

## IQ vs EQ LEADERSHIP

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IQ	EQ
Confronts threats head-on	Tries to avoid confrontation
More effective in times of calm	More effective during times of stress
Intolerant of Failure	Uses more gut feelings
Avoids taking new risks	Forgives and learns from failure
Prone to short-term thinking	Prone to long range thinking
Quick to formulate strategy & implementation	Spends more time defining problems
Sees more & more layers to a problem	Know when to wait and when to act
Technical know how	Motivational
Expert in technology of specialty	Self-aware/reflective
Architect of Systems, Styles & Patterns	Socially aware
Critical thinker	Empathetic

In his 1996 book, *Emotional Intelligence*, author Daniel Goleman suggested that EQ (or emotional intelligence quotient) might actually be more important than IQ. Why? Some psychologists believe that standard measures of intelligence (i.e. IQ scores) are too narrow and do not encompass the full range of human intelligence. Instead, they suggest, the ability to understand and express emotions can play an equal if not even more important role in how people fare in life.

### What's the Difference Between IQ and EQ?

Let's start by defining the two terms in order to understand what they mean and how they differ. IQ, or intelligence quotient, is a number derived from a standardized intelligence test. On the original IQ tests, scores were calculated by dividing the individual's mental age by his or her chronological age and then multiplying that number by 100. So a child with a mental age of 15 and a chronological age of 10 would have an IQ of 150. Today, scores on most IQ tests are calculated by comparing the test taker's score to the scores of other people in the same age group.

EQ, on the other hand, is a measure of a person's level of emotional intelligence. This refers to a person's ability to perceive, control, evaluate, and express emotions. Researchers such as John Mayer and Peter Salovey as well as writers like Daniel Goleman have helped shine a light on emotional intelligence, making it a hot topic in areas ranging from business management to education.

Since the 1990s, emotional intelligence has made the journey from a semi-obscure concept found in academic journals to a popularly recognized term. Today, you can buy toys that claim to help boost a child's emotional intelligence or enroll your kids in social and emotional learning (SEL) programs designed to teach emotional intelligence skills. In some schools in the United States, social and emotional learning is even a curriculum requirement.

### **EQ/IQ PET PEEVE PRIMER**

**FACTOID #1** - skilled staff, equipment, and instruments are “sunk costs” – they make you NO MONEY when they are idle.

**FACTOID #2** – I have clients who accepted appropriate pricing (staff does the dental hygiene prophylaxis) as a way to increase dental caseload.

**FACTOID #3** – DG1+ has NO gingival detachment and just some molar plaque, DG2+ has up to 25% gingival detachment and some incisor and molar plaque (X-rays start at DG2+ for flat rate of \$60, which causes about 35% of the DG2+ to become oral surgery cases, DG3+ and DG4+ (any tartar or calculus is graded at 3+ minimum until X-rays can be taken). DG3+ and DG4+ are doctor oral surgery time, and can easily run over \$800 cost to client.

**FACTOID #4** – Quality dental care was the standard, Risk Level 1 - DG1+ example: PA lab (VIN basic is PCV, TP, BUN ~ cost \$7.50), pre-emptive pain management (methadone/morphine cost ~ \$1.50), IV TKO (slow isotonic drip, with extension set between giving set and patient, cost ~ \$7.50), Alfaxin induction (cost ~ \$7.50), isoflurane (30 min cost ~ \$3.50), expendables (cost ~ \$0.50), and if we started doing over 8-a-day, additional nurse (cost ~ \$10.50/30 min). Total direct cost to practice ~ \$38.50 for 20 minute procedure.

**FACTOID #5** – staff pride increases – clients perceive pride as quality – quality provides peace of mind – peace of mind enhances client adherence to “needs”

**FACTOID #6** – if priced like food, resale at \$52 – (too low), priced like drugs, resale at \$77 – (too low), priced at appropriate level for staff delivered service (about 4.5 times mark-up, ~ \$175). DG2+ takes about twice the time, so the direct cost increases to ~\$63, making resale about \$285 (door to door).

**FACTOID #7** – clients are brought back in ~ 5-7 days for dental nutrition and dental hygiene discussion with discharge nurse. This is when it is explained that the 5-6 month recheck should catch the dental condition earlier and keep the cost down.

**REALITY** – the above is an EQ logic sequence targeting client perceptions, and in most all cases, increased the dental hygiene cases (DG1+ and DG2+), with higher return rates in 6 months for recheck by discharge nurse.

**IQ ONSET**- after a year or two, and a successful dental hygiene program, some practices start to price creep (IQ logic), adding sub-categories to the master invoice, which breaks the social contract, and drives clients to other practices.

### **So Which One Is More Important?**

The above example gives you some idea, and in many cases, veterinary school logic prevailed (‘A’ students will end up working for the ‘C’ students after graduation since “A” students have very little client rapport capability). From an academic point of view, IQ has been viewed as the primary determinant of success. People with high IQs were assumed to be destined for a life of accomplishment and achievement and researchers debated whether intelligence was the product of genes or the environment (the old nature versus nurture debate). However, some critics began to realize that not only was high intelligence no guarantee for success in life, it was also perhaps too narrow a concept to fully encompass the wide range of human abilities and knowledge.

IQ is still recognized as an important element of success, particularly when it comes to academic achievement. People with high IQs typically do well in school, often earn more money, and tend to be healthier in general. But today experts recognize it is not the only determinant of life success. Instead, it is part of a complex array of influences that includes emotional intelligence among other things.

