

Hiring Executives with Emotional Intelligence and Technical Competence

Steve Straus, Ph.D.

Heather Lee, Ph.D., SPHR

ICMA Conference Presenters



Session Objectives

- To understand why emotional intelligence (EI) is crucial in hiring executives in addition to technical skills
- To critique methods for hiring executives
- To demonstrate how to infuse emotional intelligence and technical competencies into executive hiring practices (Charlotte case study)



Costs of a *BAD* Executive hire





Cost of a Bad Hire

- Up to **5 times** annual salary and benefits
- Loss of productivity
- Cost of errors
- Lots of hours spent administratively to deal with issues
- Negatively impacts colleague morale



Underperforming Employee

- Think of an employee about whom you have performance concerns.
- What behaviors are they engaging in that are problematic?



Why should measuring EI skills be included in your hiring process?



Principle 1

The two most widely researched, validated and accepted competencies for manager positions are **technical and leadership**. Emotional intelligence is a key aspect of effective leadership and in the application of many technical competencies.



What is emotional intelligence?

- “A set of emotional and social skills that influence the way we perceive and express ourselves, develop and maintain social relationships, cope with challenges and use emotional information in an effective and meaningful way.”
- It’s the difference between book smarts and street smarts.

The EQ Edge by Steven Stein and Howard Book, 2011, p. 13



Bottom line...

IQ alone doesn't explain success

The relationship between EI and performance has ranged up to .48 attributable to emotional intelligence with an average of .30!



Sources: Hunter and Hunter, 1984;
Stein and Book, 2010



Stars vs. average performers

STARS performed better on

- 4 EI Skills,
- 0 IQ and,
- 0 technical skills compared with **AVERAGE** performers

Source: Spencer & Spencer, 1993

RETURN ON INVESTMENT AND EI

UNITED STATES AIR FORCE

- Over 50% of recruiters turned over within a year
- Most successful recruiters identified by EI characteristics
- USAF saves 3 million annually using EI tool to select recruiters!

DEBT COLLECTION

- Debt collectors with high EI collected 100% of quota; those with average EI collected 47%

TEACHING

- High school teachers fail if they **lack flexibility**
- Elementary teachers fail if they **lack impulse control**

The EQ-i^{2.0} model



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Thinking Critically about Current Methods



Typical Hiring Methods

- Over focus on technical, knowledge or IQ related skills (e.g. verbal and quantitative)
- Do not systematically measure emotional intelligence skills
- Over rely on interviews in an effort to measure **ALL** skills
- Do not use multiple methods to measure the same skills in different situations

Traditional Hiring Tools ... Necessary but **not** Sufficient

Traditional methods:

- Applications, resumes, interviews, and reference checks

What traditional methods can tell us with confidence:

- Credentials, experience, knowledge, judgment, oral communication



Principle 2

Competencies must be observed **directly** to know with confidence that they exist

Because of a lack of direct observation, traditional methods don't measure:

- Emotional intelligence skills
- Writing skills
- Presentation skills
- Conflict resolution skills
- Team-work, multi-tasking, and much more!

Principle 3

Interviews are one method for assessing competencies. **No *one* method** assesses ***all*** competencies for a managerial position



Facts about best practice interview accuracy

Best practices include

- Driven by job analysis
- Open-ended and behavioral with relevant follow-ups as necessary
- Answer key with desired behaviors
- Trained evaluators



What is your best guess? Out of 100%, how well will “best practice” interviews accurately predict job performance?



Better than 50-50?

- Are you willing to settle for only a 50-50 shot at hiring the right people?
- The typical method of hiring is no better than flipping a coin.





Principle 4

Combining independent methods focusing on direct observation of candidate competencies increases the odds of hiring success **to greater than chance** and increases your **return on investment**.

Why should measuring EI skills be included in your hiring process?





Principle 5

All competencies have two levels,
knowledge and skill.



Principle 6

The vast majority of leadership competencies require emotional intelligence.

Sample Managerial Competencies

Category	Examples
Technical	<ul style="list-style-type: none">• Financial analysis, computer/ technological applications, media relations, strategic planning
Managerial and Leadership	<ul style="list-style-type: none">• Managing staff performance, making presentations, meeting facilitation, emotional intelligence (e.g. Self Regard, Assertiveness, Interpersonal Relations, Flexibility, Problem Solving)
Character and Fit	<ul style="list-style-type: none">• Commitment of candidate to working long term and in community, Integrity, Acceptable working conditions, Why is position desired?

EI Competencies of top public servants

- Optimism
- Self-Actualization
- Self-Regard
- Independence
- Assertiveness



EI Competencies of Top Senior Managers

- Self-Regard
- Happiness
- Interpersonal Relationships
- Reality Testing
- Self-Actualization



