

# The Growing Importance of Emotional Intelligence in Business

These days it is borderline impossible to spend a day in the business world without hearing the phrase “emotional intelligence”, its abbreviation “EI” or the closely related term “EQ” (emotional quotient, similar to intelligence quotient colloquially known as IQ). While the concept of emotional intelligence is becoming increasingly prevalent throughout the globe, its measurement, meaning and a lot more is still up for debate.

The term itself has been around for a few decades already, while the analogous concept of “social intelligence” [was first dubbed by the American psychologist Edward Thorndike](#) of Columbia University as early as the 1930s. Over time the interest toward human psychology, social and emotional needs as well as the human brain increased dramatically, in part due to the technological advancements that made it possible to study humans on a granular level never seen before. So, by the 1990s, especially after psychologist Daniel Goleman’s book “Emotional Intelligence: Why It Can Matter More Than IQ” had astounding success worldwide, [staying on the bestsellers’ list for more than a year and a half](#), emotional intelligence had become a mainstream idea in psychology as well as business.

The general consensus on what emotional intelligence is comprised of [is the following list of core competencies](#): self-awareness, self-management, social awareness and relationship management, although variations and slightly different approaches to the dissection exist. Essentially, emotional intelligence is the ability to understand and manage the emotions of both oneself and those around one. For those interested in measuring their emotional quotient or EQ, which is a widely used indicator of emotional intelligence, various tests and instruments exist, ranging from simple multiple-choice quizzes to comprehensive 360° evaluations, which include

qualitative feedback from the test-taker's boss, colleagues, employees, customers and even family-members.

The existence of tests and other ways to measure EQ is an indication of the possibility to increase it. After all, there would be no point in knowing your EQ if there is nothing you can do about it. So, the perpetual debate of nature vs. nurture finds another application in this context as well, with opposing camps of researchers and scientists trying to prove that EQ is either God-given or a learned skill. As it is almost always the case with such debates, the truth probably lies somewhere in the middle. While genetics plays a role in setting one's limitations on EQ, similar to how it affects everything else from one's height to one's probability of becoming a professional violinist, a person's life experiences and actions also affect the aforementioned phenomena, including the person's EQ. There is a myriad of research and materials on the topic, with concrete guidelines, tutorials and training programs on how to be more emotionally intelligent, not least in Daniel Goleman's aforementioned book. And yet the question to ask here is this: why does EQ matter?

On a personal level, having a high EQ results in increased quality of life and better personal relationships specifically. It affects both mental and physical health, seeing as people with lower EQ are more prone to constant stress, which is a big contributing factor to faster aging, higher likelihood of a heart attack, [as well as mental conditions such as anxiety and depression](#). In the cynical world of business, though, apart from all the personal benefits it provides, EQ is viewed as a distinct capability of great leaders, a sort of differential trait that sets them apart. [An article from Forbes journal](#) lists Martin Luther King Jr. and Winston Churchill among others as some of the most influential people in history that possessed high emotional intelligence. High EQ is highly correlated to success at work and as such, has become an even more valued characteristic than the

IQ for corporations and hiring managers in particular. Another contributing factor to the growing importance of emotional intelligence is the increased diversity in working environments, with people from different cultures and backgrounds working together more and more frequently, thus making it imperative for companies to have managers that possess the skills and capabilities to manage such diverse teams.

Companies are also looking for high EQ among lower-level employees, not only managing positions, since such candidates are much more likely to be able to [perform well under pressure](#), [take constructive criticism well](#) and manage the team in case such need arises.

Throughout human history work has constantly been transformed in a cyclical manner that has made certain skills and capabilities more desirable than others before casting them into oblivion. Technological progress has made certain jobs and tasks rise to the pinnacle of the business world, only to then leave those behind in favor of new ones. Highly demanded and well-paid technical skills have become routine and ordinary every time technology has revolutionized the workplace, becoming available to larger and larger swaths of the population. Soft skills, however, such as the ability to manage and control one's own emotions or those of others have always been and will probably stay relevant for centuries, especially since artificial intelligence takes over even more mundane and ordinary tasks.

Even if you do not have a leadership position in mind, high EQ is still a differential in the ever-changing and evolving world. If you do, then all the knowledge and experience for the job are merely entry-level requirements, while your EQ is the component that might prove detrimental in both your achievement of the position and the degree of your success in it.