A revealing conversation on emotional intelligence & leadership

the challenges of LEADERSHIP

Martyn Newman & Jim Kouzes
Developing global leaders with cultural sensitivities and collaborative skills requires greater focus on emotional intelligence, self-awareness, and empowerment than on traditional management skills.

PROFESSOR BILL GEORGE
Harvard Business School.
No one knows leadership better than Jim Kouzes. For more than twenty-five years of writing and speaking Jim and has taught generations of leaders how to rise to the challenge of leadership and inspire others to be the best they can be. His best selling book, co-authored with Barry Posner, The Leadership Challenge™ is now in its fifth edition and remains one of the most authoritative guides to leadership success available.

Of course, the world has changed dramatically since the publication of the first edition. Deep changes in technology, demographics, the workplace and the economy have had profound impact on how businesses are lead. What new skills do leaders need in today’s increasingly volatile and uncertain globalized marketplace? Are the leadership lessons learnt over more than two decades relevant to flatter, decentralized organizations with collaborative decision-making? What role does emotional intelligence play in the ultimate success of any leader?

In this frank interview with consulting psychologist Dr Martyn Newman, Jim Kouzes responds candidly to these questions and explores the essential practices of contemporary leadership. Together Newman and Kouzes discuss why great leaders emerge from setback and struggle and how personal values shape the most enduring characteristics of leadership. They ask why emotional intelligence is such a strong predictor of leadership performance and an indispensible skill for taking on tough challenges. They then examine what the specific skills and abilities of the most effective leaders actually look like and, importantly, discuss whether these skills are innate or can they be learnt by anyone?

Throughout the exchange Newman and Kouzes maintain an intensely personal tone and share provocative anecdotes from their wealth of experience in management consulting. For anyone who recognizes that traditional management skills and functional or technical expertise are no longer sufficient, the challenge of leadership is an exciting conversation full of psychological insight and practical strategies for increasing leadership influence in contemporary organizations.
JIM KOUZES

is the coauthor with Barry Posner of the award-winning and best-selling book, *The Leadership Challenge™*, with over 2.0 million copies in print. He's also the Dean's Executive Fellow of Leadership, Leavey School of Business, Santa Clara University. The Wall Street Journal cited Jim as one of the twelve best executive educators in the U.S. He is the 2010 recipient of the Thought Leadership Award from the Instructional Systems Association, listed as one of HR Magazine's Most Influential International Thinkers for 2010, 2011, and 2012, named one of the 2010 and 2011 Top 100 Thought Leaders in Trustworthy Business Behavior by Trust Across America, and ranked by Leadership Excellence magazine as number sixteen on its list of the Top 100 Thought Leaders.
MARTYN NEWMAN, PH.D., D.PSYCH.,

is a consulting psychologist with an international reputation as an expert of emotional intelligence and leadership. He has held senior positions in the School of Psychology, University of East London and the Australian Catholic University, Melbourne and is currently Visiting Fellow in Leadership and Emotional Intelligence at Sheffield Business School, Sheffield Hallam University. He is also author of the best selling book, *Emotional Capitalists* – The New Leaders and MD of RocheMartin® - a global provider of tools for measuring and developing EQ and leadership performance.
INTRO:
The Best Kept Secret Of Successful Leaders
Martyn: I'd like to welcome Jim Kouzes to this interview and thank you, Jim, for taking the time to join me to discuss your book and this fascinating topic of emotional intelligence in leadership. Jim, of course, needs no introduction. He is the coauthor of the bestselling book, The Leadership Challenge™. Since its first publication way back in the late 80's, this book, The Leadership Challenge™, is now in its fifth edition and has achieved the status of a classic text in the leadership literature. The International Management Council named Jim and his coauthor Barry Posner as the 2001 recipients of the prestigious Wilbur M. McFeely Award and countless awards since. This honor puts them in the company of people like Ken Blanchard and Stephen Covey, Peter Drucker, Norman Vincent Peale and Tom Peters among many others. Jim, it's a real honor to have the opportunity to talk with you today to explore this fascinating topic with someone like yourself who's been at the core of leadership for several decades.

Jim: Well, it's my pleasure, Martyn. Thank you very much for the opportunity to talk with you and congratulations on your new book.

Martyn: One of the things I wanted to ask you about today, Jim, is what you describe really as the best-kept secret of successful leaders. I know people who haven't read your book will be very eager to get to the answer to
that question, particularly from someone who's conducted such extensive research into leadership. But before we get to that, I noticed in the preface...

Jim: I was going to suggest we save that for the end.

Martyn: Exactly.

Jim: We'll tell everyone the secret to success at the end.

Martyn: I think it's what our colleagues in the marketing department call ‘the hook’.

