Relational Intelligence®
Why it is more important for leaders to have high RQs than high IQs

By Richard C. Huseman, Ph.D.

You know about IQ (how smart you are). You have probably heard of EQ (your emotional/social intelligence). But, have you heard of RQ (Relational Intelligence®)? Relational Intelligence® is the measure of how smart you are in your relationships: at work, at home and everywhere in between.

SOCIOECONOMIC DEVELOPMENT & RELATIONAL INTELLIGENCE®
Human socioeconomic development can be divided into four broad categories:

- **The Hunting & Gathering Age** (economy based on self subsistence)
- **The Agricultural Age** (economy based on agriculture)
- **The Industrial Age** (economy based on manufacturing and mass production)
- **The Information Age** (economy based on knowledge and technology)

It is the Information Age that continues to drive our current socioeconomic framework. We develop, nurture, reward, and celebrate the knowledge worker, but we are in the middle of a shift. We are now moving out of the Information Age. While knowledge and technology will continue to be key factors in our success, we can no longer exclusively rely on knowledge and technology as sustainable competitive advantages. There are several factors impacting this shift.

- Recent studies show that IQ accounts for only 4% to 10% of career success.
- In a study based on a national databank of 60,000 business executives, *having high levels of intelligence was found to play no significant role in determining a leader’s effectiveness on the job.*
- Many knowledge jobs that once assured comfortable and secure livelihoods are being outsourced to other countries, most notably India, China and Eastern Europe.
- Technology is significantly impacting the amount and type of knowledge individuals can leverage. Today, anyone with a computer can access information on nearly any topic in mere seconds via the internet.

**THE EMERGENCE OF THE RELATIONAL AGE**
As the preeminence of the Information Age declines, we find ourselves entering the Relational Age (economy based on relationships). Unlike the last few decades, which belonged to left-brain dominant minds, the competitive advantage in this new age will be the ability to leverage relationships both personally and professionally, nationally and globally. The business experts of today — MBAs, financial analysts, computer programmers, and others who rely on their “expertise” and IQs — will find it increasingly
necessary to collaborate with others relationally in order to address larger problems and challenges.

Undoubtedly, relationships have always been the core of all human endeavors — from early tribal life to the online-networked communities of today. However, the need to increasingly focus on relationships is becoming more and more vital to our continued success and existence. Our competitive advantage now and in the future lies in our ability to leverage our Relational Intelligence®.

**WHAT IS RELATIONAL INTELLIGENCE®?**

Each of us are involved in a multitude of relationships: with ourselves, family, friends, peers, supervisors, employees, the community, and the world. The level of intelligence we exhibit in all of these varied relationships is the measure of how successful we are in our lives. For the purposes of this article, we will focus on the relationships leaders have at work, but the tenets of Relational Intelligence® are applicable to any relationship.

You can gain some initial insight into Relational Intelligence® by examining a relatively simple framework. Every relational interaction we have is actually three-in-one.

1. **The Relational Prologue**: the history of all past interactions that have occurred in a relationship.
2. **The Current Relational Interaction**: the issues and dynamics at play within the context of the interaction at hand.
3. **The Relational Epilogue**: the impact that the current interaction, as well as all past interactions, will have on future interactions in the ongoing relationship.

Have you ever been in a situation where an individual’s reaction to something you said or did was far more volatile than the situation would justify? These excessive reactions are usually not an accurate reflection of the current situation, but rather a result of accumulated past interactions you have had with that individual or group (the Relational Prologue for that relationship). Similarly, how you behave in a current interaction will either positively or negatively affect the future of that relationship (the Relational Epilogue). Relational Intelligence® (RQ), then, is an individual’s ability to accurately perceive and understand the dynamics of day-to-day interactions within the context of how these interactions impact a relationship over time.

**A RELATIONAL VERSUS TRANSACTIONAL APPROACH**

If leaders have a low degree of Relational Intelligence®, they tend to treat their interactions with others as short-term, encapsulated incidents. We call this a transactional approach. Leaders with a high degree of Relational Intelligence® will take a relational approach, where they invest in the development of healthy, positive relationships with their subordinates and peers.

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**Measuring Relational Intelligence® & Influence in Professional Relationships**

As we move from the Industrial/Information Ages to the Relational Age, leadership styles will also have to evolve. Effective leaders can no longer issue orders and simply expect their employees to jump to task. In fact, too much ordering and employees will jump... but to other jobs with your competitor(s). Today’s leaders must focus on leveraging their long-term relationships with their employees. As such, command and control is out. Influence is in.

