

### Emotional Intelligence and Leadership: What Really Matters

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What does it mean to be an "emotionally-intelligent" leader? This paper explores the misconceptions, benefits and limits of emotional intelligence for today's leaders.

### Introduction

Emotional intelligence. What is it and what role does it play in work and life effectiveness? Nowhere has the topic been hotter than in the area of leadership. Is "emotional intelligence" just a repackaging of "people skills" in scientific clothing? Research suggests it is not. Academics and business people alike are intrigued by the possibility that emotional intelligence is a distinctive and measurable form of intelligence that is important to success as a leader. But how important is it to effective leadership? Are there some aspects of emotional intelligence that are more important than others? And, importantly: are there any downsides to having too high an "EQ"?

### What is Emotional Intelligence?

It is apparent from a review of the research and the popular press that there is no consensus on what "emotional intelligence" actually is. There are three schools of thought:

 Some (e.g., Goleman, 1998) equate it to personal characteristics such as "initiative", "self-confidence", and "drive for results", factors that bear little if any relationship to either emotion or intelligence.

- Others (e.g., Bar-On, 1997) view emotional intelligence as a personality dimension, like extroversion, agreeableness, and emotional stability.
- A third school of thought defines emotional intelligence as a specific set of abilities that include the capacity to understand, reason about, and use emotions in thinking and action (e.g., Mayer, DiPaolo and Salovey, 1990; Mayer, Caruso, and Salovey, 1999).

All three share a fault in terms of measuring leadership effectiveness. The tests are designed to assess specific aptitudes, traits, abilities, or behaviors thought to relate to emotional intelligence, but without regard as to how those may relate to success in particular situations. These tests begin with a "theory" of what emotional intelligence is. The questions are then designed to reflect that theory. The problem is that scores from tests constructed in this way may show reasonably good relationships with school grades, income level, and occupational choices, but mediocre

For a copy of an expanded article from which this executive summary has been taken, contact the author at <u>gklemp@cambriaconsulting.com</u>.

to poor relationships with actual job performance.

This point was forcefully brought home in David McClelland's article, "Testing for competence rather than for 'intelligence'" (1973), where he summarized a number of studies that showed that tests used by psychologists to predict performance were very poor at predicting success on the job and were also prone to cultural bias. By contrast, McClelland argued that the fundamental error is starting with the test instead of the criterion; that is, testing for "intelligence" instead of studying the best performers in a given job or occupation and finding out what differentiates them from their less successful counterparts. This is also the fundamental flaw in how "emotional intelligence" is being applied to effective leadership: we are beginning with competing "constructs" of emotional intelligence and attempting to relate them to leadership success, instead of going the other way around. We are, in effect, looking through the wrong end of the telescope at leadership performance.

### How Effective Leaders Demonstrate Emotional Intelligence

At Cambria Consulting, we have taken the approach advocated by McClelland: identify the most effective leaders and study what makes them different from the average. During the past 30 years, we have observed and interviewed over 1000 highly effective senior managers and executives in prominent Fortune 500 companies, federal agencies, nonprofits and the military. In addition, during the past five years we have engaged in executive coaching with numerous leaders in diverse organizations. In almost every case, we conducted extensive interviews with them about their successes and failures, interviews that dwelt on their most significant leadership challenges and how they handled them. The focus

of these interviews was what we term "critical incidents;" case studies of effective performance told in detailed first-person accounts.

Based on this research, we have noted several critical aspects of emotional intelligence that are highly important to leadership effectiveness, as well as others that can actually be dysfunctional. What follows is a brief summary of our conclusions about "what works" and "what doesn't work" based on our observations.

#### 1. Effective leaders are aware of their impact on others and use it to their advantage.

The most effective leaders are sensitive as to how they come across to others. They know that their position in the organization, their strong personalities, and even their mere physical presence have a dramatic impact on others. They therefore channel how they come across in ways that bring out the best in others. These leaders are always in charge of their own feelings and how they express them. The downside? There is a risk of overreaching with more impact than is useful. The risk is that the leader may come across as overbearing or disingenuous. Effective leaders create the perfect balance.

# 2. Effective leaders have empathy for others; yet can still make tough decisions.

The most effective leaders are able to put themselves in the others' shoes and to understand how and why employees are reacting to organizational events, personal crises, and seemingly relentless change. At the same time, their empathy does not prevent them from making tough decisions. They do this by appealing to reason and acknowledging others' feelings, thus enabling people to feel that the decisions make sense. The danger here is that it's easy to over-identify with others or let empathy be confused with sympathy, and not make the tough decisions as needed.

### 3. Effective leaders are astute judges of people without being judgmental.

Good leaders are able to size others up quickly in terms of their key strengths and weaknesses, and are especially good at recognizing and applying the diverse talents of everyone in the organization. A danger is that they may become judgmental and overly critical about what they perceive to be others' shortcomings. They are likely to dismiss the advice of these people out of hand, making them feel undervalued and disrespected.