Jim: That's right.
POST RECESSION:

How Leadership Skill Has Evolved
**Martyn:** I noticed in the preface of your book you describe some of the ways in which the world has changed over the few decades since you authored the first edition. And yet, in this edition you still insist that despite the change in the context of leadership, really the content of leadership remains the same. Would you still hold that view in light of these current economic challenges that we're facing at the moment?

**Jim:** Actually, I've been speaking a lot on this theme these days, and it's even more essential during these times and not less. I might explain why.

When we did our research, Martyn, we asked people to tell us a story about their personal best leadership experience. We asked them questions about a time when in their own opinion they had performed at their very best. These were people who ranged from middle to upper level at the time. We've since repeated this study with students, with front line leaders, and even people who are in non-managerial roles in organizations and volunteer groups and communities, teachers, coaches, so that it's not just about people who are managers inside business but can be generalizable to many different roles.

We asked those individuals to tell us a story about their personal best. They could have written about anything they wanted, and yet they chose to write about times
that were the most difficult, stressful, and adverse in their careers. There were cases of doing something for the very first time, turning around a company, or dealing with a mandate from the corporate office to "Turn this division around or we'll shut it down in two years." These were individuals who took on very challenging tasks and yet called them their personal bests. What we realized about change, challenge, adversity, and difficulty is that it tends to bring out the best in us. It causes us to have to reach deep within, draw on all our training and experience, and utilize every bit of capacity we have. That's why I remain very optimistic about these times. If the lessons of history and our own research teach us anything it is that we should be optimistic that people will rise to the occasion and find innovative ways to deal with the challenges of difficult times.

Martyn: Well, that's really fascinating isn't it, that it's the pressure of the moment that seems to draw out the qualities inside all of us that help us respond to these challenges. I noticed in your book that you describe some of these qualities as competencies really, things such as self-awareness, self-management, social awareness, and things like interpersonal skills or relationship skills. These are of course, the specific skills that in the last few years various frameworks of emotional intelligence have begun to describe and help
us understand, and we can have a look at some of those in detail.

So then in your view Jim, emotional intelligence, particularly in leadership, really makes a difference to the way people respond to these challenges, is that right?

Jim: The effective elements of successful leadership, and of teamwork, coaching, and teaching, all draw from the very same short list of human behaviors. People are naturally drawn to emulate and respond to those people who exhibit the behaviors that bring about the most desirable results.

What we've found in research over 25 years is that those skills are primarily relationship skills. Those skills are primarily skills around, as you say, being aware of and able to articulate their own and others' needs, motivations, values and principles. They are able to be assertive about them in such a way that other people are clear about what these individuals stand for. They stand up for those beliefs, and they have a great deal of personal resilience when their beliefs are challenged. Exemplary leaders are individuals who are optimistic about the future. They're individuals who have a sense of social responsibility, because they're thinking about the collective, not just themselves. They
have a sense of long term rather than short term, what we call Inspire a Shared Vision.

I could go through additional lists of skills, but these best practices that are talked about in the emotional intelligence literature are some of the very same behaviors that leaders draw on when they get extraordinary things done in organizations.

**Martyn:** It's interesting that you talk about them as skills. The way that you describe them there, they have a feeling about them as if they're values, really. We can all think of people who have had a big influence on our own lives, someone who has inspired us to take a certain direction in our own life or someone whose personal style we've modeled our own lives on. When we ask ourselves what is it about that person that has impacted on us so powerfully, chances are that there is a set of skills, but there's something deeper than that, isn't there? There's something that resonates with values. Are these really values?

**Jim:** There's a set of skills and abilities, and then there are of course the values that we hold, the preferences we have about what's right, what's wrong, what's most important, and what's least important to us. A set of skills might be around clarifying my values, going through an exercise or activity that permits me to get clear about what's really important to me. That's a skill
set. You can apply technique and method to that, but values themselves come from my family background, my upbringing, the people I've associated myself with, the schools I've gone to, the clubs I've belonged to, all those life experiences that have shaped me.

Let me just give you a personal example. I grew up in Washington D.C. I was a child of the Depression and World War II generation. My parents were very hardworking individuals. My mom and dad were very interested in foreign affairs and international relations. We had people from other countries come to our home practically every weekend to have dinner with us. I subsequently, not surprising because of those influences, had a strong desire to join the Peace Corps, which I did. When I returned from the Peace Corps, I wanted to do something of service in the United States, so I became part of what was called the Community Action Program. Those values preferences were shaped by my parents, my schooling, my family, the environment in which I lived, but the set of skills to get really clear about those came from some of the same sources but also from employing a number of techniques and methods.

Leadership is, just as much as emotional intelligence is, a set of skills and abilities that are learnable over time if one has the desire to learn, the commitment to
practice and then applies those skills in ways that help clarify values and inspire a shared vision and so on.

