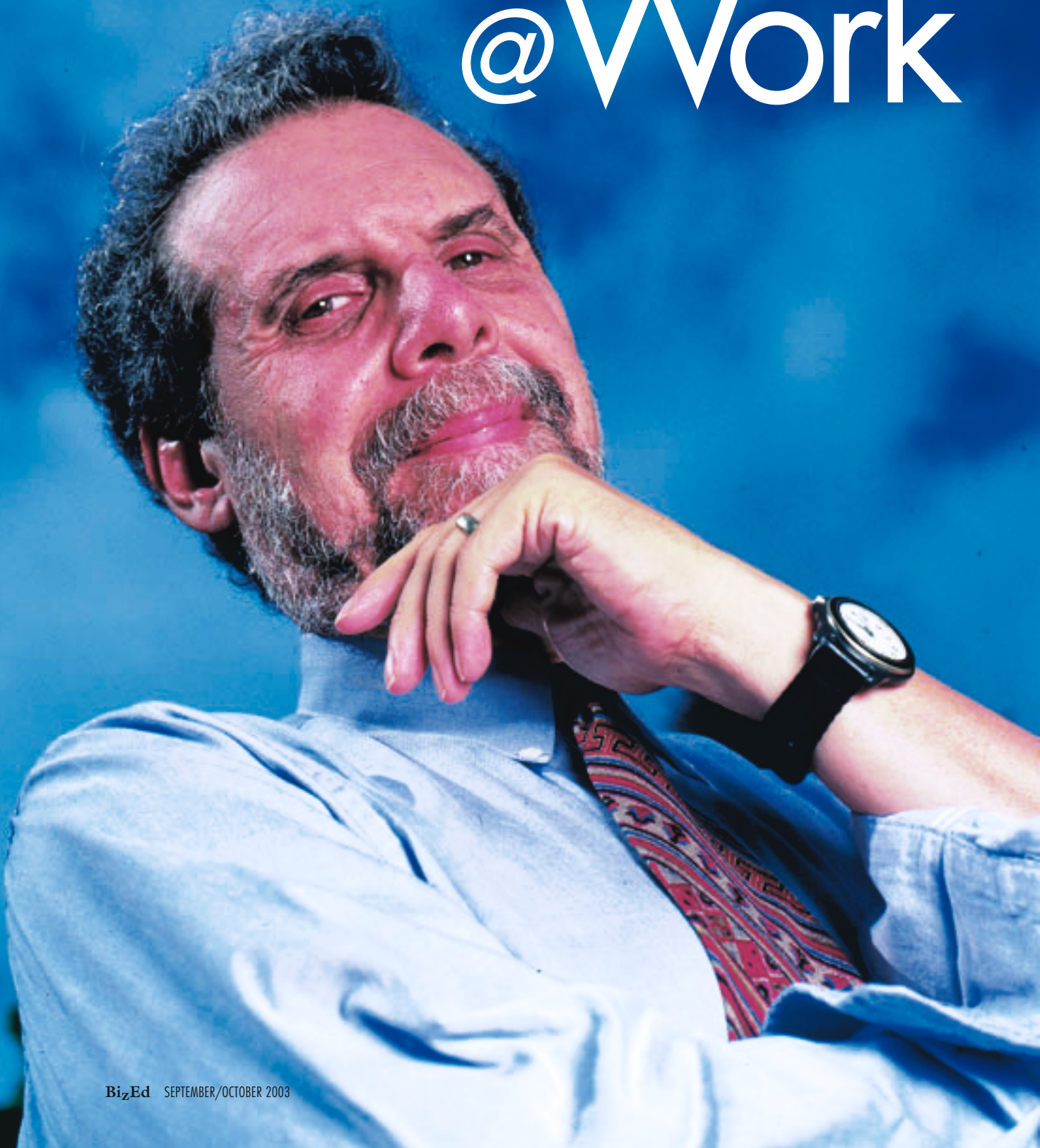


Intelligence @Work



Daniel Goleman looks beyond IQs to determine the emotional qualities that distinguish corporate leaders.

It's not how intelligent someone is that predicts his ultimate success in life; it's how well he handles himself and other people that eventually marks him as a star performer or just an average working drone. "Emotional intelligence" is the phrase used to describe an individual's ability to connect with the people and the world around him. A person with high emotional intelligence is gifted with great self-awareness, discipline, persistence, and empathy. For eight years Daniel Goleman has argued persuasively that emotionally intelligent managers become the best and most profitable business leaders in the world.