Our ability to leverage our influence in relationships is dependent on whether we truly understand how others perceive us. We may think everything is fine in a relationship and never know the other person(s) in that relationship are by no means as contented as we are. This is especially true of long-term relationships. Consider the story of a husband and wife out celebrating their 25th wedding anniversary. Over dinner, they reminisce about all of the good times they had experienced together. They also nostalgically recall all of the challenging times they had overcome.

The husband asked his wife, “In all of the fights we have had over the years, you never seem to let things get to you. I could be so angry that I couldn’t sleep at night and would sit up for days. But, you always remained calm and resilient. Over the years, I’ve always wondered... how do you do that?”

“It’s easy. I clean the toilet,” was the wife’s calm reply.

Confused, the husband asked, “How does that help?”

She replied sweetly, “I always use your toothbrush.”

You may laugh assured that your toothbrush is safe and sound. You might feel that the poor husband in the story should have realized that his wife’s anger had to have some sort of outlet and that he should have done something to deal with the problem long ago. You are probably right. But, based on years of coaching experience, I can assure you that many people have no idea how they are perceived by others and are often very surprised when a relationship they thought was solid is actually falling apart at the seams.

The question is how can we really know how we are perceived in important relationships? Is there some kind of “advanced warning system” that can alert us about any unknown problems affecting the health of our relationships — especially our relationships with our teams and other key players in our professional lives? The answer is yes, there is.

**The Leadership & Influence Audit**

In the executive coaching work we do, we offer leaders a proprietary online survey instrument called *The Leadership & Influence Audit (LIA)*. Completed by a leader’s peers, supervisors and direct reports, the LIA offers leaders the opportunity to learn exactly how others perceive their effectiveness at building, maintaining and leveraging influence in their working relationships. With this evidence-based approach, the leaders we coach are in a much stronger position to leverage their influence in those relationships. It all comes back to Relational Intelligence®. If you know how others perceive you, you can be far more proactive in how you handle your relationships and leverage your influence.
this taking a transactional approach to leadership. These leaders give little thought as to how their past behavior (demeanor, communication style, agenda, etc.) might impact any current interaction. They also do not give much consideration as to how their current behavior could potentially impact their future relationship with the person or group.

Leaders with high RQ’s, on the other hand, take a broader, long-range view. They have an awareness that their past interactions can have an impact on the interaction they are engaged in now... and they conduct themselves accordingly. Similarly, those with high RQ’s are conscious of the impact any current interaction may have on the future of their relationship with a particular individual or group. We call this taking a more relational approach to leadership.

HIGH & LOW RQ EXAMPLES

Let’s look at some examples of both high and low RQ leaders.

**Forceful, Low RQ Leaders:**

More forceful leaders who have low Relational Intelligence® tend to be more ruthless in their interactions. They focus only on their short-term agenda when interacting with others, cutting the best deal they can without any thought to the consequences to the long-term relationship.

**Forceful, High RQ Leaders:**

Forceful, high RQ leaders realize that sometimes, it is better to leave something on the “relational table” for the sake of the future interactions with a particular individual or group. They realize that cutting the absolutely best deal today might end up costing them in the future.

**Nurturing, Low RQ Leaders:**

Some low RQ leaders are so nurturing that they have difficulty addressing important issues in relationships. They refuse to confront others and allow important issues to lie unaddressed to the eventual detriment of the long-term relationship.

**Nurturing, High RQ Leaders:**

On the other hand, nurturing leaders with high RQ’s realize that, at times, they need to more directly confront issues in their current relationships. They know that ignoring problems does not make them go away. Only by addressing issues can long-term relationships remain positive and productive.

High RQ leaders take a more relational approach in their interactions — modifying their behavior with an eye towards the long-term consequences their behavior will have on their relationships with others.

**RQ AND THE EQUITY FACTOR**

It is a universal law that in any relationship, people seek equity — a balance between what they give and what they get. Inside every individual’s mind is a tiny computer-like device that constantly keeps track of what they give compared to what they get in any relationship.

If the give to get ratio is in balance, people tend to be largely unaware of the process. However, if the ratio becomes unbalanced (especially if what they give exceeds what they get), an alarm goes off and people suddenly become very conscious of the imbalance of equity in that particular relationship. People start to track how every interaction either tips the equity scale back in their favor... or not.

**THE THREE LAWS OF EQUITY**

<table>
<thead>
<tr>
<th>Equity Law 1</th>
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<tbody>
<tr>
<td>People evaluate their relationships by comparing what they give to what they get.</td>
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<tr>
<th>Equity Law 2</th>
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<tr>
<td>When what people give does not equal what they get, they feel mental stress.</td>
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<th>Equity Law 3</th>
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<tr>
<td>People who feel stress because they feel they give more than they get will engage in behaviors to restore equity.</td>
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When it comes to work relationships, leaders need to be conscious of how others perceive the balance of equity. It is very easy to assess the give to get in relationships from our own perspective. We do it naturally. The problem is that we often neglect to consider how others might perceive the equity in our relationships. Leaders must be able to accurately perceive how others see the give to get in their work relationships.

