

# The Four Pillars of Emotionally Intelligent Leadership

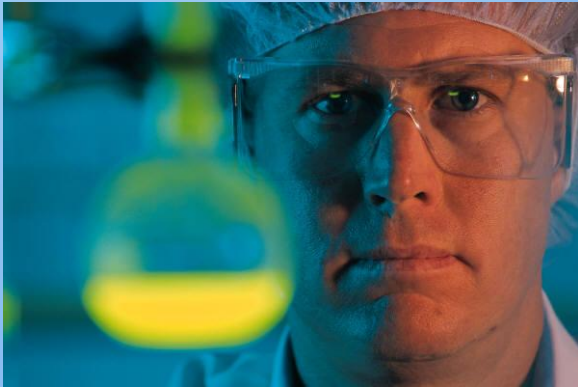
Steven J. Stein

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## Acme Chemicals

Dominic



Chemical engineer

Founder & CEO of \$15M  
chemical products company

Breakthrough product for  
sanitizing athletic gear

## Pumps Unlimited

Jill



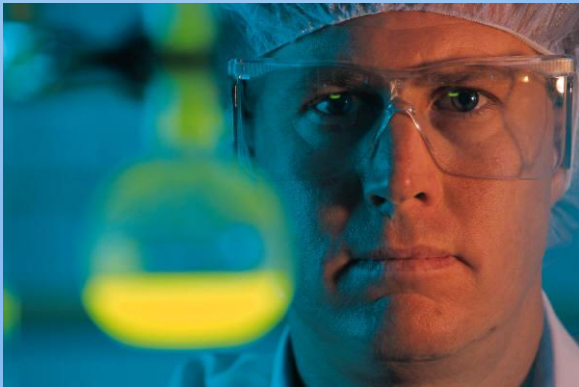
Elementary school teacher

CEO of \$20M hydraulic  
pump manufacturer

Interested in exploring  
third world markets

# \$1,000,000

Dominic



Acme Chemicals

Jill

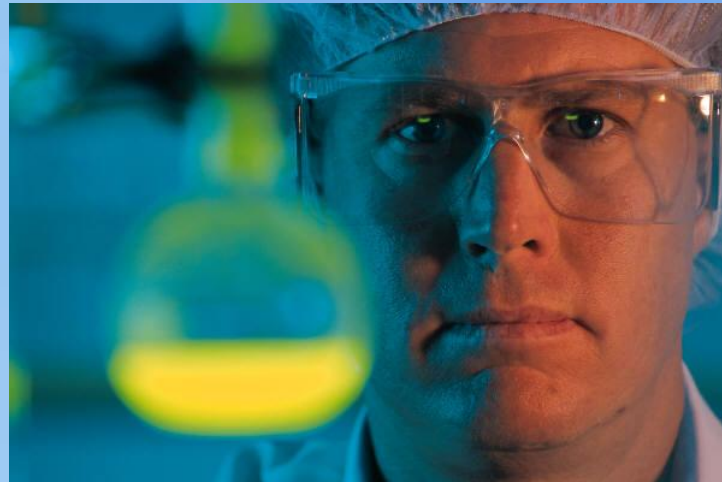


Pumps Unlimited

# **What did you base your decision on?**

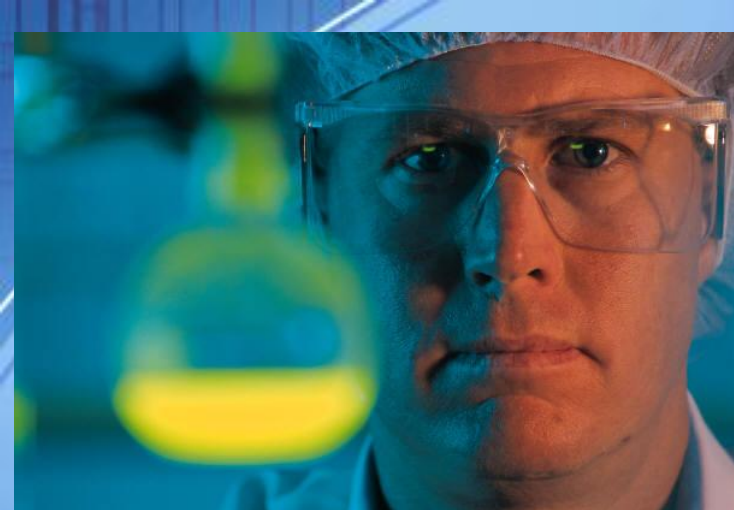
Please respond by typing in the Chat pod

