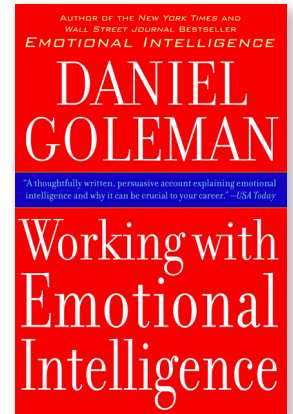




Executive Book Summaries[®]

Working with Emotional Intelligence

by **Daniel Goleman**



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THE SUMMARY IN BRIEF

The secret of success is not what they taught you in school. What matters most is not academic excellence, not a business school degree, not even technical know-how or years of experience. What distinguishes star performers from the mediocre is *emotional intelligence*. Emotional intelligence is actually a set of skills that anyone can acquire, and in this practical guide, renowned researcher and author Daniel Goleman identifies them, explains their importance and shows how they can be fostered.

The higher a person's position, the more emotional intelligence matters — it is crucial for successful leadership. As Goleman documents, it's the essential ingredient for reaching and staying at the top *in any field*, even in high-tech careers. And organizations that learn to operate in emotionally intelligent ways are the companies that will remain vital and dynamic in the competitive marketplace of today — and the future.

Comprehensively researched, crisply written and filled with fascinating information from the front lines of business, *Working with Emotional Intelligence* offers good news to the employee looking for advancement and a wake-up call to leaders, organizations and corporations.

IN THIS SUMMARY, YOU WILL LEARN:

- How emotional intelligence works and why it can be crucial to your career.
- How to connect a wealth of new understandings to the riches of older wisdom.
- An entirely new way of looking at the root causes of many of the ills of our families and society.
- How to achieve what it takes to succeed in your career.

The New Yardstick

The rules for work are changing. We're being judged by a new yardstick: not just by how smart we are or by our training and expertise, but also by how well we handle ourselves and each other. This yardstick is increasingly applied in choosing who is hired and who is not, who is let go and who is retained, who is passed over and who is promoted.

The new rules predict who is most likely to become a star performer and who is most prone to derailing. And no matter what field we work in currently, they measure the traits that are crucial to our marketability for future jobs.

These rules have little to do with what we were told was important in school; academic abilities are largely irrelevant to this standard. This new measure takes for granted we have enough intellectual ability and technical know-how to do our jobs; it focuses instead on personal qualities, such as initiative and empathy, adaptability and persuasiveness.

The research distills with unprecedented precision which qualities mark a star performer. And it demonstrates which human abilities make up the greater part of the ingredients for excellence at work — most especially for leadership.

In a time with no guarantees of job security, when the very concept of a “job” is rapidly being replaced by “portable skills,” these are prime qualities that make and keep us employable. Talked about loosely for decades under a variety of names, from “character” and “personality” to “soft skills” and “competence,” there is at last a more precise understanding of these human talents and a new name for them: emotional intelligence.

Competencies of the Stars

Emotional intelligence skills are synergistic with cognitive ones; top performers have both. The more complex the job, the more emotional intelligence matters — if only because a deficiency in these abilities can hinder the use of whatever technical expertise or intellect a person may have.

Take, for example, an executive who had been brought in to run a \$65 million family-owned business, the first president from outside the family. Shortly after the executive was hired, a researcher, using an interview method to assess the executive's ability to handle cognitive complexity, determined his capacity was the very highest — a “level six,” someone smart enough, theoretically, to be CEO of a global firm or head of a country. But during that interview

the conversation turned to why he had to leave his previous job: He had been fired because he had failed to confront subordinates and hold them responsible for their poor performance.

“It was an emotional trigger for him,” the researcher said. “His face got red and flushed, he started waving his hands — he was clearly agitated. It turned out that his new boss — the owner of the company — had criticized him that very morning for the same thing, and he went on and on about how hard it was for him to confront low-performing employees, especially when they had been with the company for a long time.” And, the researcher noted, “while he was so upset, his ability to handle cognitive complexity — to reason — plummeted.”

In short, out-of-control emotions can make smart people stupid. As Doug Lennick, an executive vice president at American Express Financial Advisors, said, “The aptitudes you need to succeed start with intellectual horsepower — but people need emotional competence, too, to get the full potential of their talents. The reason we don't get people's full potential is emotional incompetence.”

