

INSTRUCTOR-LED TRAINING SESSION | 90 MINUTES

Chapter 10: What Makes a Leader?

Emotional Intelligence as the Sine Qua Non of Leadership

Based on the work of Daniel Goleman

Source: HBR's 10 Must Reads on New Managers

Session Learning Objectives



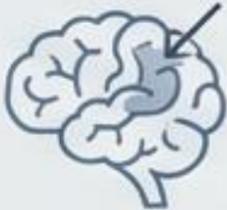
Distinguish between threshold capabilities (IQ/Technical Skills) and the sine qua non of leadership (Emotional Intelligence).



Analyze the five components of Emotional Intelligence (EI): Self-Awareness, Self-Regulation, Motivation, Empathy, and Social Skill.



Identify observable hallmarks of high EI in business scenarios.



Evaluate the neurological basis for developing leadership behaviors (Neocortex vs. Limbic System).



Apply EI frameworks to real-world management crises and team dynamics.

The Leadership Paradox: Threshold vs. Differentiation

Threshold Capabilities

Entry-Level Requirements



- Intellect (IQ)
- Technical Skills
- Cognitive Abilities (Big-picture thinking)

Georgia Pro: Necessary to get the job, but insufficient for outstanding leadership.

The Sine Qua Non

The Essential Condition



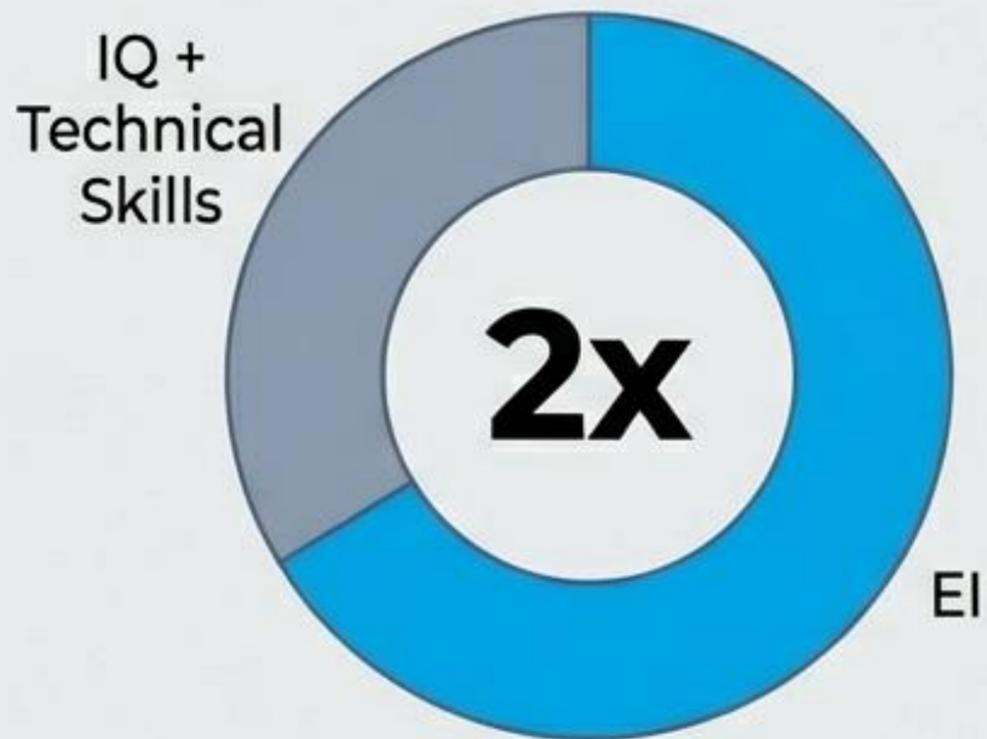
- **Emotional Intelligence (EI)**

Georgia Pro: The driver of outstanding performance at senior levels.

