



## *DEFINING PERFORMANCE QUOTIENT (PQ)*

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Have you ever stood and wondered how someone whom you knew quite well, one of those guys who was not so *smart*, had climbed up the corporate ladder and turned out to be a successful CEO's or a top rung manager in one of the leading organizations?



This is one thing all of us go through, atleast at one time or the other in life (well, some us who have our nose turned up would have to go through it more often). Why do you think that we are faced with seeming contradiction (i.e. if any)? The reason is that, we were (and are) using academic performance (remember the key word was *smart*) and extrapolating that to determine ones potential capability to succeed in the job. Prima-facie this does not seem to be

wrong. And infact, even if someone were to tell you that this was wrong, we would not stop doing so for the simple reason that our paradigm to determine whether a person is capable or not is very strongly based on his/her *intelligence*. The, problem comes actually from this word namely intelligence.

Now what is intelligence and what are the elements based on which it can be determined. This question has plagued educational, industrial and other psychologists, apart from ordinary mortals like you and me, for a long time. The concept of IQ tests, which were to lay the foundation of measurement of intelligence, dates back to the First World War (WWI) when there was a need to quickly recruit large numbers. So the first IQ tests which were administered had portions which determined a person's lingual (verbal), numeric and analytical capabilities. In fact most of the exams conducted by Educational Testing



Services (ETS), the world pioneer in educational testing is based on this. It is not very difficult to hazard a guess as to why these kinds of tests are administered and their outputs used for admission and other purposes; in the absence of any other (uniform) data this could be the best indicator. Fair enough; even though numerous studies have pointed out to the absence of any correlation between the standardized score and the performance of the student. So, at one level, it may be argued that the so called standardized tests do not have a predictable element about the performance of the student, either in school or else where in life. Now what about grades (marks) in the subjects in which a pupil studies, at least this must be some indication of his/her potential? Alas even this fails to be a proper indicator of the success of the person in the job! In a research project that was done in Harvard (the Mecca of intellectualism), 95 students from the class of 1940 were followed into their

middle age. It was found that most of them did not do better than peers graduating from lesser-known schools with lower grade point averages (Indian parlance: Percentage). In the best cases, they were performing just as well as their peers. (This is a research finding of George Valliant, as cited in "*Adaptation to Life*," Pub. Little Brown, 1977.)

If neither the standardized test (a supposed measurement of IQ) nor grades



are indicators then what does one look for to make a

guess about the success or other wise of a person? Howard Gardner, who is considered to be the father of multiple intelligence, has said that about 20% of the prediction of ones success in life can be made from the IQ score and grade point averages. That would leave (a frightening) 80% to other factors. One of



these factors, it is now widely argued is Emotional Intelligence (EI) or the Emotional Quotient (EQ). Initially propounded by Peter Salovey and developed by Robert Sernberg, (both at Yale), this concept of EQ was later popularized by Daniel Goleman in his best selling book, *“Emotional Intelligence: Why it can matter more than IQ”*. Before we discuss this issue any further it is important to understand what emotional intelligence is all about. Emotional Intelligence (EI) is defined as the ability to understand ones own emotions, the feelings and emotions in others and finally the ability to act based on this information. A person is said to have high emotional skills when he/she can

- Identify, label and express feelings in a manner which is consonant with the situation
- Delay gratification
- Control impulses
- Reduce stress

Let us look at each one of these factors. A person who can control impulse or the desire to react based on situational sensory information (to put in brain theorist's terminology – some one who does not suffer from an amygdala hijack), is also some one who can wait for sense gratification. Because an immediate gratification would require that you have to react to the sensory information. Which leads us to the fact that this would only happen when someone is in total control of the emotions or feelings that he or she experiences. Extending the logic, the person would also be total sensitized to feelings in others. Though the literature in Emotional Intelligence tells us that this or these qualities are not to be confused with being nice or goody, the one (all encompassing) term(s) for a person like this (in lay man's terminology) would





include understanding, compassionate and balanced/composed. Now coming to our topic of discussion, how many times have you seen that these *nice* people in the organizations have not done well in climbing up the organizational ladder? They are, what may be called as the emotional cousins of the IQ flops. But unlike the IQ flops, the EQ flops usually may turn out to perform slightly better i.e. in terms of growth in the organizational hierarchy, for reasons which we shall see later.