**Martyn:** That's a very powerful insight I think. For me, I suppose that I really recognized it when Daniel Goleman published that first remarkable book. To me, the essence of Dan's insight was that human performance is not really driven by what we've assumed for over 100 years, that is, sticks on the one hand or carrots on the other. I think I grew up in an educational system that appeared to believe that if you wanted to draw out the talent of young people, then you threatened them with sticks or with failure or very humiliating procedures. Then, on the other hand, the corporate world appeared to believe that if you threw obscene amounts of money at people, that somehow that would encourage people to perform. Yet I think what emotional intelligence revealed is the data seemed to support exactly what you're saying, that it's really tapping into people's values that seems to inspire them to step up to the moment and to bring out that best performance in them. Then the challenge, of course, is how do we translate those values, as you say, into skills that can really have a direct impact on the way we behave and our ability to master our own moods and make a positive impact on other people.
UNCHANGED:
The Foundation Of Leadership Is The Same For The Last 25 Years
**Martyn:** In your book you talk about credibility as the foundation of leadership, and I assume by this you mean a state of affaires where there is a real alignment between a person's personal values and the way they behave. To what extent do people really need to be self aware of their behavior in leadership and is this something that is just intuitive and comes naturally to people?

**Jim:** You're absolutely right. In our research - and I would say probably the most enduring truth of our entire career in researching leadership - is that credibility is the foundation of leadership. Personal credibility is the foundation of leadership. If other people do not perceive us as believable sources of information, they will not want to willingly follow us. You have to believe in the messenger in order to believe the message.

That has survived over 30 years of research, a couple of recessions, including the current one, all of the booms and the busts of various industries. It continues to remain the same, and our prediction is it will remain the same if we do research 30 years from now, if we happen to be around, and it will still be the most important personal attribute someone can have.

When we ask people, "If that's what you're looking for, then what is that behaviorally? How will I know it when I see it?" people say it's practicing what you
preach, putting your money where your mouth is, walking the talk, and doing what you say you will do. The consistency, as you said, between words and actions. Now, is that an inborn characteristic? Is that genetic, or is that learned? Our research tells us that it's learned behavior. It is not something that either you have or you don't. It is learned over time from watching role models. I happen to have some very, very exceptional role models in my life, people who taught me that lesson very early on that your personal integrity is all that you really have to take with you throughout your life. That has to be something that you guard at all costs. I learned that lesson very early on. But, even if we were to say 50% of our personal credibility is somehow hardwired into you, that sure leaves a lot of room for development and shaping of that particular attribute.

Martyn: That's a very encouraging insight, isn't it? Especially to those of us who somehow feel that maybe we've been shortchanged, and that leadership isn't for us because we haven't had the opportunities in our backgrounds to develop the qualities that really seem to characterize leaders. Or, if we've assumed that it’s a bit like cognitive intelligence and tends to be fixed around our late teens or early 20's. The fact that you're suggesting that these skills really can be learned by anyone encourages all of us. I think there's a wonderful section
in your book where you actually state that leadership is everyone’s business.
SELF CONFIDENCE & SELF LIKING:

Two Pillars Of Leadership
**Martyn:** I liked what John Peters had to say when he said simply, "You can't lead a cavalry charge if you think you look funny on a horse." I think that's a really cute way of describing something that you're drawing our attention to. You've really got to have something going on inside you that accepts leadership as almost a vocation if you're going to step up to the challenge of leadership. Even if you're an introvert or an extrovert, it really doesn't matter. The challenge is to make the decision to mount the horse and lead the cavalry charge. For that, you do need a psychological structure inside yourself that, if you like, helps you to back your judgment with a certain amount of self-confidence.

What I find interesting in your book is that you actually talk about self-confidence as a strong predictor of job performance. What is it do you think, about that attribute that enables people to perform so consistently well?

**Jim:** A couple of responses. There's a lot in what you just said; a great deal. I'll respond to your question and come back to a couple of other observations.

Self-confidence, at least from the work that we have done, is a consequence of competence. One develops confidence in one's abilities as a consequence of developing the skills to go with them. Again, let me give an example. I speak to a lot of people, as you do,
and many people have the fear of public speaking. While I continue to get nervous before every presentation, it wouldn't be classified as stage fright. I'm going to be speaking to 4,500 people in Orlando, Florida coming up. 4,500 people in an auditorium. Now, many people might find that a very frightening situation, and they might not have the self-confidence to get up in front of a group like that and speak. Watching me do that, they might assume that somehow this just naturally came to me, was born into me as a consequence of some gene I got from my parents, but if they look at my history, they'll find that I was performing in front of other people in music and in poetry reading and prose reading and stage plays from my grade school days. My mother told me she was a frustrated actress, so she took it out on me. My confidence in my ability, some 60 years later, comes not as a consequence of some inborn characteristic, but rather from a lot of experience and practice that started very young.