# Dominic



Founder & CEO of \$15M  
chemical products company

**Acme Chemicals**



Had thought of selling Acme

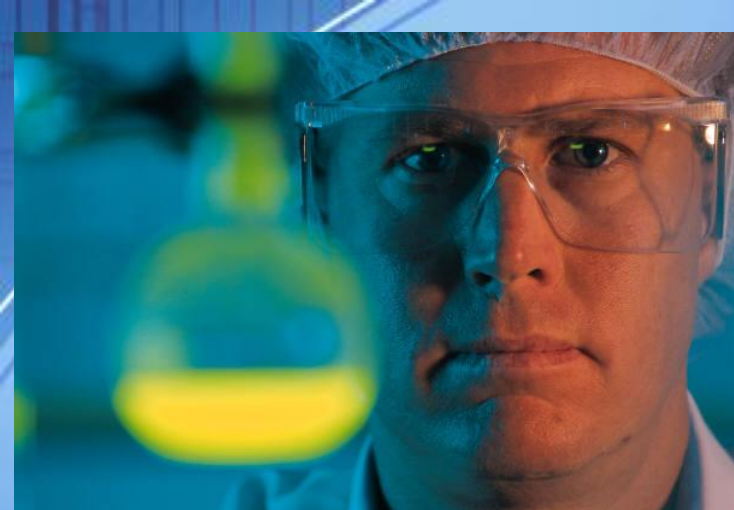
Was getting tired, losing interest

Not profitable over the past few years

Controlling, especially over details

Could not keep a 2IC or COO

Personally involved in operations, accounting functions, research and development



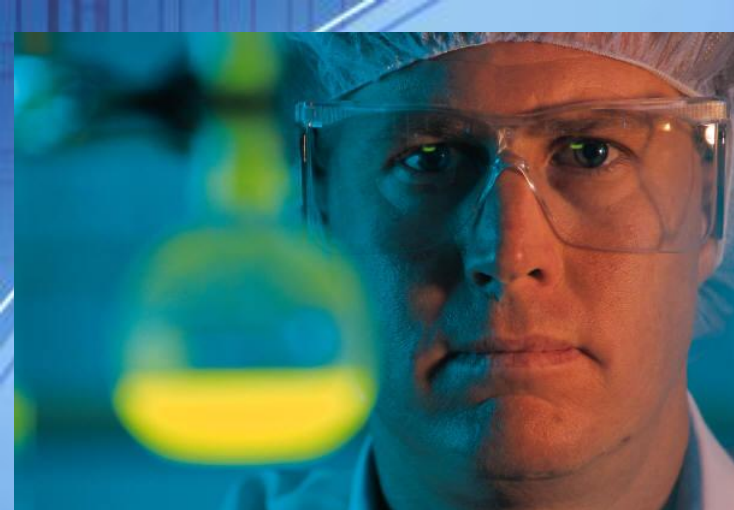
Worked long hours, poor Work/Life balance

No marketing plan or business plan, entrepreneurial spirit

New product ideas would go directly to R&D where days or weeks would be spend on technical feasibility

Interaction style was more authoritarian, “engineer” guru would tell subordinates how things should be

Loved to get staff opinions and feedback but didn't often make use of it



Disappeared in times of stress or when difficult decisions were required.....

Problems would sometimes escalate.....

Then he would delegate the problem to someone else.

# Jill



CEO of \$20M hydraulic pump  
manufacturer

**Pumps Unlimited**



Trained as a teacher, took over company after her father passed away

Has been profitable each year

Knows her strengths and weaknesses and delegates her weak areas

Loyal and highly competent senior team

Low staff turnover, high engagement

Does not interfere with company operations



Employee opinions valued

Regular communication with employees on company successes and challenges

New product ideas flow up from employees

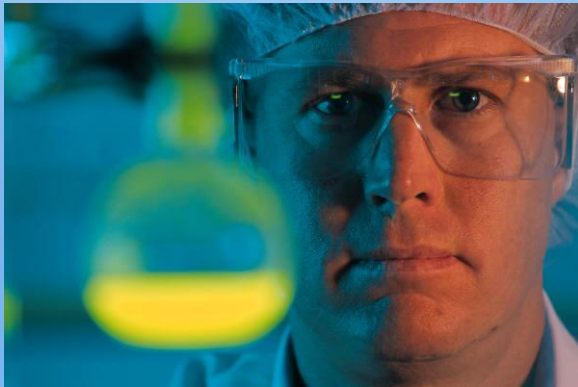
New product ideas require business plan before any implementation