Beginning with his 1995 best seller *Emotional Intelligence*, Goleman has sought to strip away

conventional notions of what it means to be intelligent by examining how key personality traits can lead to measurable success. Although his background is in psychology—he received his M.A. and Ph.D. from Harvard in clinical psychology and personality development—he has become a powerful voice in the corporate world. Through books such as *Working with Emotional Intelligence* and *Primal Leadership*, he has explored the value of emotional intelligence in the office—and the business school. He and co-author Richard E. Boyatzis have produced the university edition of the Emotional Competence Inventory (or ECI-U), an evaluation tool that can help business students target their weakest leadership qualities and work to improve them.

It's Goleman's contention that top leaders will recognize that they cannot function without a clear understanding of their own feelings and those of the people around them. "Emotions have their place, and your emotions have an enormous impact on how well you can do the task at hand," he says. In a recent interview, Goleman discusses his belief that experiential learning—in the business school environment and the real world—can improve anyone's level of emotional intelligence and enhance his ability to grow into a dynamic and powerful leader.

In *Primal Leadership*, you divide leaders into six types: visionary, coaching, affiliative, democratic, pacesetter, and commanding. Without summarizing the entire book in a paragraph, can you describe which of these styles is the most effective and why?

Every one of those styles has its place in a leader's repertoire. The problem is that two styles tend to be overused in ways that make them very negative.

One is the style of the pacesetter, who has very high internal standards and often is a great individual performer. However, once he's been promoted to some level—say, division leader or team leader—he doesn't really know how to lead. He just knows how to perform the way he did as an individual. On the one hand, he's very self-critical—that's how he drives himself—but he's also hypercritical of people who fail to meet his standards. That kind of boss becomes very impatient

of someone who's not as good as he is. He never tries to develop people; instead, he dumps on them or micromanages them. This attitude alienates and demotivates employees.

The coercive, commanding leader—who believes in command and control, who leads just by virtue of authority—very often will bark orders at people. That style also alienates people and poisons the climate.

However, each of those two negative styles has its place. If you have a highly skilled, highly motivated team, you can use the pacesetter style and develop a star team. If you are in a turnaround, you need to be an emphatic boss. You need to take control and give commands to make it clear that things are being done in a new way. But if that's all you do, if you don't draw on the other four styles that create a very positive climate, then you'll fail. As part of the mix, however, both of those styles can be effective. Similarly, while the visionary, coaching, affiliative, and democratic styles all have very positive effects, no leader should adopt only one of them. The best leaders exhibit four or more leadership styles.

Are the same leadership styles to be found in the top management at business schools?

Actually, in the U.K., the education ministry recently commissioned a study of the heads of schools. The study found that the best academic results could be predicted when heads of schools exhibited four or more management styles. And if they exhibited only one or two of the worst styles, the students at their schools had the worst academic records. This was a study in which demographics were held to a constant and where the education level was equivalent for the parents of the students.

by Sharon Shinn

photos by Christopher Navin

We don't leave emotions at home; we don't check them at the door.

Industry observers often complain about the dichotomy in the business world today. Executives are expected to behave as if they have no emotions while they make decisions that will have profound effects on other people's lives. What do you think has brought us to this state where businesspeople are supposed to "check their emotions at the door"?

The first analysis of the organizational life was conducted in a sociological tradition by Max Weber and Talcott Parsons, and it pretty much ignored the emotional reality of work. It analyzed the workplace and organizational dynamics as though emotions were not part of the equation. That framework has survived to this day, even though everyone who works knows it's a lie. We don't leave emotions at home; we don't check them at the door. Emotions are with us every moment. We can either acknowledge that fact or not.

You maintain that companies perform better if top managers have emotional intelligence, but the business world is rife with stories of CEOs and top managers who have been wildly successful even though they're insensitive jerks. If emotional intelligence is so important, how do you account for their successes?

The question to ask is not, "Is a specific company successful despite the fact that the head guy is a jerk?" Rather, you should ask, "If all things were equal—if there were two companies with similar markets, similar opportunities, and similar resources, and one boss was a jerk and the other was a dream boss—which company would do better?" In fact, the insurance industry did exactly that study. It was commissioned by LOMA, an insurance industry organization, and carried out by the Hay Group. The researchers looked at moderately suc-

cessful companies of the same size and evaluated CEOs on their emotional intelligence and leadership abilities. They found that the more these bosses exhibited empathy, initiative, and a drive to achieve, the more profitable the companies were. That's the better way to answer this question.

In other studies, the heads of divisions at PepsiCo Worldwide were evaluated on these same competencies. What researchers found was that those who had more strengths in this domain outperformed their revenue targets by 15 to 20 percent, and those who had the fewest strengths underperformed by about the same margin. That kind of data tells us that, yes, emotional intelligence has consequences; there is a business case for it.

Anecdotally, you can say, "Well, this company had a very successful quarter or year or five years, and the CEO's a jerk," but that doesn't prove a thing. You really need data that holds everything else constant.

Is it accurate to say that an excellent boss would also contribute to lower employee turnover, which would then lead to greater profitability for a company?

