



Why Emotional Intelligence Matters to Today's Leaders

The Importance of Emotional Intelligence in the Workforce

Emotional intelligence (EQ) continues to be an important focus of successful leadership and effective teaming. Research indicates that a leader's emotional intelligence positively impacts relationships with employees and improves employee satisfaction. Admired business leaders with a great amount of EQ include Jamie Dimon, CEO of JPMorgan Chase; Howard Schultz, former Chief Executive of Starbucks; and Ursula Burns, CEO of VEON and Board Member of Uber. 5

“You all know about IQ and EQ. Your IQ's are all high enough for you to be very successful, but where people often fall short is on the EQ. It's something you develop over time. A lot of management skills are EQ, because management is all about how people function.”

-Jamie Dimon

An increasing emphasis on emotional intelligence has led to a deeper look into what aspects make up the characteristic. Daniel Goleman, an expert and well-respected author on the topic, breaks EQ into four different components: Self-awareness, self-management, social awareness, and relationship management. He defines emotional intelligence as the ability of an individual to manage and express emotions in an effective way in relationships.



Four Key Elements of Emotional Intelligence

Self-Awareness

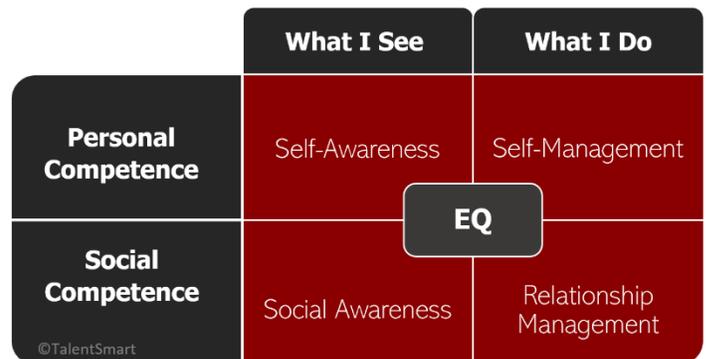
Self-awareness refers to the ability to recognize one's emotions. Having a high level of self-awareness remains crucial to EQ because you must acknowledge your emotions rather than avoiding them. Understanding your emotions will lead to a deeper awareness of your behavior, reactions, and decision making. Daniel Goleman has stated you can improve your self-awareness by paying attention to your inner world. Once you find these emotions, it will lead you to empathize with other individuals through your emotions and personal experiences.

Self-Management

Self-management refers to the ability to control and manage your emotions once you are self-aware. In order to succeed in becoming a well-respected professional, you must know how to express your emotions during appropriate situations. Self-management may be one of the hardest for some due to placing other priorities before oneself. An easy way to self-regulate is through setting goals for yourself such as having an optimistic attitude toward the business. Setting goals creates a sense of accountability and will help you remain focused on the objective at hand.

Social Awareness

Daniel Goleman often speaks on social awareness as the most important element of the four that make up EQ. Empathy/social awareness refers to the ability to relate to another individual's feelings and put yourself in their shoes during the best and worst of times. Without any empathy, emotional intelligence will be affected greatly and lead to a disconnect in relationships. Empathizing with one another joins people together and helps develop a deeper understanding of not just a person, but the world as a whole.



Relationship Management

Social skills/relationship management refer to connecting and interacting with people in a friendly and well-mannered fashion. Everyone can have great social skills whether you are an introvert or extrovert. The ability to communicate through attentive listening and speaking with one another are some extremely important social skills. Social skills cover a vast area of skills such as communication, leading, and collaborating which will all lead to EQ.

Motivation

Motivation remains a key piece for achieving success as an individual as well as a team. To motivate yourself as well as others, you must understand the four components outlined above. As a leader, you must find your passion and use it to help your team reach a common goal. To find your passion, you must first be self-aware in order to discover what drives you to be the best leader capable. Motivation is a combination of all the EQ elements such that your team and personal desires should drive you toward the end goal.

“Leadership is not domination. It’s the art of persuading people to work toward a common goal.”

-Daniel Goleman



The Advantages of Emotional Intelligence

Increase in Salary

TalentSmart conducted a study of over 42,000 people's emotional intelligence and the results uncovered a clear outcome. Professionals with a high level of EQ earned an average of \$29,000 more than workplace individuals with a low EQ.

Performance

When surveyed by TalentSmart, 90% of top performers demonstrated a high EQ but only 20% of bottom performers displayed a high EQ. Employers have suggested having a high level of emotional intelligence separates the good from the great in the workplace. This has become increasingly important when talking about job security in recent years.

Job Security

Having a high level of emotional intelligence in the workplace may lead to an increase in job security and will help put you at an advantage. In a 2011 Career Builder Survey of over 2,600 hiring managers, 71% recorded a response that they value EQ over IQ. As job availability becomes scarcer, EQ continues to be a leading factor when hiring for a new job. In fact, the survey demonstrated that 59% of employers would not hire a candidate with a low EQ score. In addition, the survey found that 75% will favor promoting an employee with a higher emotional intelligence score over a peer.

Employee Retention

Leaders who display a high level of emotional intelligence have workers that are 4x less likely to leave the company according to a study performed by Initiative One Leadership Institute. Not only does losing a high performing employee impact the work environment, but a CAP study discovered the costs of losing one employee can exceed over 2x the employee's salary.⁸ As job loyalty has decreased in past years, it is more important than ever to retain top performers in the market.

58% of job success is attributed to your EQ²



Fortune 500 Companies

In a recent study, 70% of Fortune 500 companies chose to set aside a portion of their budget to train EQ.⁹ As companies continue to put a larger emphasis on emotional intelligence, leaders must begin to adapt and recognize how to bring EQ into their own lives. It is crucial for leaders to demonstrate a high sense of EQ through attentive listening, taking criticism well, learning from mistakes, controlling their own emotions, and staying focused and calm under pressure.

“CEOs are hired for their intellect and business expertise – and fired for their lack of emotional intelligence.”

-Daniel Goleman

How to Improve Your Emotional Intelligence

Five Steps

Have you ever thought about how others perceive your leadership and specifically your EQ? If you answered yes to the previous question, then these five steps are distinct ways to begin thinking about your own emotional intelligence and how you can develop yours to a higher level.

1. *Think about your past experiences and look back to see if you have changed your behavior following mishaps.*

2. *Think about the last time you asked for feedback. If it has been awhile, proactively seek input on how people see you when it comes your emotional intelligence and listen.*

3. *Ask yourself what motivates you and what triggers your emotions- both minor and major events.*

4. *Stop and reflect on your decisions before acting and evaluate who your decision impacts. If your decision carries a heavy impact, ask for input from others and explain the why behind your decision-making process.*

5. *Put yourself in other people's shoes. Ask yourself how you would feel if you were experiencing the situations your friends/family/co-workers are in. Show empathy through sharing in their suffering when they are hurting and sharing their joy when they are experiencing happiness.*

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Summary

- Emotional intelligence (EQ) can be developed.
- The workplace is increasingly putting an emphasis on EQ over IQ.
- Job success and promotion is heavily dependent on your EQ.

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