# 4. Effective leaders are passionate about what they do, and show it.

Good leaders are passionate, highly optimistic and believe in the inevitability of success. They encourage others to believe that the most challenging goals can be met and the most daunting obstacles overcome. But it doesn't mean that they are always cheerleaders; their passion may be expressed as persistence in pursuing an objective or a relentless focus on a valued principle. However, there's a fine line between being excited about something and letting too much passion close your mind to other possibilities and ignoring realities that others see.

# 5. Effective leaders balance feeling and logic in making decisions.

Effective leaders are in touch with their gut instincts about the right thing to do in the absence of supporting data. They also recognize their internal warning signs that something might not be the right thing to do despite the seemingly compelling analysis. They understand that logic and "facts" are not the only things to consider. Nevertheless, they do not just "go with their gut" without checking out their instincts with others. The drawbacks are the temptation to rely largely on their feelings about things and bet that they are correct without further investigation. They are essentially gambling with the resources of the organization, and can lose big.

### 6. Effective leaders are excellent communicators.

Effective leaders are in touch with the pulse of the organization and where the "hot buttons" are. They are not all great public speakers, nor are they necessarily charismatic, but they do understand the importance of providing timely information about the business and what it means to people. They also know that communication keeps people motivated and connected. Where emotional intelligence plays a role is in knowing what messages will connect with others and how to express them. Where leaders get into trouble is providing too much or too little information, delaying important information, and not being candid in their communications to others for fear of upsetting them with "the truth".

# 7. Effective leaders create personal connections with their people.

In today's world of big business, multiple locations and global operations, employees can feel alienated from their leadership and disconnected from the company at a personal level. The most effective leaders pay particular attention to this and find ways to make themselves personally visible and approachable. Most take the time to engage employees individually and in groups, listening to their ideas, suggestions and concerns, and responding in ways that make people feel heard and respected. The downside of visibility is making too many unannounced visits, which can create a culture of fear and micromanagement. Again, striking the correct balance is the key.

# 8. Effective leaders temper drive for results with sensitivity to others.

Effective leaders drive results and champion beneficial change. They also repeatedly emphasize the importance of continuous or breakthrough improvements and challenge people to rethink old ways of doing things. But good leaders are also patient enough to help others overcome their fears, get people involved before making decisions that affect them, explain the reasons for difficult decisions once they are made, and work to maintain high morale while calling on others to do better. However, they are only patient up to a point and do not suffer people who waste their time, fail to deliver, or resist change for very long.

### **Emotional Intelligence in Context**

What does it mean to be "emotionally intelligent" as a leader? Clearly, emotional intelligence is not like IQ, which has a distinct meaning and is represented by a single measure. We should really be speaking about "emotional intelligences" and measuring them in different ways, not as a single "EQ" measure. Rather than thinking about emotional intelligence as a set of general abilities, however, we should really be asking how the best leaders use emotional intelligence to think and act effectively.

The most effective leaders we have known possess great reserves of empathy, interpersonal astuteness, awareness of their own feelings, and awareness of their impact on others, but more importantly, they apply these capabilities judiciously as best benefits the situation. The key to this is self-regulation: having some minimum level of these emotional intelligences will help one be effective as a leader, as long as they are channeled appropriately. Having a large amount of these capabilities may be too much of a good thing if they are allowed to drive inappropriate behavior.

In addition, emotional intelligence alone does not guarantee good leadership. From a moral standpoint, emotional intelligence is neither good nor bad. Emotionally intelligent leaders can be manipulative, selfish, and dishonest, just as they can be altruistic, focused on the general welfare, and highly principled. It is also not the only way that an effective leader needs to be "intelligent". Serious consideration of other qualities that make for effective leadership, such as mental capacity, confidence, integrity, drive, and wisdom, must also be factored in.

As in most things, emotional intelligence as a leadership requirement should be kept in perspective. The key to effectiveness is balance: a strong mix of cognitive capacity (logical, conceptual and creative thinking), people skills (interpersonal astuteness, influence skills, and communication skills), and the wisdom borne of experience and having to make unprecedented decisions based on a strong set of personal values and personal integrity. Taken together, this is what makes for effective leadership.



**George Klemp** is a founding partner and the President of Cambria Consulting. He has over 30 years of management consulting experience and is one of the principal developers of job competency assessment technology. Dr. Klemp has worked with more than 50 companies in the Fortune 500, as well as colleges, universities and federal agencies, to develop competency models, selection systems, professional and managerial development programs, succession planning strategies, and organizational surveys. His clients include Alcoa, Credit Suisse First Boston, ExxonMobil, Fidelity Investments, Gillette, JP Morgan Chase, Lehman Brothers, Limited Brands, PPG Industries, Putnam Investments, United Technologies and Wachovia. He has also been a keynote speaker at national and international conferences, presenting on topics including leadership and advances in competency-based human resource management.