Yes, retention of talent is one thing you look at in evaluating a company. You also look at leadership styles and how they affect the climate of the workplace. Survey data in *Primal Leadership* shows that leadership styles that exhibit emotional intelligence create the most positive working climate. In those climates, an employee might say, "I'm proud to work here" rather than "I hate it," or "I'm motivated to give my very best" rather than "I'm just doing well enough to keep my job." Those styles that make a boss look like a jerk—the coercive style and the pacesetter style—actually have very negative consequences for the climate.

Leadership Competencies	
<p>Eighteen key competencies define emotional intelligence, and each competency is part of one of four overarching categories that define an individual's understanding of himself and the people around him. The categories and competencies are drawn from <i>Primal Leadership</i>, written by Daniel Goleman, Richard Boyatzis, and Annie McKee (Harvard Business School Press, 2002).</p>	<p>Self-Awareness</p> <ul style="list-style-type: none"> Emotional self-awareness Accurate self-assessment Self-confidence
	<p>Social Awareness</p> <ul style="list-style-type: none"> Empathy Organizational awareness Service
<p>Self-Management</p> <ul style="list-style-type: none"> Self-control Transparency/Integrity Adaptability Achievement Initiative Optimism 	<p>Relationship Management</p> <ul style="list-style-type: none"> Inspiration Influence Ability to develop others Ability to act as catalyst for change Conflict management Teamwork and collaboration

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By the way, in terms of statistics, the workplace climate itself seems to predict 20 to 30 percent of business results. That figure was based on a study of 3,781 executives.

How can business schools teach emotional intelligence to their undergraduates and MBAs?

That's the million-dollar question. Let me add that business school graduates who learn emotional intelligence will not only do better in their careers, presumably, but also be in better positions as alums to help their schools. I had an interesting discussion with a trustee at MIT, who said the trustees had done a study to discover which alums ended up giving the most money to the school. They found out it wasn't the kids with the 4.0 averages, or the 800 SATs. More often, these alums had just been average students; but they exhibited leadership abilities and went on to start companies or rise to the heads of companies. Later, they donated money to help out their alma maters.

That aside, how can you turn out students who have strengths in this area? First of all, you can select for it. One way is to look for leadership activities early in an applicant's career. Another way is to use a sophisticated technique called the behavioral event interview in which the interviewer can assess the other person's abilities in this domain by asking open-ended questions about past experiences.

More important, schools of business can build into their

curricula learning experiences that will strengthen these abilities in all their students. The best model for that is the work of Richard Boyatzis, one of my co-authors, who teaches at the Weatherhead School of Management at Case Western University. He uses a state-of-the-art approach in a course that's taken by all the MBAs and EMBA's at Case Western.

In that course, the students get an assessment of their leadership competencies and then develop an individual learning plan to strengthen one or more of them over the course of a semester. They get a 360-degree evaluation before and after the course, and people in their workplaces continue to evaluate them once they leave school. Not only have the students strengthened their target competencies, but improvements have continued for up to seven years, which is as long as Boyatzis has looked at the data. That's quite a remarkable record of achievement for any learning in school.

This sounds as if you believe business educators must adopt very specific approaches in the classroom to help students achieve better levels of emotional intelligence.

You need a different model of learning. You do not learn leadership competencies in the standard academic mode. You can't learn them by reading a book. The part of the brain that supports emotional intelligence is the subcortex, an ancient part of the brain that's below the more recently evolved neocortex. The neocortex, the top of brain, is the part of the brain that goes to school. Academic learning occurs through an associative network. You read something or you hear something; you fit it into your understanding and expand that understanding. That kind of learning can be very quick and powerful because you can get it the first time around.

But when you're talking about something like listening, empathy, initiative, collaboration, or teamwork, you need a model of skill acquisition, because the parts of the brain that are engaged learn more slowly. They learn through models, through rehearsal in a safe setting, and then through continual practice using spontaneously occurring opportunities.

Suppose you're the kind of person who is shy about speaking in groups. If that's a trait you've targeted to improve, then your learning plan would include speaking up in front of people every time you have an opportunity. You would do it as often as you can, even though it feels uncomfortable at first. That means not just in school—it means speaking up in clubs or in church or at parties. In other words, all of life becomes an arena of practice.

At Johnson & Johnson, they did a very telling study on the natural history of leadership competencies. They identified leaders who were in the top 10 percent by some hard met-

Soft skills have hard consequences.

ric—the head of a star sales team, for example. Then they interviewed these people. Say they were talking to a manager known as a great coach for members of his team. They would get stories like this: “When I was in middle school, I transferred to another school. I didn’t know anyone, so I joined the field hockey team to meet other kids. I wasn’t such a good player, but I was very good at teaching the new kids how to play the game, so I started coaching them. My first job out of college was a sales job, but no one showed me how to make a call. Once I got the hang of it, I started showing other people how to do it. I got so good at it that they made a video of me for the whole company.” And so on. In other words, these people had seized naturally occurring opportunities in life and used them to cultivate skills that, once they started their careers, became their leadership skills.