The Emotional Competence Framework

The great divide in competencies lies between the mind and heart or, more technically, between cognition and emotion. Some competencies are purely cognitive, such as analytic reasoning or technical expertise. Others combine thought and feeling; these can be called “emotional competencies.”

An emotional *competence* is a learned capability based on emotional intelligence that results in outstanding performance at work. There are many paths to excellence.

Personal Competence. The 25 emotional competencies fall into five categories. The first three categories contain personal competencies, which determine how we manage ourselves:

- **Self-Awareness: Knowing one's internal states, preferences, resources and intuitions.** Self-awareness competencies include emotional awareness, accurate self-assessment and self-confidence.
- **Self-Regulation: Managing one's internal states, impulses and resources.** This category includes self-control, trustworthiness, conscientiousness, adaptability and innovation.
- **Motivation: Emotional tendencies that guide or facilitate reaching goals.** Motivation competencies

include achievement drive, commitment, initiative and optimism.

Social Competence. The last two categories contain social competencies, which determine how we handle relationships:

- **Empathy: Awareness of others' feelings, needs and concerns.** Empathy competencies include understanding others, developing others, a service orientation, leveraging diversity and political awareness.
- **Social skills: Adeptness at inducing desirable responses in others.** This category includes influence, communication, conflict management, leadership, change catalyst, building bonds, collaboration and cooperation, and team capabilities.

The Hard Case for Soft Skills

A recent study assessed the importance of emotional competence for executive and leadership positions in business. Based on research with hundreds of top executives at 15 global companies — including IBM, PepsiCo and Volvo — the results were stunning.

Just one cognitive ability distinguished star performers from average: pattern recognition, the “big picture” thinking that allows leaders to pick out the meaningful trends from the welter of information around them and to think strategically far into the future.

But with this one exception, intellectual or technical superiority played no role in leadership success. At the top executive levels, everyone needs cognitive skills, to a certain extent, but being better at them does not make a star leader.

Rather, emotional competence made the crucial difference between mediocre leaders and the best. The stars showed significantly greater strengths in a range of emotional competencies, among them influence, team leadership, political awareness, self-confidence and achievement drive. On average, close to *90 percent* of their success in leadership was attributable to emotional intelligence.

To sum up: For star performance in all jobs, in every field, emotional competence is twice as important as purely cognitive abilities.

For success at the highest levels, in leadership positions, emotional competence accounts for virtually the entire advantage.

The Inner Rudder

The ability to read subjective currents has primordial roots in evolution. The brain areas involved in gut feelings are far more ancient than the thin layers of the neo-cortex, the centers for rational thought that enfold the very top of the brain. Hunches start much deeper in the brain. They are a function of the emotional centers that ring the brain stem atop the spinal cord — most particularly an almond-shaped structure called the amygdala and its connected neural circuitry. This web of connectivity, sometimes called the extended amygdala, stretches up to the brain's executive center in the prefrontal lobes, just behind the forehead.

The brain stores different aspects of an experience in different areas — the source of a memory is encoded in one zone, the sights and sounds and smells in other areas, and so on. The amygdala is the site where the emotions an experience evokes are stored. Every experience that we have an emotional reaction to, no matter how subtle, seems to be encoded in the amygdala.

The Source of Gut Feeling

As the repository for everything we feel about what we experience, the amygdala constantly signals us with this information. Whenever we have a preference of any kind, whether for ordering risotto rather than the sea bass special, or a compelling sense that we should dump our shares in a stock, that is a message from the amygdala. And via the amygdala's related circuitry, particularly nerve pathways that run into the viscera, we can have a somatic response — literally, a “gut feeling” — to the choices we face.

This capacity, like other elements of emotional intelligence, can grow stronger with the accumulating experiences life brings us. The classic term for this strengthening of our guiding sensibility is *wisdom*. And people who ignore or discount messages from this repository of life's wisdom do so at their peril.

