates. You can have all three if you are lucky; many have none. A full life (involving all three) is where you know your strengths and you are using them in the service of something you belong to. I left the conference wondering whether the umbrella term of “positive psychology” could provide a more acceptable home for emotional intelligence. I will be following the positive psychology field with interest.

Acknowledgements

The author would like to thank the speakers for verifying the key points that are transcribed in this article: Dr Reuven Bar-On, Esther Orioli, J P Pawliw-Fry, Susan David, Josh Freedman, Dr Paul McGhee, Martin Seligman and Frances Clendenen.

The author would also like to thank Brian Ross for taking notes electronically during the conference and making these available immediately after the conference, and Carina Fiedeldey-Van Dijk for commenting on the draft.

● GEETU ORME IS FOUNDER AND MANAGING DIRECTOR OF EI (UK) LIMITED, A CENTRE FOR EXCELLENCE IN EMOTIONAL INTELLIGENCE. SHE CAN BE CONTACTED ON +44 (0)1525 840090; EMAIL: geetu@eiuk.com.