The concept of emotional intelligence has had a strong impact in a number of areas, including the business world. Many companies now mandate emotional intelligence training and utilize EQ tests as part of the hiring process. Research has found that individuals with strong leadership potential also tend to be more emotionally intelligent, suggesting that a high EQ is an important quality for business leaders and managers to have.

So you might be wondering, if emotional intelligence is so important, can it be taught or strengthened? According to one meta-analysis that looked at the results of social and emotional learning programs, the answer to that question is an unequivocal yes. The study found that approximately 50 percent of kids enrolled in SEL programs had better achievement scores and almost 40 percent showed improved grade-point-averages. These programs were also linked to lowered suspension rates, increased school attendance, and reduced disciplinary problems.

### **Observations**

- "...a national insurance company found that sales agents who were weak in emotional competencies such as self-confidence, initiative, and empathy sold policies with an average premium of \$54,000. Not bad, right? Well, compared to agents who scored high in a majority of emotional competencies, they sold policies worth an average of \$114,000."(Cooper, 2013)
- Research carried out by the Carnegie Institute of Technology shows that 85 percent of your financial success is due to skills in "human engineering," your personality and ability to communicate, negotiate, and lead. Shockingly, only 15 percent is due to technical knowledge. Additionally, Nobel Prize winning Israeli-American psychologist, Daniel Kahneman, found that people would rather do business with a person they like and trust rather than someone they don't, even if the likeable person is offering a lower quality product or service at a higher price." (Jensen, 2012)
- "IQ alone is not enough; EQ also matters. In fact, psychologists generally agree that among the ingredients for success, IQ counts for roughly 10% (at best 25%); the rest depends on everything else—including EQ." (Bressert, 2007)

### **So what does it mean in a veterinary practice?**

If you refer to the table above, you can see characteristics/traits of a successful leader on BOTH SIDES of the equation. The challenge is we select veterinary students based on IQ, and the years of school work hard at eliminating any EQ traits. EQ is client

relations, EQ is staff empowerment, EQ is charisma! The journals are filled with IQ data points, as are our Association conferences and webinars. Contemplate this, what is more IQ than a webinar where you cannot read body language? Our downward spiral into IQ nirvana is becoming a slippery slope.

The charismatic veterinary leader makes mistakes and learns from them. Yet in veterinary schools, we increase the fear in students by 25% based on an intimidation culture which has been present for eons. The fear of failure is ingrained in students before graduation, so learning from mistakes is NOT a cultural expectation in this profession. That makes incremental change scary but required. It also makes safe harborage for mundane factors like comparing Gross Turnover, the Average Client Transaction or expense percentages, three factors that have an UNKNOWN NET INCOME influence.

What would happen if a practice would compare lost clients to new clients each quarter? Where would the operational focus be shifted? An easier factor would be pharmacy income compared to pharmacy expense each month; yet most Australian practices still look at 'Cost of Goods Sold', which disguises line item comparisons such as pharmacy net income. Why would any logical person combine surgical supplies (zero mark-up), with nutritional supplies (30-35% mark-up), with pharmacy resale (~2x mark-up), with laboratory (50-100% mark-up), with DR Imaging (almost pure net), and consider it a rational comparison factor?

What would happen if a practice would compare dental cases booked to total patients seen during the month (dental specialists tell us 85% of adult animals have some dental need)? What would happen if a practice would compare nutritional referrals to veterinary nurses to number of patients seen (surveys show us that about 50% of adult animals have some prescription diet need)? All DG2+ mouths deserve dental X-rays, yet there are still veterinary practices without dental X-ray, or if they have one, are using it by exception. POINT – if the DR dental X-ray series is about \$55-\$60, regardless of number of images taken, and assuming they are taken by staff members, about 30-40% will become Oral Surgery (DG3+ and/or DG4+) . . . the secret is to keep the entry level dental care (DG1+ and DG2+) reasonably priced (i.e., appropriate pricing for staff delivered care).

Sure, our practice management software cannot give us this data easily. But why not? The basic business formula is "Income – Expense = Profit", yet our veterinary software vendors say "sorry, can't do that", and we accept it. Why do we accept mediocrity?

Almost every practice owner and manager can give you the average expense % for common categories, but very few know the offsetting income center and/or expected profit margin for that line item. Think about it – Average is the best of the worst, or the worst of the best – it is the number in the middle – it is mediocrity.

This mediocrity continues into staff empowerment. Sure, most of us have seen dentists working with a 10-16 column per dentist appointment log, to allow for hygienist and whitening appointments. We have seen our physicians operating with medical assistants and nurses, with multi-consult rooms per physicians. And this year, the

American Animal Hospital Association (AAHA) has declared 2014 to be the year for “team-based healthcare delivery”, yet I published the 500 page text with this title in 2008 and placed it in the VIN Library for free download.

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So, EQ is often right and IQ is often right. The reality is that the mix is needed. There are volumes now being written about mindfulness and happiness. These factors appear pro-EQ and contrary to IQ, but in the real world, it is all about team harmony and self-actualization (thank you Abe – Maslow that is).

You would think those with a high IQ would be looking for a savvy veterinary-specific consultant to facilitate their migration from yesterday to tomorrow, but it is the short-term thinking aspect of those with high IQs that often derails that engagement. I just came out of a practice that was floundering and stressed a year ago, yet after a year of consulting, they had harmony, liquidity and a 54% practice growth. Sure, that is an exception, but it is possible (e.g., 11 to 38% is the usual range of growth when the team is committed and the leader is willing to change)!