Self-Awareness -- Competencies

Intuition and gut feeling bespeak the capacity to sense messages from our internal store of emotional memory— our own reservoir of wisdom and judgment. This ability lies at the heart of self-awareness, and self-awareness is the vital foundation skill for three emotional competencies:

- **Emotional awareness:** The recognition of how our emotions affect our performance and the ability to use our values to guide decision-making.

- **Accurate self-assessment:** A candid sense of our personal strengths and limits, a clear vision of where we need to improve and the ability to learn from experience.
- **Self-confidence:** The courage that comes from certainty about our capabilities, values and goals.

Self-Control

The single most striking finding from brain studies of people under stress — like giving a talk in front of a critical audience — shows the emotional brain at work in ways that undermine the workings of the brain's executive center, the prefrontal lobes, located just behind the forehead.

The prefrontal area is the site of “working memory,” the capacity to pay attention and keep in mind whatever information is salient. Working memory is vital for comprehension and understanding, planning and decision making, reasoning and learning.

When the mind is calm, working memory functions at its best. But when there is an emergency, the brain shifts into a self-protective mode, stealing resources from working memory and shunting them to other brain sites in order to keep the senses hyperalert — a mental stance tailored to survival.

During the emergency, the brain falls back on simple, highly familiar routines and responses and puts aside complex thought, creative insight and long-term planning. The focus is the urgent present — or the crisis of the day.

While the circuitry for emergencies evolved millions of years ago, we experience its operation today in the form of troubling emotions: worries, surges of anxiety, panic, frustration and irritation, anger, rage.

The Managed Heart

The notion of emotional self-control does not mean denying or repressing true feelings. “Bad” moods, for instance, have their uses; anger, sadness and fear can become sources of creativity, energy and connectedness. Anger can be an intense source of motivation, particularly when it stems from the urge to right an injustice or inequity. Shared sadness can knit people together. And the urgency born of anxiety — if not overwhelming — can prod the creative spirit.

Emotional self-control is not the same as overcontrol, the stifling of all feeling and spontaneity. In fact, there is a physical and mental cost to such overcontrol. People who stifle their

feelings, especially strong negative ones, raise their heart rate, a sign of increased tension. When such emotional suppression is chronic, it can impair thinking, hamper intellectual performance and interfere with smooth social interactions.

By contrast, emotional competence implies we have a choice as to *how* we express our feelings. Such emotional finesse becomes particularly important in a global economy, since the ground rules for emotional expression vary greatly from culture to culture.

Self-Regulation -- Competencies

Self-regulation — managing impulse as well as distressing feelings — depends on the working of the emotional centers in tandem with the brain's executive centers in the prefrontal areas. These two primal skills — handling impulse and dealing with upsets — are at the core of five emotional competencies:

- **Self-control:** Managing disruptive emotions and impulses effectively.
- **Trustworthiness:** Displaying honesty and integrity.
- **Conscientiousness:** Dependability and responsibility in fulfilling obligations.
- **Adaptability:** Flexibility in handling change and challenges.
- **Innovation:** Being open to novel ideas, approaches and new information.

What Moves Us

People who find their work exhilarating perform at their best. The key to that exhilaration is not the task itself, but the special state of mind created as we work, a state called “flow.” Flow moves people to do their best work, no matter what work they do.

Flow blossoms when our skills are fully engaged and then some — say, by a work project that stretches us in new and challenging ways. The challenge absorbs us so much we lose ourselves in our work, becoming so totally concentrated we may feel “out of time.” In this state we seem to handle everything effortlessly, nimbly adapting to shifting demands. Flow itself is a pleasure.

Flow is the ultimate motivator. Activities we love draw us in because we get into flow as we pursue them. When we work in flow, the motivation is built in — work is a delight in itself.

Flow offers a radical alternative to the widely held ideas about what motivates people at work. This is not to say that incentives don't matter; they are key as prods or ways to "keep score." There is, of course, value in reviews and promotions, stock options and bonuses —as there is with basic salary. But the most powerful motivators are internal, not external.

For instance, when people kept a journal of how they felt while they performed a range of tasks throughout the day, one result was clear: They felt better doing work they loved rather than work they did only because they were rewarded for it.

Traditional incentives miss the point when it comes to getting people to perform at their absolute best. To reach the top rung, people must love what they do and find pleasure in doing it.