The Empirical Link Between EI and Performance

Analysis of 188 global competency models (e.g., Lucent, British Airways, Credit Suisse)

Importance for All Jobs



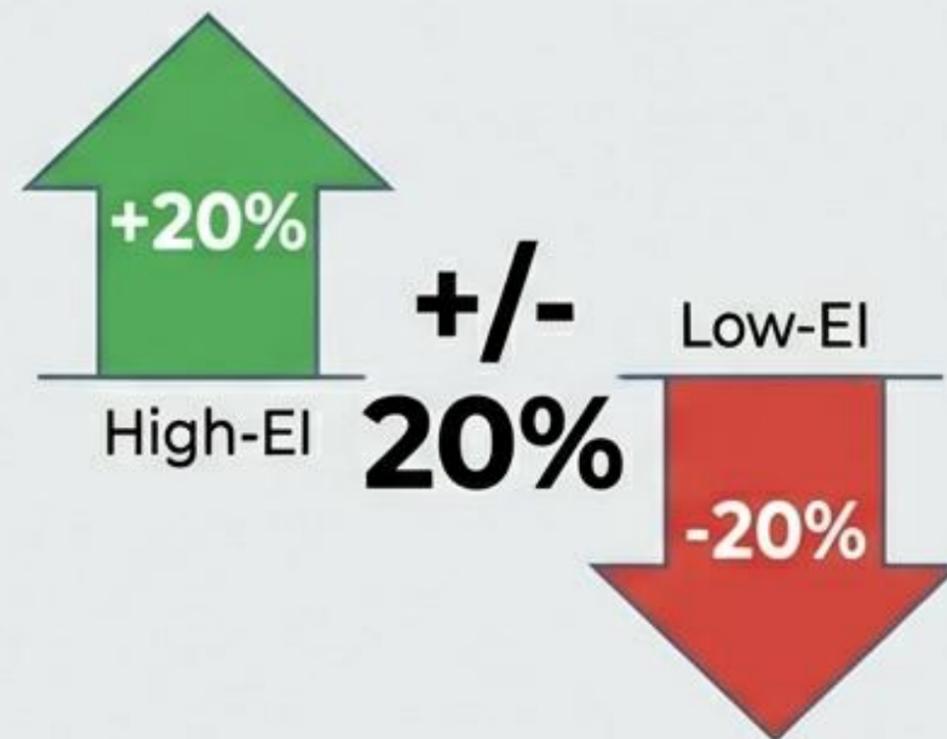
EI is twice as important as IQ + Technical Skills combined.

Senior Leadership Differentiator



90% of the difference between star and average performers is attributable to EI.

Bottom-Line Impact (McClelland Study)



High-EI divisions outperformed earnings goals by 20%. Low-EI divisions underperformed by 20%.

The Five Components of Emotional Intelligence

Self-Management (Internal)

- 1. Self-Awareness**
Knowing one's emotions, strengths, drives, values.
- 2. Self-Regulation**
Controlling or redirecting disruptive impulses.
- 3. Motivation**
Driven to achieve for the sake of achievement.

Relationship Management (External)

- 4. Empathy**
Considering others' feelings in decision-making.
- 5. Social Skill**
Managing relationships to move people in desired directions.

Component 1: Self-Awareness

1

The ability to recognize and understand your moods, emotions, and drives, as well as their effect on others.

Core Characteristic:

Honesty with oneself and others.

Observable Hallmarks

- **Self-Confidence:** Firm grasp of capabilities; plays to strengths.
- **Realistic Self-Assessment:** Comfortable talking about limitations.
- **Self-Deprecating Sense of Humor:** Ability to smile at failures.

Self-Awareness in Practice: The Value of Candor

The Scenario

A manager is passed over for leading a project she deeply wanted.

The Response

“It’s hard for me to get behind this... because I really wanted to run the project... Bear with me while I deal with that.”

Outcome: She examined her feelings, then fully supported the project a week later.

The Analysis

Common Misinterpretation vs. Reality

Executives often mistake such candor for “wimpiness.” In reality, honest self-assessment indicates the courage to honestly assess the organization.

Component 2: Self-Regulation

2 The ongoing inner conversation that frees us from being prisoners of our feelings.

Not eliminating impulses, but managing them.

Core Trait: Reflection and thoughtfulness.

Observable Hallmarks

- **Trustworthiness & Integrity:**
Ability to say 'no' to impulsive urges.
- **Comfort with Ambiguity:**
Suspending judgment during during change.
- **Openness to Change:**
Seeking information rather than panicking.

Self-Regulation in Practice: The Botched Presentation

Scenario: A team presents a poor analysis to the Board of Directors.

Impulsive Reaction (Low EI)

- Pounding the table.
- Screaming or grim silence.
- **Result:** Fear, reduced productivity, talent flight.

