Leadership Evolution: From IQ → EQ → CQ

Character Matters in Leadership

Leadership is:
- Direction & Guidance toward a desirable outcome
  - Influence
  - Inspiration & Vision
  - Motivation of Others
  - Wisdom to Know Where to Go
**Character Quotient (CQ)** - CQ represents the element of a person’s profile revealing their underlying **attitudes, beliefs and commitments** that shape their behaviour.

**LEADERSHIP EVOLUTION: IQ → EQ → CQ**

- Intellect – Education – Reasoning Abilities
  - Job Skills Proficiency
- Self Awareness – Self Management
  - Social Awareness – Relationship Management

**LEADERSHIP & IQ**

IQ = Intelligence Quotient
- Intellect
- Problem solving skills
- Ability to learn and comprehend quickly
- Logical reasoning skills
- Ability to understand complex issues
- Planning skills

**LEADERSHIP & EQ**

EQ = Emotional Intelligence
- Research by Salovey & Mayer (1990)
- Authors: Daniel Goleman, Steven Stein & Howard Book
- EQ skills – Internal/External Management of Emotions:
  - Self-awareness, Self-regard
  - Self-management, Self-control
  - Adaptability, Flexibility
  - Empathy, Interpersonal Relationship Management
LEADERSHIP & CQ

CQ = Character Quotient
• Underlying attitudes, beliefs, commitments
• Traits, Values and Virtues (Crossan, Gandz and Seijts)
• “a distinguishing characteristic or quality especially of one’s personal nature” (dictionary.com)

LEADERSHIP & CORPORATE CULTURE

“…culture isn’t just one aspect of the game, it is the game. In the end, an organization is nothing more than the collective capacity of its people to create value.”
Lou Gerstner, Former CEO IBM

“...Culture is a strategy for investing in people.”

Kevin Rollins, Former CEO Dell

CORPORATE CULTURE

Approximately Eliminate These Workplace Challenges... Fear, Apathy, Politics, Conflicts Burnout and Stress, Selfishness, Entitlement, Disengaged Employees, and Unnecessary Turnover

Develop More of These Workplace Attributes... Trust, Purpose, Commitment, Work Ethic, Accountability, Enhanced Performance, Increased Productivity, Team Efficiency and Overall Dedication, Contribution
CORPORATE CULTURE & PERFORMANCE

Research: Corporate Culture and Performance (Kotter & Heskett, 1992):
• Corporate Culture impacts long-term economic performance
• Corporate Culture’s that inhibit strong performance are not rare
• Corporate Culture is tough to change but can be made more performance enhancing
• Strong Corporate Culture ≠ Strong Performance

CULTURE, LEADERSHIP & CHARACTER

Conclusions:
• Corporate Culture needs to be managed – it impacts results.
  This is a Leadership Issue
• The Type of Culture Matters – there are low-performing and high performing cultures.
  This is a Character Issue

CHARACTER MATTERS

"Successful leadership is not about being tough or soft, sensitive or assertive, but about a set of attributes. First and foremost is character”

Warren Bennis
In looking for people to hire, you look for three qualities: integrity, intelligence, and energy. And if they don’t have the first, the other two will kill you.”

Warren Buffet, CEO, Berkshire Hathaway
LEADERSHIP EVOLUTION: IQ → EQ → CQ

Leadership Qualities:
When identifying people who will drive long-term success and significance, the elements needed to achieve this are:

• A strong mind (high IQ);
• A strong ability to influence people on an emotional level (high EQ)
• A strong positive character (high CQ)

LEADERSHIP EVOLUTION: IQ → EQ → CQ

Scenario 1
Limited Influence

Scenario 2
Weaker Decisions

Scenario 3
Misaligned Values

LEADERSHIP: BUILDING CQ

Leadership Effectiveness:

• Personally
• Professionally
• Organizationally
Leadership Imperative:
“to improve the predictability of their human capital decisions” regarding their culture, talent acquisition, employee development and retention initiatives.

Leadership Effectiveness with a strong CQ must begin with the Corporate Culture and the Leadership Team.

- Model the CQ Culture – Personal Leadership Effectiveness encouraged at all levels
- Communicate a clear set of Corporate Values
- Align organizational process to support the culture and the values
  - Visible symbols
  - Reward systems
  - HR practices
LEADERSHIP : MODELING CQ

Model the CQ Culture – Personal Leadership
Effectiveness encouraged at all levels
✓ Actions of senior leaders speak louder than words
✓ Provide training & development leadership and management that integrates CQ principles
✓ Enable feedback to learn if CQ norms are not being followed (tool: training on tough communication)
✓ Use external resources to support senior management (i.e. use a coach as a tool for accountability)
✓ Foster reinforcing feedback for high CQ behaviours

LEADERSHIP : CORPORATE VALUES → CQ

Communicate a clear set of Corporate Values
✓ Identify values that will build CQ and have long term positive impact
✓ Model the values – no one will believe that the values matter if they are not modelled
✓ Communicate the values where decisions are made
✓ Include the values in the reporting processes
✓ Build the values into HR practices

LEADERSHIP : ALIGN PROCESSES → CQ

Align organizational process to support the culture and the values
✓ Symbols, Ceremonies & Stories – celebrate good character-related behaviours
✓ Align Performance Management Systems – evaluate CQ
✓ Reward systems – ensure that high CQ leaders are rewarded
✓ Enhance talent acquisition practices to incorporate more robust strategies for measuring CQ
✓ Focus on Character Competencies during on-boarding and employee development
LEADERSHIP: BUILDING CQ

• Focus on Character Competencies

• Take more time to assess character competencies
• Don’t just rely on intuition

LEADERSHIP EVOLUTION: IQ → EQ → CQ

The Reality Today in the Workplace is...

Does Impact the Bottom-line...

Sources

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LEADERSHIP EVOLUTION: IQ → EQ → CQ

Thank you

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