If you look at people who are really, really, really good at something, who are experts, whether it's a pianist or a leader, whether it's a tennis player or an engineer, you'll find that those individuals have confidence in their ability because they learned how to do it really well, they started learning very early, and they are practicing practically every day. Confidence comes from competence in our work, the kind of confidence
that enables you to execute at an expert level. Yes, it does lead to people being more successful in their jobs. They're able to take initiative; they're able to assert themselves when called upon, because they feel that their skill matches the challenge or difficulty.

We lose our confidence, however, when the challenge becomes too great for our current capacities. We lose a degree of confidence. If you can imagine one of those little 2x2's where you have challenge low to high, say, on the vertical axis and you have skill and ability on the horizontal axis. Imagine how you would feel if your skill is low and the challenge is high. You'd feel frightened and scared and inept. And, what happens when the challenge is low and the skill is high? You feel bored. **Our ability to have confidence comes as a result of finding a match between the challenge of the situation and the skill and the abilities that we have.** Of course the implications of that are huge. If you want to improve the confidence people have, then you need to help them improve their skills and abilities to confront new challenges.

**Martyn:** That's a very detailed and insightful response. As a psychologist, I've often thought about what you've just explained, really, in terms of what enables people to really be the authentic person or the credible leader that you described. I've come to the conclusion that it is based on a person's level of competence, or what
psychology has more recently described as self efficacy. It is this experience of achievement that continues to become self-reinforcing, that systematically builds a person's self confidence in their competence.

I also think there's a second thing. Some colleagues of mine from the University of Texas have done the research on this and they talk about a second pillar that underpins this notion of self-confidence, and that is self-liking. They point out that the average American student hears something like 432 negative statements about themselves in one form or another over the course of an average day, compared to 32 positive. This is something like a 16 to 1 ratio. Any wonder, therefore, when we mature into adults we have this ongoing dialog inside our heads that tends to undermine our sense of personal value. I think this is pointing us to something beyond the American notion of self-esteem. It takes us even beyond our egos to begin to really appreciate who we are and like who we are. Bruce Barton said, "Nothing splendid has ever been achieved except by those who dared to believe something inside themselves was superior to circumstance." I like that and I think it goes hand in hand with what you've described as competence. It's the notion that in order to step up to a challenge you've got to both appreciate and value yourself, as well as back your experience and back your judgment. Does that make sense to you?
Jim: Oh, absolutely. It does make sense. I may be looking at it as a behavioral scientist or social psychologist who looks at the group or organizational context in which people behave, but the psychology which I develop about myself comes as a consequence, then, of all of those experiences that I've had and skills and abilities I've developed and the reinforcements that I get.

I'm sure you're aware of the research that indicates that in order for employees, for example, to feel fully engaged in work, they need to experience at least three positive to one negative affect from their leader, their manager in the workplace. At home, it happens to be a greater number, at least five to one. Some researchers have recently said it's 5.6 to one at work, meaning that as leaders, we need to understand that in order for other people to commit themselves—to feel fully engaged, to feel confident about their own abilities to perform at high levels—they need to hear at least three, and some are saying five, positive comments, even verbal or nonverbal gestures, from their leader in order to feel fully engaged. Now you go 12 to 1, and that's a little bit overboard. The data you're sharing suggests that we're not hearing that, so it's no wonder that people are under-performing.

Martyn: Yes, absolutely. If it's true that you do need to have some sense of self liking and self competence in order
to be at your best every day, so do the people who work for you. As a leader, therefore, in order to draw out people’s best one of your primary responsibilities is to make sure, in a genuine way, that you're pointing out people's strengths and abilities and your confidence in what they are capable of achieving. Is that really what you're saying?

Jim: Absolutely. It is something that, according to our data, is the practice at which leaders are not least capable, but is second on the list of what they don't do very well. We call it Encourage the Heart. There's often the assumption that people are here within the organization to work for a paycheck. They get paid, and so that's enough reward. Why should I say, "Nice job, mate," when you're getting a paycheck? The pay is sufficient. In fact, I put it in a very utilitarian way. If people are more engaged and more productive and respond more positively if you tell them at least three times a day in some way, verbally or nonverbally, that you appreciate their work and they're doing a good job, doesn't that as a leader make you want to do that? Showing positive affect to other people is one of the things that leaders can do to increase people's self-confidence and therefore their performance.
SELF AWARENESS & ASSERTIVENESS:
Finding Your Unique Leadership Voice
Martyn: As a psychologist, one of the things in your book that really caught my imagination and that I thought was a terribly powerful insight was your suggestion that leaders need to find their voice. Can you explain what you meant?