Regulated Response (High EI)

- Acknowledges performance without hasty judgment.
- Analyzes reasons (effort vs. mitigating factors).
- Presents a well-considered solution.
- **Result:** Environment of trust and fairness.

Component 3: Motivation

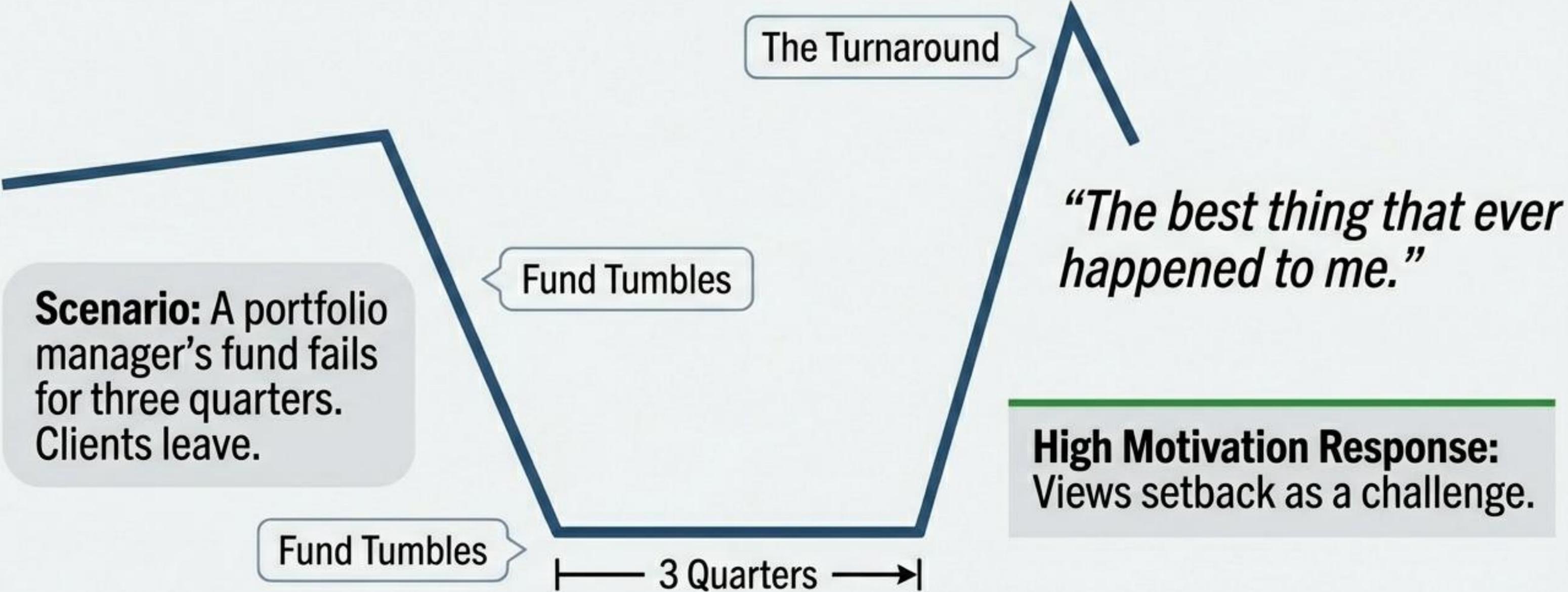
3 A passion to work for reasons that go beyond money or status.

Key Distinction: Driven by achievement for its own sake.

Observable Hallmarks

- **Strong Drive to Achieve:** Constantly raising the performance bar.
- **Optimism:** Persisting even in the face of failure.
- **Organizational Commitment:** Aligning personal goals with company goals.
- **Tracking Progress:** A desire to 'keep score' of results.

Motivation in Practice: The Optimism Factor



Key Takeaway: Optimism prevents paralysis and encourages calculated risk-taking.

Component 4: Empathy

4

Thoughtfully considering employees' feelings in the process of intelligent decisions.

Clarification: Empathy is NOT "I'm OK, you're OK" mushiness.

Observable Hallmarks

- **Expertise in Talent:** Coaching and mentoring.
- **Cross-Cultural Sensitivity:** Reading body language and silence.
- **Service to Clients:** Sensing client needs and perspectives.

Empathy in Practice: The 'Silence' Signal

Scenario: An American team pitches to a Japanese client. Long silence ensues.