**EQUITY, RQ AND LEADERSHIP**

The most critical relationships within organizations are those between leaders and their direct reports. It does not matter if a leader is a CEO or front-line supervisor, that leader’s influence is strongest with his or her immediate team — those individuals with whom he or she works most closely.

Leaders can talk ad nauseam about the importance of teamwork and teams, but the fact remains it is the ability of a leader to relate one-on-one with each of his or her direct reports that is key. Unfortunately, the leader/direct report relationship often suffers due to poor Relational Intelligence® on the part of the leader.

**RELATIONAL INTELLIGENCE® TEST — Part I**

Think you are relationally perceptive? Take a look at the row of cards to the right. Pick one and remember it. You may even want to write down your pick on a piece of paper. Got one? Good. When you are finished reading this page, turn it over and check to see if you picked the “right” card.
RELATIONAL INTELLIGENCE® TEST — Part II

Do you still remember what card you picked? I do! You see, I used some of your pre-existing relational skills to make everyone who reads this article pick the same card. Want proof? Look to the right and see if your card is actually missing. Of course it is. You see, I relied on the fact that based on the instructions I gave you to pick only one card that your perspective would be focused away from seeing all of the cards to seeing only one. If you look back to the previous page, you will see that none of the cards from the first group are in the second group. But your limited perception (not seeing “your card” in relation to the rest of the cards) allowed you to “think” that I made your card disappear.

IMPLICATIONS FOR LEADERSHIP: RQ AT THE MICRO LEVEL

Leaders often think they are “giving” the right things in their relationships with employees, but can end up surprised when they realize what they have contributed is not something their employees actually value. If leaders want to enhance their RQ, they must consider what it is their employees want out of their work relationships. Some employees desire flexibility in how they work. Others prefer more structure. Some appreciate being given added responsibility. Others prefer staying focused on the job at hand.

Leaders must offer the right psychological currency in their one-on-one relationships with their employees. If they don’t, the time and effort leaders spend “giving” to their employees won’t be meaningful. Their employees will not value or recognize what they are being offered.

More leaders are derailed because of poor relational skills than any other factor.

IMPLICATIONS FOR LEADERSHIP: RQ AT THE MACRO LEVEL

On a macro level, low leadership RQ can also be detrimental to the leader/direct relationship. One prime example is when leaders do not hold employees accountable for poor performance. When leaders tolerate or ignore poor performance by someone on their team, the relationship with the entire team suffers. If poor performance is not addressed, employees who are solid and/or high performers become disenchanted. They are frustrated that poor performers do less work but receive the same pay and benefits. Even worse, they can become angered when they have to work harder and make up for the poor performer’s lack of productivity!

The problem for leaders is not only that the relationships among team members suffer, but the team will blame the leader for not doing something about the poor performer. This damages the leader’s relationship with all of the individuals on the team.

RQ AND LEADERSHIP ADVANCEMENT

There are many good executives who actually have low RQs. They are experts in a particular area (marketing, finance, technology, etc.), who work extremely hard and are solid corporate assets. Yet, because of their low level of RQ, their potential to move up in the organization is severely limited.

The higher a leader rises in an organization, the less he or she will be able to rely solely on their intellectual expertise and hard work. Rather, they will have to focus on their ability to leverage relationships with subordinates, peers, and supervisors. Only by understanding the dynamics of Relational Intelligence® can leaders achieve their greatest potential in the Relational Age.

COACHING FOR RELATIONAL INTELLIGENCE®

As a leader, you might think you have solid and productive relationships with your employees, peers, and supervisors. But, are you certain? Your own self-perception of how effective you are as the leader of your team (and others you work with) is important. However, self-perception can only go so far (as you saw earlier in the playing card example).

When it comes to work relationships, you can only be as effective as how others perceive you. As such, receiving anonymous feedback from direct reports, peers, and supervisors is critical to a leader’s Relational Intelligence®.

Assessing Relational Intelligence®: In our coaching work, we use an evidence-based approach to enhance the Relational Intelligence® of leaders. Using online survey instruments, we work with leaders to first get a clear and realistic assessment of their working relationships.

The Coaching Process: The actual coaching process is as follows:

- Based on the survey feedback, a customized Coaching Action Plan (CAP) is developed in conjunction with individual leaders to determine what behaviors they plan to engage in to enhance their work relationships over time.
- This is followed by a series of one hour coaching sessions each month with the leader for a minimum of six months — sometimes much longer.
- Using this evidence-based approach, we coach leaders to take a more relational approach in their interactions, thereby helping them to be more effective in attaining their business goals.