

Executive intelligence...

Portfolio
... because everyone's different...



How important is “executive intelligence” for leaders?

(Harvard Business School Working Knowledge)

The impact of one individual on the performance of an organization has long been debated, and the debate has focused most recently on the controversy over compensation for CEOs. Jeffrey Pfeffer and Robert Sutton cite studies that maintain that no more than 10 percent of the performance of an organization can be attributed to its leader as opposed to other forces. Some might argue that that's a lot. There is also debate about the most important traits of leadership. Some recent studies continue to examine the personality and style attributes of effective leaders. Others are giving more emphasis to certain forms of intelligence.

Jim Collins concluded in his classic study, *Good to Great*, that among the most important attributes of leaders, people who John Kotter maintains achieve "extremely useful change," was the right mix of humility and a drive for success.

In his book, *Executive Intelligence*, Justin Menkes proposes another set of hypotheses, among them that too much emphasis has been given to personality and style and too little to types of intelligence that enhance leadership performance. He argues that "when it comes to predicting work performance, cognitive-ability tests have been demonstrated to be approximately ten times as powerful as personality assessments. . . . Personality is not a differentiator of star talent. It is an individual's facility for clear thinking or intelligence that largely determines their leadership success." Menkes places his bets on an individual's "executive intelligence," the ability to digest, often with the help of others, large amounts of information in order to form important decisions that produce useful action with the right amount of deliberation".

These sets of views complement one another. But just how much effort do we place on assessing "executive intelligence" as opposed to personality and style in selecting and training those we hope will lead at all levels of organizations?

Menkes claims that executive intelligence, as opposed to knowledge (which is more a matter of experience), can be developed through repeated solving of new, unfamiliar problems using information, both relevant and irrelevant, provided for the purpose. K. Anders Ericsson, in the recently published *Cambridge Handbook of Expertise and Expert Performance*, has concluded in addition that the most effective ways of developing this kind of capability involve constant exposure to specific goal setting and immediate feedback.

Justin Menkes, author of the book *Executive Intelligence*, appears to have tapped into a hot issue with his concern that what he terms "executive intelligence" is **“underrated, under-measured, and under-experienced in the selection and development of leaders.”**

Comment on Menkes’ view of executive intelligence – and questions arising!

"... I find that the core of the issue remains the definition of executive intelligence ... Executive intelligence is less about number-crunching power or one's grasp of advanced concepts, and more about evaluating situations and taking appropriate action."

"Executive intelligence seems to be the sum of the parts—emotional intelligence, IQ, personality, values, and experience ... A demonstration of executive intelligence must lie in the demonstrable ability to act and execute."

"Once defined, how do we measure executive intelligence? Once measured, how do we assess its impact or usefulness?" And, we might add, how do we incorporate it into our everyday assessment of potential or actual leadership talent?"





"Executive intelligence will only guarantee a sound processing of information that produces decisions ... Execution is the basic ingredient that makes a great leader."

"Executive intelligence, particularly as Mr. Menkes defines it, is, I believe, the most important component for long-term leadership effectiveness ... Three words that best describe effective people in any organization: smart and happy. Both the order and the conjunction are important . . ."

"The concept of executive intelligence is a very useful measure of success ... When it comes to meeting earnings and Street expectations I'll take the manager with his nose deep in a book any day."

"The most effective executives have a unique balance of good leadership skills (adaptable personality and style) and the ability to think about issues from a systems-oriented, conceptual perspective ... It's not one or the other."

The issue of recognising the trait arose as well.

"The reality is that people ... are so busy that they usually fail to examine and see how 'executive intelligent' a leader is . . ."

"The problem is that we are not generally well equipped to evaluate and identify the difference between executive intelligence and personal style. Spotting the fraudsters ... is an issue . . ."

This prompts the questions:

Has executive intelligence been well-enough defined?

How can an organization, beginning with its board of directors, insure that EI is being factored into the selection and development of leaders?

What implications does this have for business school curricula?



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