Work/life balance a priority

Deals with critical issues as they arise

# \$1,000,000

Dominic



Acme Chemicals

Jill

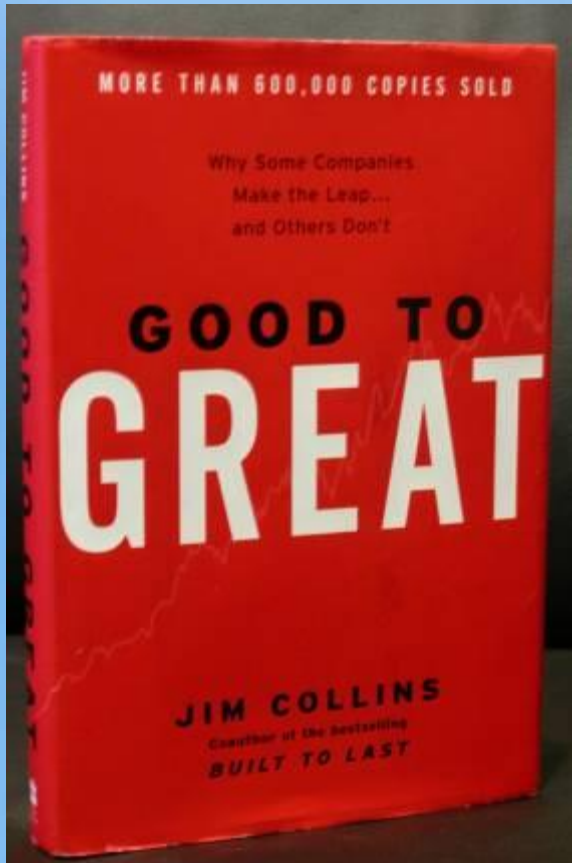


Pumps Unlimited

# **What did you base your decision on?**

Please respond by typing in the Chat pod

# Does Leadership Matter?



**Level 5 Leaders:** The research team was shocked to discover the type of leadership required to achieve greatness.

Professional Will  
Personal Humility

# **What's Emotional Intelligence Got To Do With It?**

# Emotional Intelligence Defined

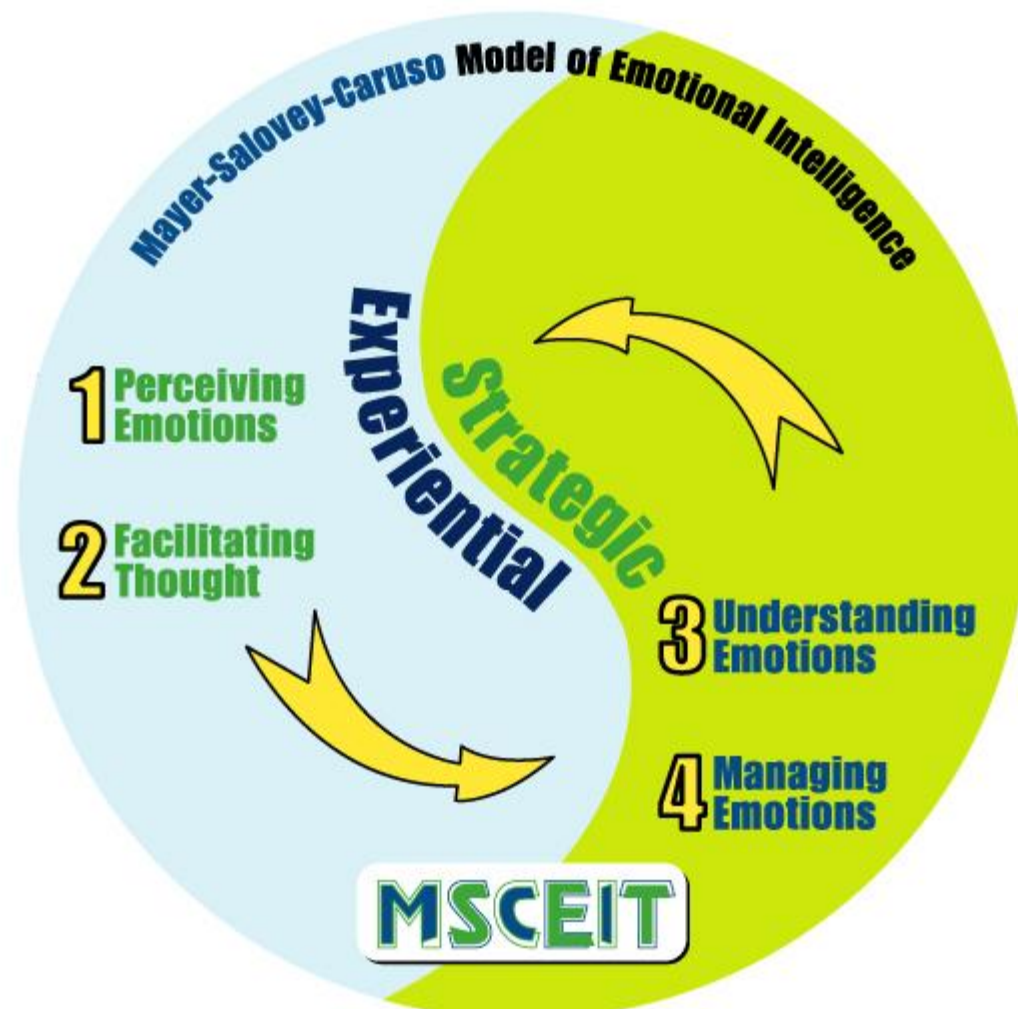
- The ability to identify emotional information in oneself and in others.
- The ability to manage emotional information in oneself and in others.
- The ability to focus emotional energy on required behaviors to get things done.