Developing a systematic process for assessing candidates



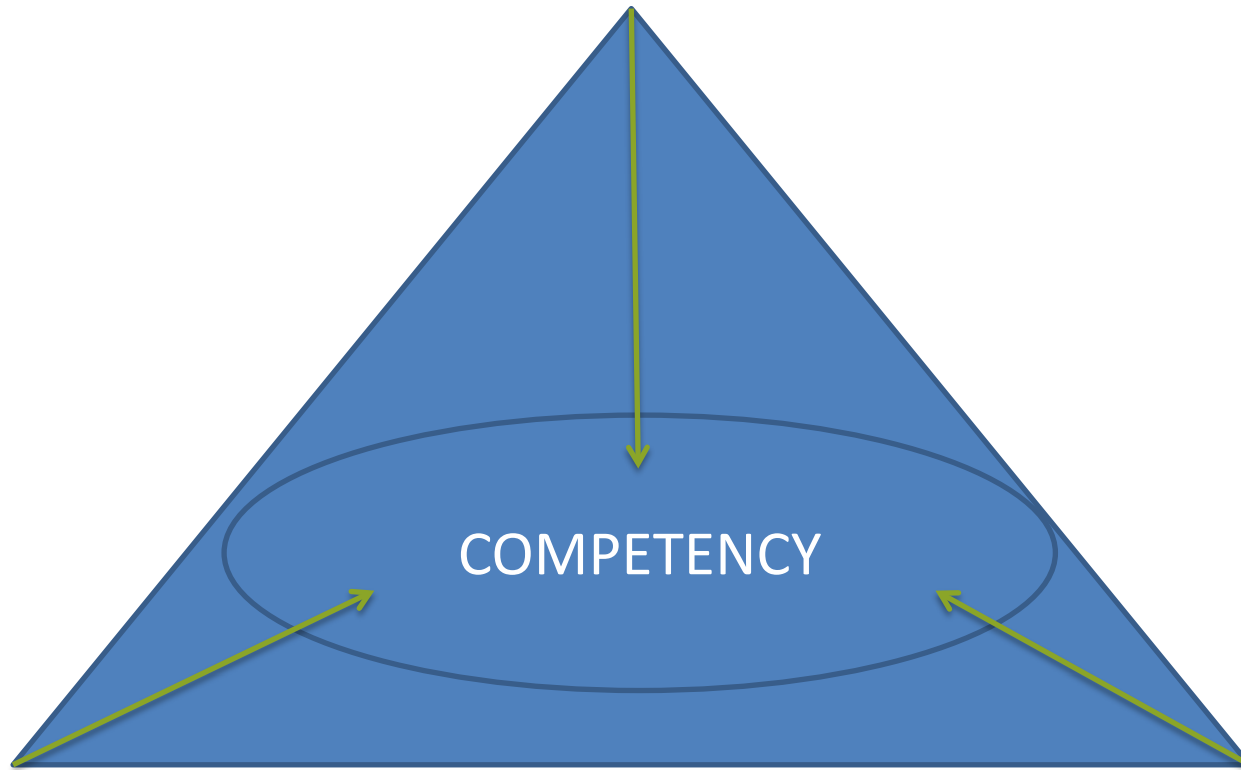


Elements of an systematic hiring process

- Job Analysis
- Multiple Screening Methods with **rubrics or answer keys**
- Multiple Direct Assessment Methods
 - EI Infused Interview (structured, behavioral)
 - Supervisory role play, Meeting facilitation, Budget presentation to board, Writing exercise
- Psychological Assessment if Valid and Job Related

A Model of Direct Assessment Methods

Behavioral Assessment Exercises



Behavioral Interview

Emotional Intelligence

Direct Assessment Methods

- Why simulations?
 - How to add simulations to interviews
- Why assessment centers?
 - Use of internal vs external assessors



Psychological Assessments

- Principles of using psychological assessments in hiring
 - Job Related
 - Valid for Selection
- Do's and Don'ts
 - Avoid Adverse Impact
 - Protect the results
 - Be aware of your State's public records laws about assessments and results



Principle 7

Multiple, independent methods analyzing the same competencies improve reliability and confidence that the results are accurate.

A Case Study of Charlotte, North Carolina





City of Charlotte*

Systematic Executive Hiring

- Competency Based
 - Job Analysis
 - Behavioral Dimensions
- Assessment Center
 - Dimensions Measured Multiple Times
- Measuring Emotional Intelligence
 - Infused in Assessment Center
 - Psychological Assessment

* With permission of City of Charlotte, City Manager Ron Carlee



Competency Based

- Example Assistant Manager Dimensions
 - Interpersonal sensitivity*
 - Asks open-ended questions
 - Provides solutions only after asking others
 - Written Communication
 - No spelling, grammar errors
 - Extra-organizational relationships*
 - Uses multiple methods to assess stakeholder expectations

*EI Infused



Assessment Center

- Example Assistant Manager Exercises
 - Coaching Role Play
 - Budget Presentation
 - Written Evaluation of a Problem
 - Mock Press Conference
- Dimensions measured multiple times across exercises

Measuring emotional intelligence

- Ways to measure
 - Infusion into assessment center
 - Psychological assessment
 - EQi-2.0





Summary of Principles

1. Measure Key Managerial competencies: **technical and leadership**.
2. Competencies must be observed **directly** to know with confidence that they exist
3. Interviews are one method for assessing competencies. **No one method** assesses *all* competencies for a managerial position
5. All competencies have two levels, **knowledge and skill**.
6. The **vast majority** of leadership competencies require emotional intelligence.
7. **Multiple, independent methods** providing similar results improve reliability and confidence that the results are accurate.

100 Years of Hiring

In 1914, the hiring processes were driven by interviews. In 2014, it is time for another paradigm shift.



Charlotte, Tryon Street Circa 1914

100 Years of Hiring



Charlotte, Skyline, Circa 2014

Charlotte and other local governments are now changing their paradigm.

Questions/Comments?



Presenter Contact Information

Steve Straus, PhD

skstraus@developmentalassociates.com

Heather Lee, PhD, SPHR

hlee@developmentalassociates.com





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