Jim: There's a wonderful story told by Max De Pree, former chairman of Herman Miller, that Max De Pree tells about his granddaughter, Zoe, who was born premature. Fortunately, for all of us, she has now lived a very long and healthy life and is in her late-20s now; but when she was first born she was quite tiny. When she was in the neonatal intensive care unit Max visited her every day. He asked the nurse what he could do. Nurse Ruth was her name. She said, "Max, I'd like you to come here every day and I want you to rub Zoe's arms and her body and her legs with the tip of her finger, and every time you caress her, tell her how much you love her, because she needs to be able to connect your voice to your touch." That's such a wonderfully poetic way, and much more eloquent way, of saying do what you say you will do. Connect your voice to your touch. But, then Max added this observation. He said, "There is of course a prior task, finding one's voice in the first place." Finding one's voice is about understanding those enduring beliefs which most drive you and get you to commit to something significant and important, whether that happens to be service to others, collaborating on a
team, your family, profitability, or teaching and educating others. Whatever those beliefs are, you need to understand them very clearly so that you can then connect your voice to your touch—your words and your deeds. As we discussed earlier, if we don't believe the message unless we believe in the messenger, then the messenger must first get clear about the message.

What we mean by finding your voice is connecting with those enduring beliefs, those values, those principles that guide decisions and actions so that you can then use them as your compass throughout your leadership career and your life.

**Martyn:** In your view then, does this find expression in particular emotional skills that emotional intelligence has identified, in skills such as assertiveness for example? When communicating assertively, people express their feelings, thoughts and beliefs in a very open and straightforward way and are, therefore, comfortable in challenging the views of others, but always in a respectful way. Is this the outworking of finding your voice?

**Jim:** Yes. In emotional intelligence terms, it is about self-awareness. We have to really understand what our own feelings are and how we respond to others and situations. We have to be assertive. Assertive not in a negative sense as some people understand that word,
but have the ability to express our feelings, our beliefs, our thoughts openly. We have to also have the ability to stand up for our own personal rights. If we feel strongly about something, we need to be able to take a stand in difficult times, not just when it's easy. We also have to have a degree of independence. We need to collaborate and work with other people, but we also need to have the ability to be self directed and self controlled in our own thinking and not always be influenced by fads or whim or fancy, because then we get off course too often from what's really important to us.

**Martyn:** Yes, I agree. As you know, we've done extensive research around the world on what are the emotional and social characteristics that define people who demonstrate exceptional leadership qualities - and one of those that shows up time and time again is this idea of assertiveness or straightforwardness.

I often used to wonder why, within the emotional intelligence framework, assertiveness showed up as an emotional skill. Then I came to understand that to really find your voice and be straightforward with people, or to have the courage to challenge people in power, or to deliver critical feedback, you really have to manage your own anxiety. On the one hand, there’s the anxiety that you might experience in losing control of a situation. The temptation then is to become coercive in
your leadership style, or authoritarian. On the other hand, there’s the anxiety that occurs when you have to challenge other people or deliver critical feedback. The anxiety you have to deal with then is the challenge that you may not be liked or valued by the other person, or that you may be criticized. As you suggest, in these situations the skill of assertiveness is supported by capacities such as self-reliance or independence and I guess to some extent, self-confidence and self-awareness. All of these skills seem to build on each other to enable people to step up, don't they?

Jim: Absolutely. There's no one factor that is going to explain everything. It's a combination of all of these factors.
OPTIMISM AND RELATIONSHIPS:

It’s All About Others
Martyn: Jim, one of the challenges I really liked in your book and that I took from it is that you talk about the need to search for opportunities and experiment and take risks. Are you talking about the emotional skill of optimism here?

Jim: Yes. Optimism is absolutely necessary for leadership. It relates to inspiring a shared vision in the sense of being hopeful about the future. For example, a leader might acknowledge that we may be in a severe recession today, or we may be in a slump today, but we are going to be resilient, bounce back, and we are going to overcome. History tells us, again, that we have faced worse circumstances, and we have overcome. That sense of optimism, that sense of belief in self and others, is absolutely essential for leaders. We can't have leaders who continue to feed the depression, feed the anxiety.