Aware

Manage

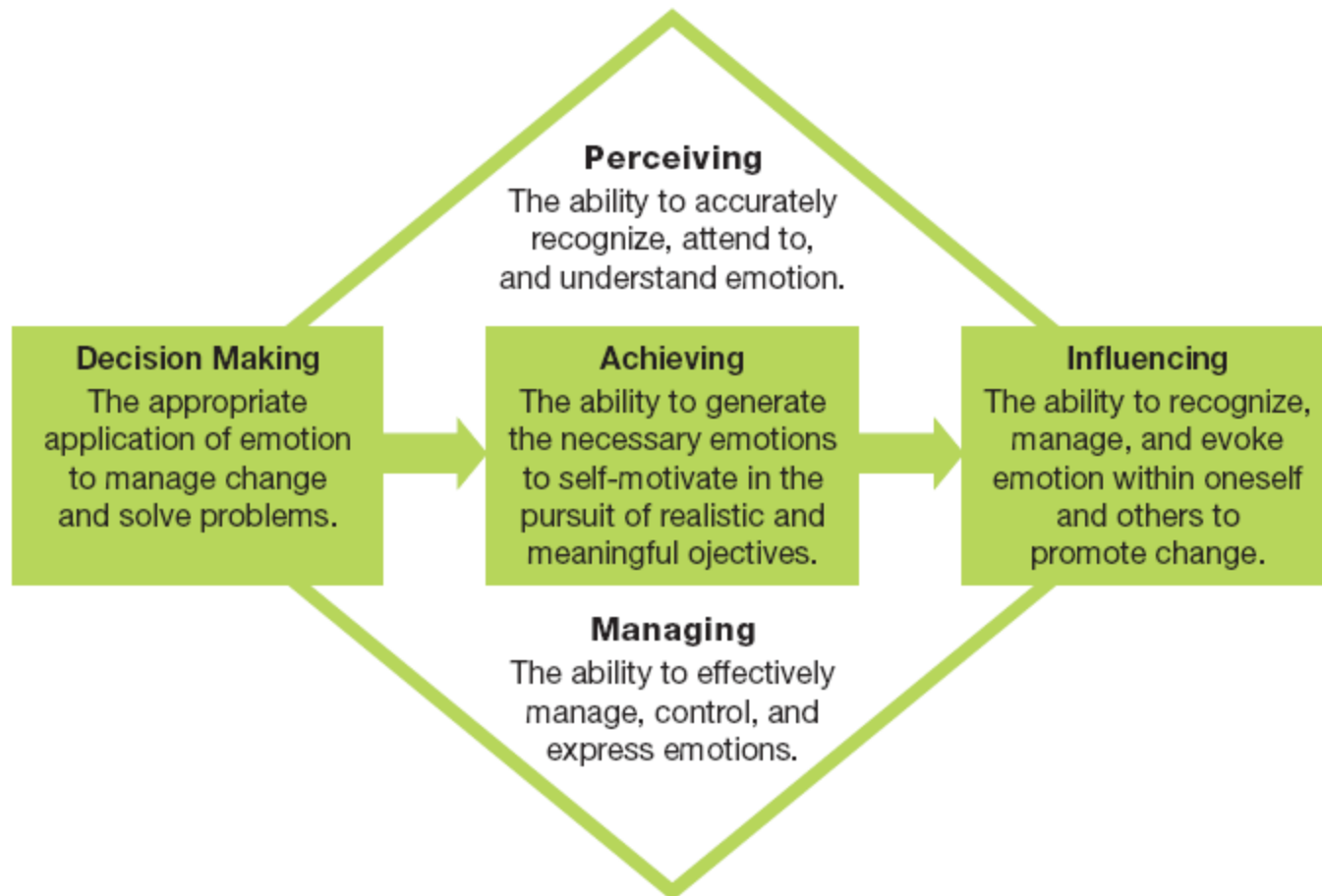
Focus



# BARON MODEL OF EMOTIONAL INTELLIGENCE



# The Five Factors of Emotional and Social Intelligence



# Is There Any Evidence That Emotionally Intelligent Leaders Perform Better?



# The Leadership & Organization Development Journal

## **Emotional intelligence of leaders: a profile of top executives**

**Steven J. Stein**

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# The Study

186 CEO's from YPO and IA

Completed EQ-i, company financial information,  
and Perception of Business Challenges Questionnaire

# The Results

1

CEO's scored higher in 8 of 15 EQ scales than general public

# The Results

## 2

Companies were divided into High Profit and Lower Profit

High profit company CEO's had higher:

Empathy

Self-regard

Reality  
testing

Problem solving

# The Results

## 2

We could correctly predict a CEO's profitability category 87% of the time based on EQ-i score

# The Results

## 3

Higher EQ CEO's reported being less challenged by:

Managing growth

Managing people

Training employees

Employee retention

# Four Pillars of Leadership and EI

Based on research by:

Marian Ruderman, Ph.D.

Center for Creative Leadership, Greensboro, NC

Sample = 302 senior managers and leaders



# Being Centered and Grounded

- Knowing your strengths and weaknesses
- Sense of control
- Balance work & life
- Straightforward
- Related to:
  - Social Responsibility
  - Stress Tolerance
  - Impulse Control
  - Optimism