Motivation -- Competencies

Three motivational competencies typify outstanding performers:

- **Achievement drive:** Striving to improve or meet a standard of excellence.
- **Commitment:** Embracing the organization's or group's vision and goals.
- **Initiative and optimism:** Twin competencies that mobilize people to seize opportunities and allow them to take setbacks and obstacles in stride.

People Skills

Sensing what others feel without saying so captures the essence of empathy. Others rarely tell us in words what they feel; instead they tell us in their tone of voice, facial expression and other nonverbal ways. The ability to sense these subtle communications builds on more basic competencies, particularly self-awareness and self-control. Without the ability to sense our own feelings — or to keep them from swamping us — we will be hopelessly out of touch with the moods of others.

Empathy is our social radar. Lacking such sensitivity, people are "off." Being emotionally tone deaf leads to social awkwardness, whether from misconstruing feelings or through a mechanical, out-of-tune bluntness that destroys rapport.

At the very least, empathy requires being able to read another's emotions; at a higher level, it entails sensing and

responding to a person's unspoken concerns or feelings. At the highest levels, empathy is understanding the issues or concerns that lie behind another's feelings.

Empathy -- Competencies

Because of differences in how well we have learned the basic skills of social awareness, there are corresponding differences among us in workplace competencies that build on empathy. Empathy represents the foundation skill for all the social competencies important for work. These include:

- **Understanding others:** Sensing others' feelings and perspectives, and taking an active interest in their concerns.
- **Service orientation:** Anticipating, recognizing and meeting customers' needs.
- **Leveraging diversity:** Cultivating opportunities through diverse people.
- **Political awareness:** Reading the political and social currents in an organization.

The Arts of Influence

Influencing another person's emotional state for better or worse is perfectly natural; we do it constantly, "catching" emotions from one another like some kind of social virus. This emotional exchange constitutes an invisible interpersonal economy, part of every human interaction, but it is usually too subtle to notice.

The *emotional economy* is the sum total of the exchanges of feeling among us. In subtle (or not so subtle) ways, we all make each other feel a bit better (or a lot worse) as part of any contact we have; every encounter can be weighted along a scale from emotionally toxic to nourishing. While its operation is largely invisible, this economy can have immense benefits for a business or for the tone of organizational life.

In the world of work, no matter the business at hand, emotional elements play a crucial role. Emotional competence requires being able to pilot through the emotional undercurrents always at play rather than being pulled under by them.

The most effective people in organizations naturally use their emotional radar to sense how others are reacting, and they fine-tune their own response to push the interaction in the best direction.

Social Skills -- Competencies

Social skills, in the essential sense of handling *another person's* emotions artfully, underlie several competencies. These include:

- **Influence:** Wielding effective tactics of persuasion.
- **Communication:** Sending clear and convincing messages.
- **Conflict management:** Negotiating and resolving disagreements.
- **Leadership:** Inspiring and guiding.
- **Change catalyst:** Initiating, promoting or managing change.

Collaboration, Teams and the Group IQ

What makes a team perform better than the best person on it? That question is key. Outstanding team performance raises the “group IQ” — the sum total of the best talents of each member on a team, contributed to their fullest. When teams operate at their best, the results can be more than simply additive — they can be *multiplicative*, with the best talents of one person catalyzing the best of another and another to produce results far beyond what any one person might have done. The explanation of this aspect of team performance lies in the members’ *relationships* — in the chemistry between members.

A study of 60 work teams in a large American financial services company found that many elements mattered to some extent for the teams’ effectiveness. But the single dimension that mattered most was the human element — how members interacted with each other and those the team connected with.

Social Coordination -- Competencies

Several competencies of star performers are rooted in the basic human talents for social coordination:

- **Building bonds:** Nurturing instrumental relationships.
- **Collaboration and cooperation:** Working with others toward shared goals.
- **Team capabilities:** Creating synergy in working toward group goals.

A New Model of Learning

Cultivating emotional competence requires an understanding of the fundamentals of behavior change. The failure

to take this into account wastes an immense investment in development and training each year. Today, millions upon millions of dollars are being wasted on training programs that have no lasting impact — or little effect at all — on building emotional competence. It amounts to a billion-dollar mistake.