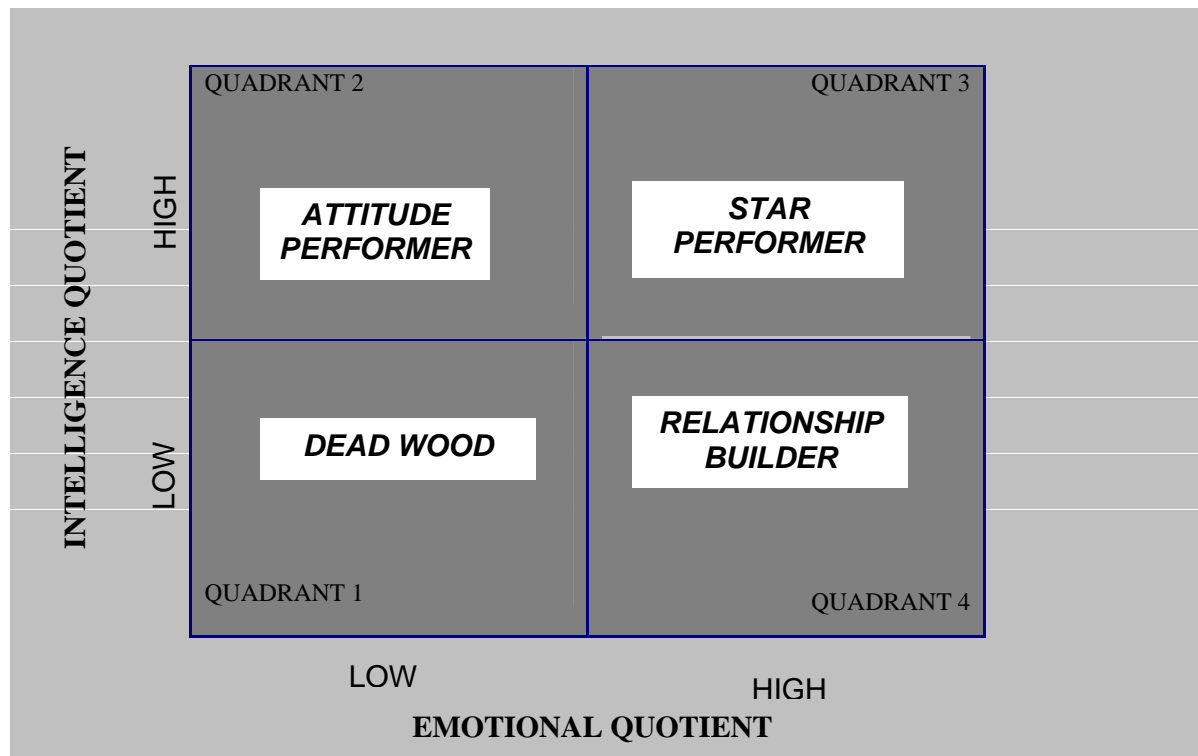
So the secret for performance seems to lie somewhere between the two ends of the spectrum, defined at each end by IQ and EQ, though it has to be pointed out

that these are not mutually exclusive. A two-by-two matrix of IQ and EQ (with each sector having high and low values on the x and y axes) is given in figure below (*Fig 1*). Based on these two parameters, people would fall in one of the four quadrants. In quadrant one, we would have people who are not known for either their intellect or for their emotional intelligence, these would be the ones which organizations identify as **dead wood**. These people would tend to use other means to justify their existence in the organization, and the sooner the organization deals with them, the better it would be both for the individual and also the organization. In the next quadrant we have those who are high on IQ and low on EQ. This category of people produces results, even though it may mean stepping over others, or caring a damn for the team dynamics. These can be classified into **attitude performers** - performers with an attitude problem. The number of such people and how an

organization deals with them will strongly be related to the age of the organization (on the organization life-cycle curve) and also the sector in which it operates. Technology intensive organizations, such as software may have more of these while

stable older organizations may have fewer. Though behavioral training inputs, may aid in mitigating some of the failings in the behavioral pattern, a strong leadership which demonstrates positive behavioral attitudes, would go a long way.

Fig 1 :



The third quadrant consists of those who are known for their EQ, but are not known for their intelligence; these groups of people may be classified as **relationship builders**. It is these people who we were

referring to in the beginning of the article. They are the ones who *could* go up the ladder in an organization, despite what may seem as an apparent lack of high intellectual capabilities. The reason for



this could be that a person with higher IQ and lower emotional intelligence may put off people faster as compared to one who has higher EQ and lower IQ. These are not to be confused with the one-nine type of the managerial grid, since these people are adept at not only maintaining relationships within but also outside the organization.

The final quadrant consists of the **star performers** who are high both on IQ and EQ. Needless to say these are the real long term performers or the star performers for the organization. If organizations have to be sustained winners then it becomes imperative that they actively identify and recruit people who fall in this quadrant.

Though validated instruments have been developed for measurement of IQ, there aren't that many tests that can be done to

ascertain the Emotional Intelligence of a person. This, at least till date seems to be only an observable quality/trait. So, if a performance quotient (PQ) has to be defined, it may be stated to be the sum of the intelligence quotient and the emotional quotient (EQ), i.e.

$$\text{Performance Quotient (PQ)} = \text{Emotional Quotient (EQ)} + \text{Intelligence Quotient (IQ)}$$

Obviously we have presupposed that the only two parameters for performance are IQ and EQ, which may be an oversimplification for finding provability of success or good performance. But then like Peter Drucker said, in one of his more philosophical moods, "there is no formula for success (performance)"; which has been echoed by other management thinkers working in the area of IQ and EQ, such as Richard Gardner.



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