Low Empathy

- **Interpretation:** Silence = Disapproval.
- **Action:** Pack up and leave.



High Empathy

- **Interpretation:** Silence = Deep consideration/Interest.
- **Action:** Wait out the silence.
- **Result:** Win the contract.

Empathy is the antidote to miscues in globalized dialogue.

Component 5: Social Skill

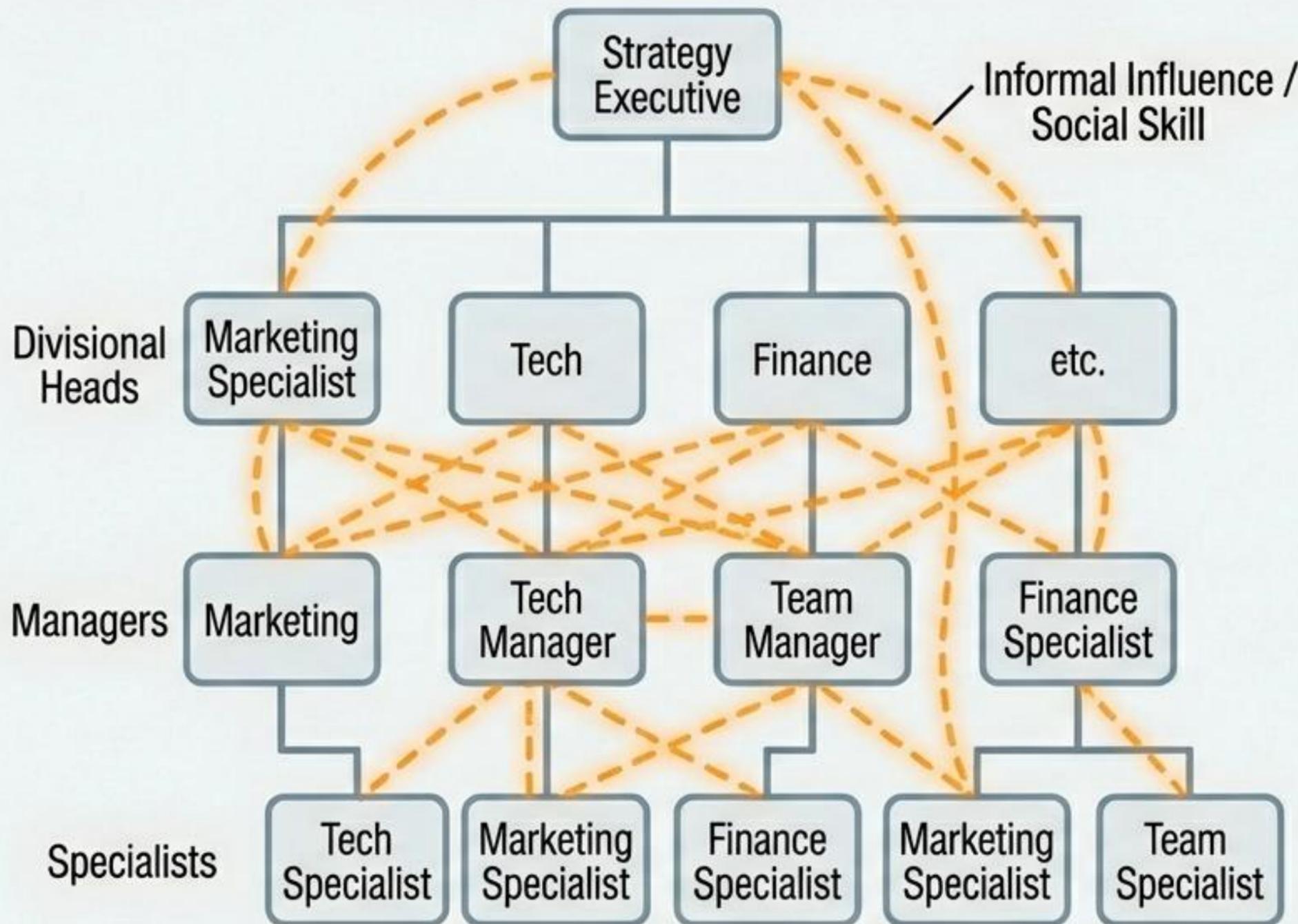
5 Friendliness with a purpose: moving people in the direction you desire.