When heads of development at Fortune 500 companies were asked what makes it difficult for them to evaluate their own training programs, the most common complaint was the lack of standards and yardsticks available for training in the so-called soft skills like emotional competencies.

To help change this, the Consortium for Research on Emotional Intelligence in Organizations was founded [*Daniel Goleman was co-founder*], a coalition of researchers and practitioners from business schools, the federal government, consulting firms and corporations. The consortium has searched the scientific findings on behavior change and studied exemplary training programs, to create basic guidelines for the best practices in teaching competencies based on emotional intelligence.

Here are some of the resulting guidelines:

- **Assess the job.** Training should focus on the competencies needed most for excellence in a given job or role.
- **Assess the individual.** The individual’s profile of strengths and limitations should be assessed to identify what needs improving.
- **Deliver assessments with care.** Feedback on a person’s strengths and weaknesses carries an emotional charge.
- **Gauge readiness.** People are at differing levels of readiness.
- **Motivate.** People learn to the degree they are motivated and making the competence a personal goal for change.
- **Make change self-directed.** When people direct their learning program, tailoring it to their needs, circumstances and motivation, learning is more effective.
- **Focus on clear, manageable goals.** People need clarity on what the competence is and the steps needed to improve it.
- **Prevent relapse.** Habits change slowly, and relapses and slips need not signal defeat.

- **Give performance feedback.** Ongoing feedback encourages and helps direct change.
- **Encourage practice.** Lasting change requires sustained practice both on and off the job.
- **Arrange support.** Like-minded people who are also trying to make similar changes can offer crucial ongoing support.
- **Provide models.** High-status, highly effective people who embody the competence can be models who inspire change.
- **Encourage.** Change will be greater if the organization's environment supports the change, values the competence and offers a safe atmosphere for experimentation.
- **Reinforce change.** People need recognition — to feel their change efforts matter.
- **Evaluate.** Establish ways to evaluate the development effort to see if it has lasting effects.
- **Make change self-directed.** We change most effectively when we have a plan for learning that fits our lives, interests, resources and goals.
- **Focus on clear, manageable goals.** Breaking goals into smaller steps offers easier challenges —and successes.
- **Prevent relapse.** People need to be warned at the outset of training that they are likely to experience bad days when they revert to their old habits. Show them how to learn valuable lessons from those slips.
- **Give performance feedback.** Knowing how we are doing keeps us on track. Feedback means that someone notices whether — or how well — the new competence is being used and lets us know.
- **Encourage practice.** People learn a new skill more effectively if they have repeated chances to practice it over an extended period of time than if they have the same amount of practice lumped into a single, intensive session.
- **Arrange support.** Mentoring can serve as a coaching forum for boosting emotional competence.
- **Provide models.** We learn by watching others; if others can demonstrate a competence, they create a living classroom for us.
- **Encourage and reinforce.** A fledgling competence needs to be expressed during the actual situation at work in order to take hold.
- **Evaluate.** Establish sound outcome measures, especially for the competencies that were targeted in training, and include job performance measures.

Best Practices

Though almost every development program for emotional intelligence includes at least a few of these “best practices,” optimal impact comes from their added potency when used in combination.

These guidelines offer a state-of-the-art blueprint for teaching — and learning — emotional intelligence.

- **Assess the job.** One basic question needs to be asked and answered before any training is undertaken: What does it take to do this job superbly?
- **Assess the individual.** In general, the ideal evaluation relies not on any one source but on multiple perspectives.
- **Deliver assessments with care.** If there ever was a task that called for emotional intelligence, giving people the results of 360-degree evaluations is it; empathy, sensitivity and delicacy are essential.
- **Gauge readiness.** If people are not ready to take action, forcing them will lead to disaster: the sham of going through the motions only to satisfy others, resentment rather than enthusiasm, quitting.
- **Motivate.** The more motivated people are to learn, the greater the effectiveness of the training for them.

The Emotionally Intelligent Organization

An emotionally intelligent organization needs to come to terms with any disparities between the values it proclaims and those it lives. Clarity about an organization's values, spirit and mission leads to a decisive self-confidence in corporate decision-making.