If you go to YouTube, there's a video called Validation. It's a wonderful little, 16-minute clip. The title is a double entendre about somebody who validates your parking ticket so you can exit the parking structure after paying, as well as the whole notion of showing that you value other people. It's a wonderful little 16 minutes of one individual and his impact on others and another person's impact on him. I highly recommend it if you want to see how one person's affect can effect another.
**Martyn:** That's a great recommendation. It's interesting that you talk about the need for valuing other people, because you do spend a great deal of time in The Leadership Challenge™ talking about enabling other people to act. This seems to be central. You describe modeling the way, inspiring the vision and challenging the process. As I read your comments on enabling others to act, I was actually reminded of Jack Welch's remark when he said that before you become a leader, it's all about you, but once you decide to lead, it's all about growing other people. Personally, I believe this is where a leader's relationship skills play a key role. Do you see a link here?

**Jim:** Leadership is a relationship. It's all about relationships. Jack Welch is absolutely correct. Leadership is never about you. It is always about other people. Once we begin to believe that it's at first about me, and then it's about other people, we have it backwards. Leadership is all about relationships.

One of the CEOs we interviewed, Irwin Federman, who is partner at US Venture Partners and prior to that was chief executive officer of a high tech company, said, "I contend, however, that all other things being equal, we will work harder and more effectively for people we like, and we like them in direct proportion to how they make us feel." If we look at our data, and I'm sure you look at yours, people never say they are fully engaged,
will work hard, and will stick around for a leader they dislike. However, if they say they like their leader, they are much more likely to respond positively, to put in more effort, to want to stick around, particularly in tough times, and to want to excel. We respond to the kind of relationship we have with leaders in either positive or negative ways. If that relationship is the kind of relationship where we understand at the end of every day that, as Caroline Borne put it to us, “I've given my staff the feeling I cared about them,” then people are going to respond much more positively to us.

**Martyn:** Yes. This actually brings us, very nicely, to the final practice of exemplary leadership that you talk about - Encouraging the Heart, which I know you develop more fully in another volume. This really does describe how important it is for leaders to really motivate and sustain performance in others by making those emotional connections with people. These are the kinds of connections where people feel they have some sort of shared identity, where they have a feeling of belonging and that there is a trust in the relationship, and that I am in some way connected to you as a person. How do you see this working in leadership? Is there any place for this sort of soft approach to leadership in the current very difficult and challenging commercial environment?
Jim: There's every place for it. If we look particularly at these difficult times that we are all in, this global crisis that we are facing, one of the things that most helps people to thrive, not only survive, but thrive in very difficult times—whether it's in business or community, whether it's at peace time or war time, whatever it is—is that they engage with others. Other people right now are being affected in very similar ways. It's not just you and it's not just me. We're all in this together. It's not just my organization or my group or my country. It's all of us. How can we engage with each other in order to provide support and stable relationships? That is a condition for transcending adversity. If we all act independently, if we do not recognize that we're all in this together, if we continue to try to cast blame and say it's person's fault or that person's fault, find scapegoats for our problems, and really not find social connection and social intimacy, we will not find either a joyful life or a prosperous life. Leaders have to recognize that when people can fully engage with other people as community, they are much more likely to have highly productive work places.
EMOTIONAL CAPITAL:
How You Change Others
Jim: I would also like to add, I said I wanted to comment on something earlier, and I just want to add this. I think it's time that perhaps we just reflect on the current situation that we're in when we talk about personal credibility and also when we talk about the notion of people's affect on other people's behavior.

I think you probably saw, and I'm sure many people listening saw the film Jerry Maguire... with Tom Cruise, where he was on the phone in that popular scene with the football player, Rod Tidwell, who was played by Cuba Gooding Jr., and he was begging Tidwell to keep him on as his agent. Tidwell tells Maguire that he'll keep him on, but then he says to him, "That's what I'm going to do for you. God bless you, Jerry, but here's what you're going to do for me." Tidwell then insists that Maguire repeat after him, "Show me the money. Show me the money. Show me the money." The initial attempts by Maguire are kind of halfhearted and feeble, but through Tidwell's continually cheering him on and egging him on, he starts to shout and scream, "Show me the money."

Martyn: Yes, it was very memorable...

Jim: Go to YouTube to watch the clip. No doubt you and I have kind of gleefully used that line one or two times in our lives, but I'm not finding it really funny now, because as entertaining as it is, I think it's an apt
It's all about money, even though money happens to have come from someone else's pockets, as Stanford Professor Jeff Pfeffer points out, as well as Katherine Vohs of University of Minnesota in talking about her studies. I'll just read you one comment that she made. In a number of experiments, she and her colleagues show that participants primed with the idea of money—for instance, by seeing a dollar bill in a screen server or constructing sentences with money related concepts as one of the words—are less likely to ask for help with a task, less likely to offer help to others, and sit farther away from compatriots in a study. She concludes, “Money, simply put, makes people behave more independently and, of course, engages their competitive spirit.” What we see right now is a consequence of a ‘show me the money’ culture where we see people failing to come together, failing to want to reach out and help other people in business, because of the show me the money culture.