# **Being Centered and Grounded**

Understanding your own emotions

Staying attuned to the emotions of others

Demonstrating empathy

Differentiating between emotions

Effectively manage emotions

# Using a Participative Management Style

- Interpersonal relationship skills
- Engages others through listening and communication
- Ability to form alliances and partnerships
- Puts others at ease
- Empowers others
- Related to:
  - Empathy
  - Social Responsibility
  - Interpersonal Relationships
  - Impulse Control
  - Happiness



# Using a Participative Management Style

Appraise a situation

Interpret emotional tone

Evoke emotions

Promote change

# Having the Ability to Take Action

- Willingness and ability to take action
- Seeks advice but acts independently
- Feels secure in decision making
- Make good decisions
- Related to:
  - Assertiveness
  - Independence
  - Optimism



# Having the Ability to Take Action

Use positive emotions

Use negative emotions

Manage change and emotions to solve problems

# Being Tough-Minded

- Shows resiliency
- Perseveres in overcoming challenges
- Able to handle pressure
- Related to:
  - Self Regard
  - Stress Tolerance
  - Impulse Control



# Being Tough Minded

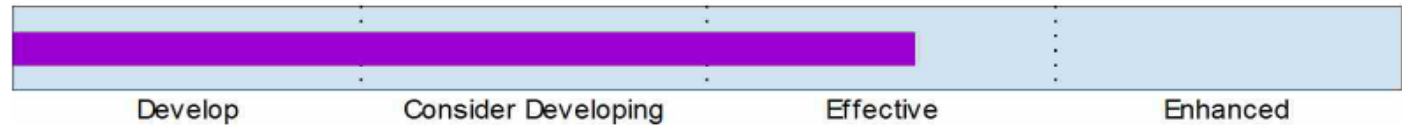
Effectively manage emotions

Effectively control emotions

Appropriately express emotions

Leadership Area	Develop	Consider Developing	Effective	Enhanced
Centered and Grounded			■	
Action-Taking			■	
Participative			■	
Tough-Minded				■