An organizational mission statement serves an emotional function: articulating the shared sense of goodness that allows us to feel what we do together is worth-while. Working for a company that measures its success in the most meaningful ways — not just the bottom line— is itself a morale and energy raiser.

Managing Emotions Well

One largely ignored pulse of an organization's viability can be read in the typical emotional states of those who work there. Sounding the depths of emotional currents in an organization can have concrete benefits.

Consider a gas plant division at Petro Canada, the country's largest oil and gas refining company. "Guys in the gas plants were having a wave of accidents, some fatal," said a consultant who was called in to help. "I found that in the macho culture of the petrochemical industry, guys never acknowledged their feelings. If someone came to work hung over, preoccupied over a sick child or upset by a spat with his wife, his workmates would never ask how he was doing that day or if he was OK enough to be sharp on the job. The result would be that the guy would be inattentive and cause an accident."

With this basic insight into the human cost of ignoring emotions on the job, the company initiated a series of workshops for crews "to get them to see that how they are feeling has consequences — that *this matters*. They saw that they had to look out for each other, and they were doing themselves and everyone else a favor if they checked in about how they were doing. If someone was off that day, they needed to say to him, 'I don't think I can work with you today.' And their safety record improved."

The Heart of Performance

Perhaps the strongest argument for the economic advantage of emotional intelligence in organizations can be read in data generated by Jac Fitz-Enz at the Saratoga Institute, in a project sponsored by the Society for Human Resource Management. Since 1986 the institute has collected data from nearly 600 companies in more than 20 industries, detailing policies and practices. They analyzed top companies, selected for profitability, cycle times, volume and other similar indexes of performance.

Searching for what these outstanding companies held in common, the institute identified the following basic practices in managing "human assets" — their people.

- A balance between the human and financial sides of the company's agenda.
- Organizational commitment to a basic strategy.
- Initiative to stimulate improvements in performance.
- Open communication and trust-building with all stakeholders.

- Building relationships inside and outside that offer competitive advantage.
- Collaboration, support and sharing resources.
- Innovation, risk taking and learning together.
- A passion for competition and continual improvement.

This list is intriguing because of the clear similarities between these organizational practices and the emotional competencies that typify top-performing individuals.

But here these same capabilities have ended up on a list generated by observing top-performing companies, not individuals. Just as with individuals, organizational competencies can be thought of as falling into three domains: cognitive abilities, in the sense of managing knowledge well; technical expertise; and managing human assets, which requires social and emotional competence.

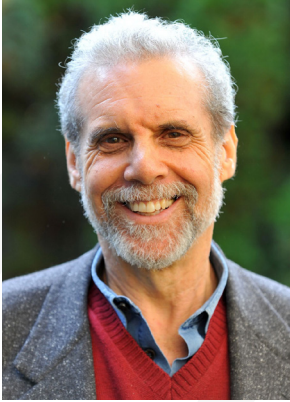
Some Final Thoughts

The good news is that emotional intelligence can be learned. Individually, we can add these skills to our tool kit for survival at a time when "job stability" seems like a quaint oxymoron.

For businesses of all kinds, the fact that emotional competencies can be assessed and improved suggests another area in which performance — and so competitiveness — can be upgraded. What's needed amounts to an emotional competence tune-up for the corporation.

At the individual level, elements of emotional intelligence can be identified, assessed and upgraded. At the group level, it means fine-tuning the interpersonal dynamics that make groups smarter. At the organizational level, it means revising the value hierarchy to make emotional intelligence a priority — in the concrete terms of hiring, training and development, performance evaluation, and promotions.

To be sure, emotional intelligence is no magic bullet, no guarantee of more market share or a healthier bottom line. The ecology of a corporation is extraordinarily fluid and complex, and no single intervention or change can fix every problem. But, as the saying goes, "It's all done with people," and if the human ingredient is ignored, then nothing else will work as well as it might. In the years to come, companies in which people collaborate best will have a competitive edge, and to that extent emotional intelligence will be more vital.



Daniel Goleman is the author of *Social Intelligence* and the best-seller *Emotional Intelligence* and a co-author of *Primal Leadership*. He received his Ph.D. from Harvard and reported on the brain and behavioral sciences for The New York Times for 12 years.

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