

To get an idea of the practical business implications of these competencies, consider an analysis of the partners' contributions to the profits of a large accounting firm. If the partner had significant strengths in the self-management competencies, he or she added 78 percent more incremental profit than did partners without those strengths. Likewise, the added profits for partners with strengths in social skills were 110 percent greater, and those with strengths in the self-management competencies added a whopping 390 percent incremental profit—in this case, \$1,465,000 more per year.

By contrast, significant strengths in analytic reasoning abilities added just 50 percent more profit. Thus, purely cognitive abilities help—but the EI competencies help far more.<sup>6</sup>

# EMOTIONAL INTELLIGENCE

## Leadership Competencies

### SELF-AWARENESS

- *Emotional self-awareness.* Leaders high in emotional self-awareness are attuned to their inner signals, recognizing how their feelings affect them and their job performance. They are attuned to their guiding values and can often intuit the best course of action, seeing the big picture in a complex situation. Emotionally self-aware leaders can be candid and authentic, able to speak openly about their emotions or with conviction about their guiding vision.
- *Accurate self-assessment.* Leaders with high self-awareness typically know their limitations and strengths, and exhibit a sense of humor about

themselves. They exhibit a gracefulness in learning where they need to improve, and welcome constructive criticism and feedback. Accurate self-assessment lets a leader know when to ask for help and where to focus in cultivating new leadership strengths.

- *Self-confidence.* Knowing their abilities with accuracy allows leaders to play to their strengths. Self-confident leaders can welcome a difficult assignment. Such leaders often have a sense of presence, a self-assurance that lets them stand out in a group.

#### SELF-MANAGEMENT

- *Self-control.* Leaders with emotional self-control find ways to manage their disturbing emotions and impulses, and even to channel them in useful ways. A hallmark of self-control is the leader who stays calm and clear-headed under high stress or during a crisis—or who remains unflappable even when confronted by a trying situation.
- *Transparency.* Leaders who are transparent live their values. Transparency—an authentic openness to others about one's feelings, beliefs, and actions—allows integrity. Such leaders openly admit mistakes or faults, and confront unethical behavior in others rather than turn a blind eye.
- *Adaptability.* Leaders who are adaptable can juggle multiple demands without losing their focus

or energy, and are comfortable with the inevitable ambiguities of organizational life. Such leaders can be flexible in adapting to new challenges, nimble in adjusting to fluid change, and limber in their thinking in the face of new data or realities.

- *Achievement.* Leaders with strength in achievement have high personal standards that drive them to constantly seek performance improvements—both for themselves and those they lead. They are pragmatic, setting measurable but challenging goals, and are able to calculate risk so that their goals are worthy but attainable. A hallmark of achievement is in continually learning—and teaching—ways to do better.
- *Initiative.* Leaders who have a sense of efficacy—that they have what it takes to control their own destiny—excel in initiative. They seize opportunities—or create them—rather than simply waiting. Such a leader does not hesitate to cut through red tape, or even bend the rules, when necessary to create better possibilities for the future.
- *Optimism.* A leader who is optimistic can roll with the punches, seeing an opportunity rather than a threat in a setback. Such leaders see others positively, expecting the best of them. And their “glass half-full” outlook leads them to expect that changes in the future will be for the better.

## SOCIAL AWARENESS

- *Empathy.* Leaders with empathy are able to attune to a wide range of emotional signals, letting them sense the felt, but unspoken, emotions in a person or group. Such leaders listen attentively and can grasp the other person's perspective. Empathy makes a leader able to get along well with people of diverse backgrounds or from other cultures.
- *Organizational awareness.* A leader with a keen social awareness can be politically astute, able to detect crucial social networks and read key power relationships. Such leaders can understand the political forces at work in an organization, as well as the guiding values and unspoken rules that operate among people there.
- *Service.* Leaders high in the service competence foster an emotional climate so that people directly in touch with the customer or client will keep the relationship on the right track. Such leaders monitor customer or client satisfaction carefully to ensure they are getting what they need. They also make themselves available as needed.

## RELATIONSHIP MANAGEMENT

- *Inspiration.* Leaders who inspire both create resonance and move people with a compelling vision or shared mission. Such leaders embody what they ask of others, and are able to articulate a shared mission in a way that inspires others to

follow. They offer a sense of common purpose beyond the day-to-day tasks, making work exciting.

- *Influence.* Indicators of a leader's powers of influence range from finding just the right appeal for a given listener to knowing how to build buy-in from key people and a network of support for an initiative. Leaders adept in influence are persuasive and engaging when they address a group.
- *Developing others.* Leaders who are adept at cultivating people's abilities show a genuine interest in those they are helping along, understanding their goals, strengths, and weaknesses. Such leaders can give timely and constructive feedback and are natural mentors or coaches.
- *Change catalyst.* Leaders who can catalyze change are able to recognize the need for the change, challenge the status quo, and champion the new order. They can be strong advocates for the change even in the face of opposition, making the argument for it compellingly. They also find practical ways to overcome barriers to change.
- *Conflict management.* Leaders who manage conflicts best are able to draw out all parties, understand the differing perspectives, and then find a common ideal that everyone can endorse. They surface the conflict, acknowledge the feelings and views of all sides, and then redirect the energy toward a shared ideal.

- *Teamwork and collaboration.* Leaders who are able team players generate an atmosphere of friendly collegiality and are themselves models of respect, helpfulness, and cooperation. They draw others into active, enthusiastic commitment to the collective effort, and build spirit and identity. They spend time forging and cementing close relationships beyond mere work obligations.

## NOTES

### PREFACE

1.—A note on the use of we in this book: For the sake of fluidity of style, and to emphasize that we speak in a collective voice, we use the term in the most liberal sense. We as used here refers not just to the three of us together but to work undertaken by any one of us, as well as by our close professional associates.

### CHAPTER 1

1. The BBC news division; Like most of the other vignettes we use in this book, this incident was recounted by one of the people we interviewed (who in this case was an eyewitness to these events). If vignettes are from a secondary source, credits are given in endnotes. In cases where people spoke to us in confidence, identifying details of the incident have been disguised.

2. The comforting effect: Lisa Berkman et al., "Emotional Support and Survival after Myocardial Infarction," *Annals of Internal Medicine* (1992).

3. Stress and death: Anika Rosengren et al., "Stressful Life