Relation to Framework: The culmination of Self-Awareness + Regulation + Empathy.

Observable Hallmarks

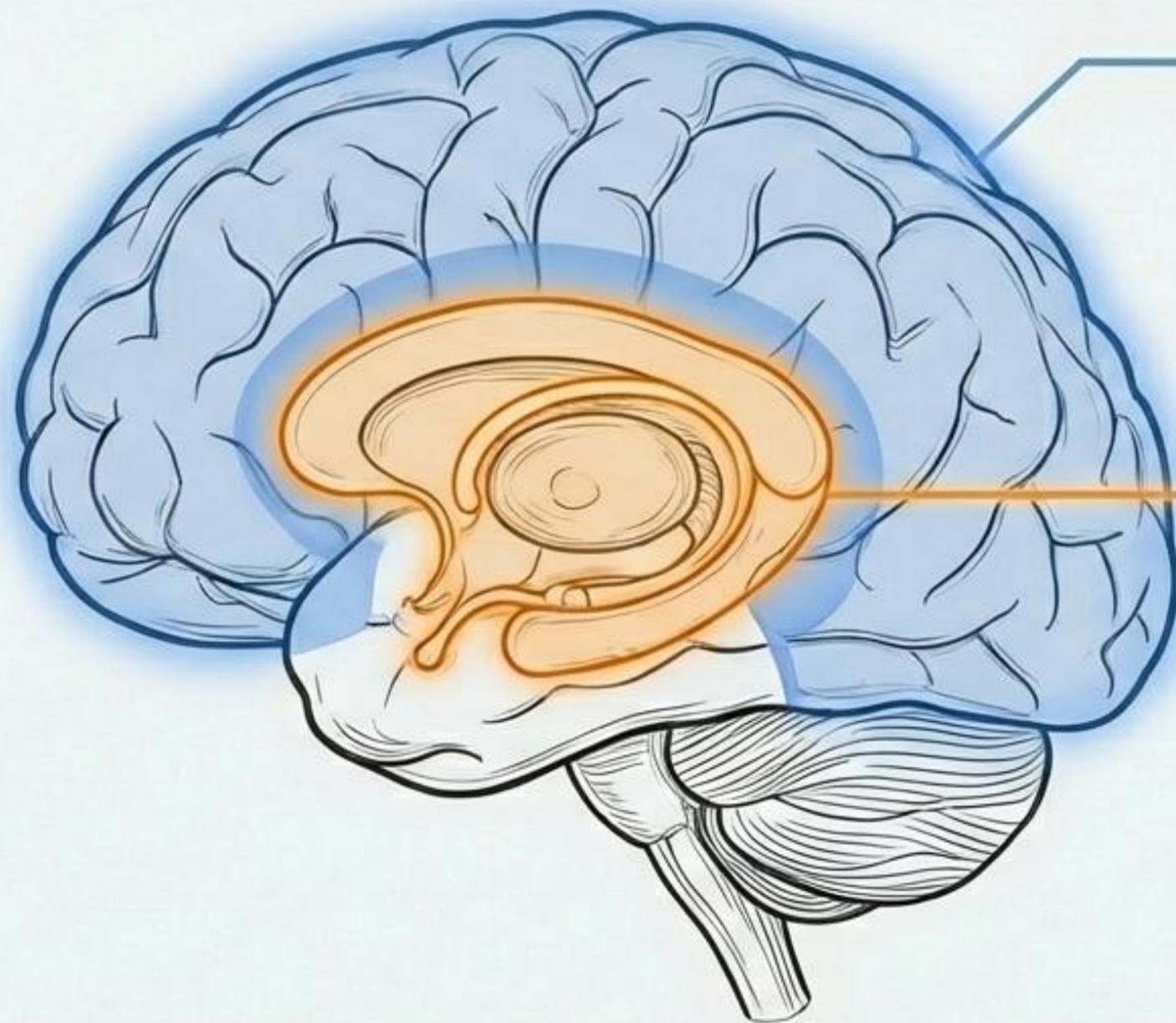
- **Effectiveness in Leading Change:** Building coalitions.
- **Persuasiveness:** Knowing when to use emotion vs. reason.
- **Expertise in Teams:** Building rapport widely.
- **Network Building:** Establishing bonds BEFORE they are needed.