I think we will not solve the long term problem until we address this issue of the kind of culture we've created, which is all about profit and not enough about what it is as human beings that we need from our work places and what it is as communities that we need from our institutions. I know hard-nosed people in business
may feel this is a very soft, and some of our senators and representatives here would call that socialist comment, but it's not at all that way. Believe me when I tell you that people who behave consistently with the kind of practices that you write about and the Five Practices of Exemplary Leadership that we write about not only see profitability increase four times compared to those organizations which do not, but they also see their stock values go up. This is not about being soft at all. It's about hard-nosed business, but business with a heart, business with compassion that says we all deserve better than a ‘show me the money’ culture.

**Martyn:** Jim, we really are working with a new balance sheet, aren't we? As you know, I refer to these sorts of leaders as *Emotional Capitalists* because they realize that to grow a successful business today, you really do have to move beyond a focus on just the fiscal aspects, the bricks and mortar or financial assets in a business. You even have to move beyond the intellectual assets such as the business processes and databases, to a new focus, a focus on the emotional assets and their value within any business.

In practical terms, it was Plato, the philosopher that said it best. He said, whenever you meet another human being; treat them kindly, remember they're fighting a battle.
For me, that goes to the heart of what you talk about eloquently as encouraging people's hearts, listening with your eyes and with your heart. When you adopt this approach you realize that much of the poor performance that we see; the bad behavior that we often witness in people, is a consequence of people fighting battles that for the most part they feel like they're losing. As a leader, if you are able to manage your own mood and step aside from direct confrontation with that battle and make a genuinely interpersonal and human connection with people, then you do gain great buy-in to your leadership. This also enables you to have a remarkably positive impact on helping people to step-up to the opportunities that life provides for them.

I like the way you talk about leaders today really need to demonstrate a positive, can do, optimistic approach, but they also need to take the time to build those authentic human connections with the people that they lead. For me, that's one of the clearest reasons why EQ, or emotional intelligence, really does matter to a person's leadership.
THE BEST KEPT SECRET OF
Successful Leaders
Martyn: Jim, we're almost out of time, and I did promise at the beginning of our interview that I wouldn't let you go without asking you about what is perhaps the most provocative comment in your book, if I can put it that way. It’s where you describe what the best kept secret of successful leaders is. Now, I know around the world people are holding their breath. You suggest that the secret to great leadership is in fact staying in love. What did you mean here?

Jim: That lesson came from my interview with Major General John Stanford, who at the time was head of military traffic management command for the U.S. Army, and then went on to become county administrator for Fulton County, which is the county in which Atlanta, Georgia is located, and finally the superintendent of schools for the Seattle unified school district—obviously a very distinguished public service career. I asked John to tell me what he would recommend to anyone to whom we were writing or speaking on how to develop themselves as better leaders for the future. Without hesitation, John responded by saying, "When anyone asks me that question, I tell them I have the secret to success in life. The secret to success is to stay in love. Staying in love gives you the fire to really ignite other people, to see inside other people, to have a greater desire to get things done in other people. A person who is not in love doesn't really feel the kind of excitement that
helps them to get ahead and to lead others and to achieve. I don't know any other fire, and other thing in life that is more exhilarating and is more positive a feeling than love is."

**Martyn:** Wow. What a powerful insight that is.

**Jim:** Now, I didn't expect to hear that from a major general in the United States Army. Staying in love wasn't exactly what I thought I was going to hear, but as we reflect on the few examples that I've given you in this conversation we've had, but all those that we've talked about in our books, The Leadership Challenge™, Credibility, and Encouraging the Heart and so on, all of those thousands of individuals, as we step back and examine the cases they told us about, their personal best leadership experiences and how they related them as leaders, it was clear that they were doing their best when their heart was in what they were doing and with the people with whom they were doing the work. It is clear that staying in love really is the best-kept secret to success in leadership and that leadership is not an affair of the head. Leadership is an affair of the heart.

**Martyn:** Yes. Those comments are certainly echoed, aren't they, by Steve Jobs’ address where he talks about how important it is to find what you love. That is true not only for your personal life, but also for your work life.
The only way to be truly satisfied is to really love what you do, love the people you do it with and, if you haven't really found that yet, then keep looking.

It reminds me of the poet, Yates. He summed it up for me when he described education as “not filling a bucket, but lighting a fire.” I think that's certainly true of leadership. It's about your ability to ignite within other people that passion for what they're doing. And of course passion, like most emotions, is contagious. All of the data now in brain science is telling us that these emotions are almost caught like colds. They're first practiced and personified in leadership. As leadership gets close to people, then people pick up these values and these abilities. They do really become contagious.