Graduate schools create these opportunities more systematically for their own students. It’s helpful to start with a 360-degree evaluation tool. Boyatzis and I have developed one for graduate schools called the ECI-U. If you wanted to use it, you would get people whose opinion you value to rate you anonymously. For instance, you might have a boss or former



Points of Reference

Primal Leadership includes detailed references to a number of studies that support Daniel Goleman’s theories on emotional intelligence. Among the studies he cites in this interview are:

- “Research into Headteacher Effectiveness.” The report was produced by the Boston-based Hay Group for the U.K. Department for Education and Employment in 2000.

- “Leadership for the 21st Century: Life Insurance Leadership Study.” It was conducted in 1995 for LOMA by the Hay Group research team, led by John Larrere with Martin Leshner, David Baker, and Stephen Kelner.

- “Management Style as a Behavioral Predictor of Organizational Climate,” a study of 3,781 executives. The database was compiled in 1996 by the Boston consulting firm of McBer & Company, now Hay Group, and originally analyzed by Stephen Kelner Jr., with work by Christine A. Rivers and Kathleen H. O’Connell. The sample was international; half were Americans. It assessed six specific indicators of workplace climate.

More information about Goleman’s studies and his work with Richard Boyatzis is available on the Web at ei.haygroup.com.

supervisor evaluate you, as well as someone in your family—people who know you well and have observed you in action. That data becomes the basis for your profile, which identifies your strengths and limitations. Using the profile, you target a competence that you want to improve, in a way that makes sense. You don’t want to choose the thing you’re best at. You also don’t want to choose the thing you’re worst at. You want to choose one that you’ll get a bigger effect from and that matters to you.

Is there ever a point at which someone is too old to learn these competencies? Most students enrolled in graduate business school are already in their late 20s or early 30s.

You’re never too old to learn emotional intelligence. In fact, people tend to improve in emotional intelligence over the course of a lifetime, because life lessons often make people wiser in this domain. They get more comfortable with themselves and other people. So in a rough way, a slow way, there’s a tendency to learn. But someone who wants to be a leader needs to have a relatively high level of these abilities. A business school that wants to help people achieve high leadership levels either has to select people who have already developed these abilities, or it has to help people learn them. And it seems to me the smartest route for business schools would be to offer this training to all students.

How to teach leadership is one crucial issue at business schools today. Another one is how educators should teach the topic of ethics. In your books, you’ve noted that people with emotional intelligence are like-

ly to have higher ethical standards. How do these two factors go hand-in-hand?

In the emotional intelligence domain, we look at the 18 competencies of leaders, and one of them is integrity. It's not that everyone who is strong in emotional intelligence will necessarily be high in integrity, since people can be high or low in any of the competencies. Someone can be very high in integrity and not so high in other qualities, or high in other qualities and not so high in integrity. Instead of saying emotional intelligence increases ethical tendencies, I'd say that it certainly can if that's one of a person's strengths.

Business schools can focus on ethics in a number of ways. One way is to raise awareness by having students reflect on various scenarios they might encounter in the business world and rehearse how they would handle them. Such exercises give students an opportunity to do prelearning rather than learning the hard way. So it makes sense to have an ethics course that is not theoretical, but more practical in terms of scenarios and cases.

What do you think today's business schools need to do to turn out executives who will be excellent leaders?

I would really like to encourage schools to give students whatever opportunities they can to hone these skills because these are the skills that, once students are in the workplace, are the distinguishing competencies that will determine

whether or not they'll rise to the top. Most of what students learn in business school are, from an organizational point of view, threshold competencies. These are the analytical skills, the expertise that is taken for granted, that you need to hold a job. But they're not the abilities that will distinguish between the best and the worst, or between those who are promoted and those who are not. Rather, it's the skills within the domain of emotional intelligence that much more powerfully seem to predict which person will be chosen to head a team or a group or a division or be named president.

I say that on the basis of internal studies by hundreds of organizations using the competence modeling methodology. In these studies, researchers look at different people who've held the same job and determine those who were the stars and those who were average. They do a systematic analysis of the abilities exhibited by the stars that the average people don't exhibit. These turn out to be abilities like fantastic collaboration skills, persuasive communication, initiative, flexibility, the drive to achieve better results, emotional self-management, and self-confidence. Those abilities are the emotional intelligence basis for leadership.

Essentially you're saying that individuals must be able to draw on the so-called "soft skills" or they won't be good leaders.

It's a paradox. Soft skills have hard consequences. 