Social Skill in Practice: The 'Virtual' Team



- **Scenario:** A strategy executive launches a corporate website with no budget or formal authority.
- **The Approach:** Stitched together a “de facto” team of kindred spirits across divisions.
- **Key Insight:** Socially skilled people may appear to be “idly schmoozing,” but they are building the relationship equity needed for future action.

The Neurology of Emotional Intelligence



Neocortex

- Governs analytical/technical ability.
- Learns via concepts and reading.
- Training Method: Classroom/Books.

Limbic System (Seat of EI)

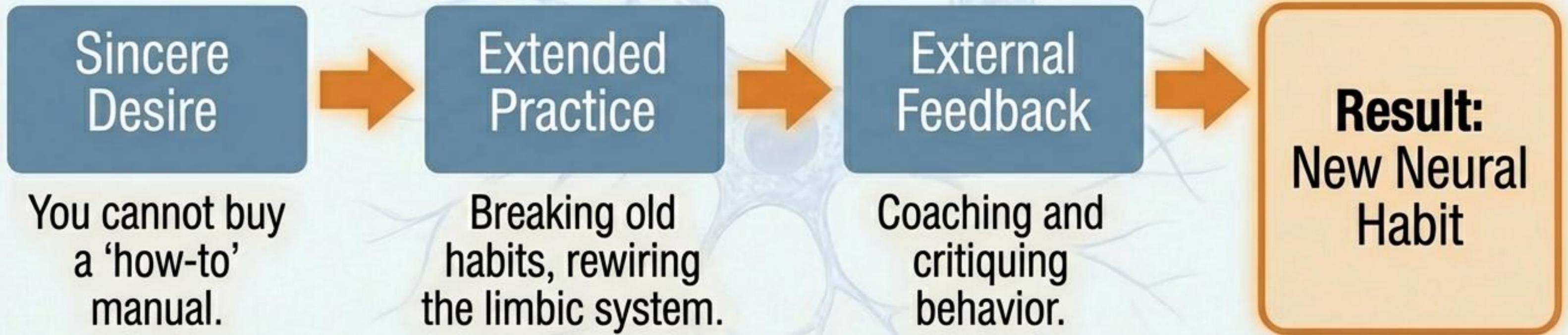
- Governs feelings, impulses, drives.
- Learns via motivation, practice, and feedback.
- Training Method: Experience & Rewiring.



The Training Error: Targeting the neocortex for EI training can actually damage performance.

Can Emotional Intelligence Be Learned?

Nature vs. Nurture: Genetic component exists, but EI increases with age.



Case: Wall Street executive learned empathy by traveling to a foreign country and being shadowed by a coach.

Common Misunderstandings About EI

MYTH: EI means being 'nice'.

REALITY: EI involves delivering hard truths and making tough decisions.

MYTH: EI means letting feelings run wild.

REALITY: EI is about MANAGING feelings so they don't hijack performance.

MYTH: Women are 'naturally' better at EI.

REALITY: No gender differences in total EI, though specific strengths may vary.

Synthesis Scenario: The Brokerage Merger

Two companies merge. Redundant jobs are inevitable.

Manager A: The Gloomy Speech.

-  • Emphasized firings.
-  • Projected own anxiety.

Result: Division collapsed; talent fled. 

Manager B (High EI): The Empathetic Speech.

-  • Admitted confusion.
-  • Promised fairness.
-  • Acknowledged staff fears.

Result: Division remained productive; talent stayed. 

Manager B displayed Self-Regulation, Empathy, and Social Skill.

Knowledge Check: Applying the Framework

Q: Why is Self-Regulation critical for integrity?

A: Integrity often requires suppressing impulsive opportunities for selfish gain.

Q: How does Motivation in EI differ from ambition?

A: EI motivation is internal (achievement for its own sake), not external (salary/status).

Q: Why is Empathy a prerequisite for Social Skill?

A: You cannot move people in a desired direction if you do not understand their feelings.

Key Takeaways

- **Threshold vs. Differentiator:** IQ gets you hired; EI gets you promoted.
- **The 5 Components:** Self-Awareness, Self-Regulation, Motivation, Empathy, Social Skill.
- **Learnability:** EI requires limbic system reprogramming (practice + feedback).
- **Business Impact:** High EI correlates directly with 20% higher profitability.

“Nothing great was ever achieved without enthusiasm.”

— Ralph Waldo Emerson