## Centered and Grounded



Centered and grounded leadership is based on knowing one's strengths and weaknesses and on being in control. The complexities of leadership require the ability to integrate conflicting sources of information, weigh pros and cons, and make sound decisions based on good judgment. Successful leaders are usually practical, straightforward, and composed when under pressure. Although some scales may be low, overall, John Smith's BarOn EQ-i results suggest moderate skills in this area.

### Related BarOn EQ-i scales:

Social Responsibility, Stress Tolerance, Impulse Control, Optimism.

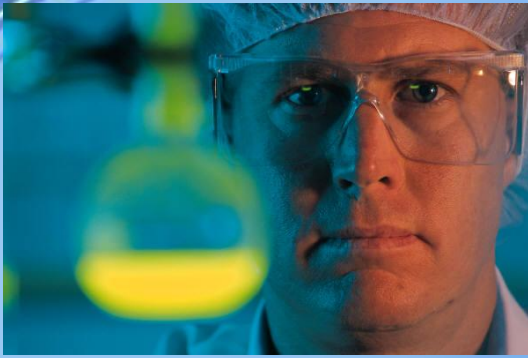
## Action-Taking



To yield maximum change, all of the facets of leadership, whether it is people-oriented or tough-minded for example, must be accompanied by the ability and willingness to take action. Leaders who are apprehensive, too conservative, or do not want to "rock the boat" by questioning existing policies or processes, often limit their effectiveness. The most successful leaders are generally decisive and independent, take into account the advice of others, use good judgment, make sound decisions, and persevere when faced with challenges. An optimistic and positive attitude often contributes to the ability and willingness to take action. John Smith's BarOn EQ-i scores indicate moderate skill in this area, and some improvement may be possible.

### Related BarOn EQ-i scales:

Assertiveness, Independence, Optimism.



- Overestimated his strengths
- Alienated key staff
- Delayed major decisions
- Unable to deal with stressful situations

- Good balance of knowing strengths and weaknesses
- Inclusive of all employees
- Decisive
- Dealt head on with stressful situations

# What You Can Do To Increase EI Among Your Leaders

- Awareness
  - Personal level
  - Organizational level
- Motivation (WIIFM)
  - Business case
- Plan of action
  - Coaching at senior and mid manager levels
  - Training front line employees
- Results
  - Better interactions on a personal level
  - Better business results

# Six Steps for Improving EI

- Identify EI skill to improve
- Set specific, measurable, and realistic goal
- Identify and address any obstacles
- Seek out helpful resources (coach, performance evaluation, training program, books)
- Practice new behaviors (repeat, reinforce, evaluate)
- Review, reassess, and refine your EI goals

# **SMARTTEST Goal-Setting Plan**

- Specific
- Measurable
- Action-Oriented
- Realistic
- Timely
- Energizing
- Signed
- Tested

# EI Goal Setting Exercise

1. First, write down the EI goal you want to develop:

*I would like to increase my skill in perceiving emotions during four out of five interactions with my direct reports by June 20*

2. Provide the action steps on how you are going to attain this goal:

*In order to improve my perceiving skills with my direct reports, I will practice Reflective Listening to confirm my emotional inferences during four out of five interactions by June 12.*

## Today's Date:

Identify three challenges that you faced today and complete the questions for each one. Challenges may be large or small.

### Challenge 1

What was your reaction to this challenge? (circle one)      Positive      Negative

How did you deal with this challenge? Record your thoughts and actions.

What was the outcome of your thoughts and action/inaction?

How could you have improved upon this situation (that is, thoughts and actions)?

What resources will you require (e.g., time, mentoring, coaching, human resources, physical resources, etc.)?

“A leader's intelligence has to have a strong emotional component. He has to have high levels of self-awareness, maturity and self-control. She must be able to withstand the heat, handle setbacks and, when those lucky moments arise, enjoy success with equal parts of joy and humility. No doubt emotional intelligence is more rare than book smarts, but my experience says it is actually more important in the making of a leader. You just can't ignore it.”



**-Jack Welch**

former chairman and CEO of General Electric Co.

Thank you for your attention

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