Jim: Yes. Well, neuroscience is teaching us that a lot of what perhaps was once assumed as pretty mystical or mythical is in fact very strongly connected to our brain chemistry. What leaders are doing when they are passionate, when they are inspirational, when they literally breathe life into others is making those individuals come alive in ways that perhaps they didn't even think they could.
CONCLUSION:
The Next Steps To Develop
**Martyn:** Absolutely. Now, as we draw to a conclusion, Jim, you did say that these sorts of skills you've described today are skills that people can learn. Are there some tools, something you can recommend to people as to how they might take some next steps in their own personal and professional lives?

**Jim:** Absolutely. Let me just reiterate how important it is that we all understand that leadership is a set of skills and abilities. Barry Posner and I found, along with Lillas Brown, who was doing this research with us, that leaders who devote more time and energy to learning, regardless of their style of learning, are higher performing leaders. There are lots of ways to learn to be better. You can reflect, you can read, you can watch other people, or you can get in there and just do it. But the most important ingredient is that you do it often. Those leaders who practice more often, put in more time to learning, are better at leading. It begs the question, then, which comes first, learning or leading? After looking at our own data it's pretty clear that learning comes before leading. Learning comes before effective leading. Leaders need to devote more time and energy to learning in order to get better at leading.

Let's say you've gotten some feedback about how you aren't as good as people would like you to be, or you think you should be, at actively listening to other people. One thing you can do to improve is to make a
goal for yourself to actively listen during the entire next one-hour meeting. Meaning before you say something in response to another person’s comments at that next meeting, make sure that you paraphrase back to the other individual what it is that he or she just said to you and ask if that is correct, that you have heard them correctly. If not, ask the person to repeat what he or she said so that you understand more accurately before you offer a comment. This may prove difficult initially, but I guarantee you that if you make a conscious effort to practice that until it becomes nearly automatic behavior, you will become a better leader. It's taking the time every day to devote to some practice.

Now, if I were going to advise and coach leaders, I'd tell them that at least initially you need to practice two or three hours a day. It's not going to a two-hour seminar or a weekend course. It's practicing every day, day in and day out, for about 10 years if you want to get to be the best you can be. About 5 years in you'll be really good. As you become an expert, you will still need to practice, but it won't be as intensive as it was at the beginning. And even if you can't devote that much time, try to find a few minutes every day to do some form of practice. If you need to improve your presentation skills, for example, join an organization where you can practice public speaking. You can also read; and read more outside of your own field than in
your field, because part of broadening our view and having a better sense of the future is understanding not just your own discipline or your own industry, but what's happening in other industries. Leaders who talk more with other people outside of their organizations are more likely to be innovative than leaders who communicate only with individuals inside their organizations. You can take any of those areas in which you want to learn in any of the emotional competencies we talked about, or in any of the leadership practices that we've discussed, and set aside a bit of time every day to learn.

**Martyn:** Great.

**Jim:** The more you do it, the better you'll get.

**Martyn:** We also have some great new technologies now I know that can help people begin to benchmark and understand more about the building blocks of how these skills work. You yourself have *The Leadership Practices Inventory*. How do people access tools like that, Jim?

**Jim:** Thank you for asking. People can go to our website, [http://www.leadershipchallenge.com](http://www.leadershipchallenge.com), and they will find all of our products and services listed, and they can link to those products and services on that site. They can connect to our blog also and read some of our
opinion pieces. Through that site you can also drop me a note and ask me a question.

**Martyn:** Oh, that's very generous of you. If you have not yet read The Leadership Challenge™, this book is the most highly readable wonderful book in terms for developing leadership skills, packed full of ideas to deal with some of the challenges that leaders are facing in the real world. These ideas have certainly stood the test of time, and this really is the field guide for leaders.

Jim, in conclusion, you said in your book that leaders take us to places that we've never been before. There are no freeways to the future, no paved highways to unknown unexplored destination. There is only wilderness. If you are to step into the unknown, the place to begin is with the exploration of the inner territory. That's a wonderful conclusion to your book, and it reminds me of the words of Henry David Thoreau who said, "What lies behind us and what lies before us are small matters compared to what lies within us, and when we bring this out into the open, miracles happen." I think that is the job of leadership, and I'm sure you would agree. It's really bringing out into the open the kind of talent that people have inside themselves to step-up to the challenge of life, to the challenge of work, and really enable their potential or their talent to really dance in the current marketplace. Jim Kouzes, I’d like to really thank you for the
opportunity to have had this conversation with you today, and we look forward perhaps down the track to following up on some of the latest developments in your research around these challenges of being a leader. Thanks very much, Jim.

*Jim:* Thank you, Martyn. Thank you very much.
We'd love to hear your feedback. For comments and links to share with your network, please visit:

*The Challenges of Leadership*

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