

**SAMPLE
CHAPTER**

EMOTIONAL CAPITALISTS

The New Leaders

"Read this book today so that you can put it to use tomorrow. You will thank yourself for doing so."

Jim Kouzes, bestselling author of The Leadership Challenge

MARTYN NEWMAN

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Now you know.

What makes you mad, sad or glad?

The chances are they are the same things that make your customers and colleagues mad, sad, or glad.

We are all the same.

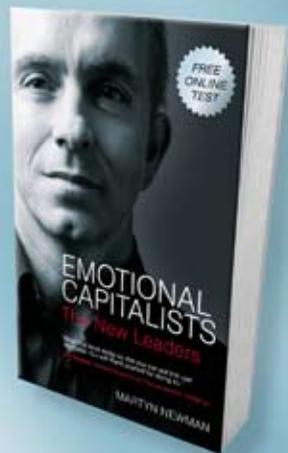
Emotions are heartfelt, personal and grounded in your senses.

They shape your behaviour, your relationships, your most important decisions and even your economy.

That's right, there is money in emotion.

In an economy shaped by emotion, **success comes from attracting the emotional consumer or colleague** — not the rational one.

Emotions determine whether or not people will work well for you, buy from you, employ you and enter into business with you.



2 Self-reliance

What is the single most important signature strength for creating emotional wealth? From the studies of high-performing leaders described in the introduction, the first and most interesting feature in the profile of these entrepreneurs was their high score on the emotional competency of self-reliance. This is perhaps not surprising—after all, how could you run an organisation without independence of mind, thought and values?

Self-reliance is at the heart of the emotional capitalist and this involves two emotional competencies: self-reliance—the recognition that you are a complete and self-directed individual and have the power and responsibility to take decisions and make choices; and self-belief—the ability to have confidence in your judgement and the willingness to take action and put yourself on the line to achieve your objectives.

After all is said and done, self-reliance is a critical emotional skill for leadership because it enables you to act as an essential resource to your people. It is your job to generate the basic attitude of the group and give direction to the decisions that your people are going to make.

But hang on! Before you pick up your corporate megaphone, there's more.

Being self-reliant does not mean that you just go out and do your own thing. It means being secure enough in yourself to turn to others and take into account different points of view while also regarding yourself as finally responsible for working out what has to be said or done. To do that you have to feel competent and creative in situations in which you find yourself. To be blunt, you don't look to someone else for ideas or ways of making decisions, but instead trust in your own creative initiative.

When you boil it down, self-reliance involves having confidence in your own judgement as a leader, and being able to control where you devote your most productive emotional and intellectual energy. This enables you to become a transformational leader who models self-assured behaviour, communicates a clear view of the organisation's vision and direction, and inspires the confidence of others. What an exciting idea!

**SELF-RELIANCE INVOLVES
HAVING CONFIDENCE IN
YOUR OWN JUDGEMENT
AS A LEADER**

Nothing in my life has been more rewarding than the experience of inspiring colleagues, family and friends to imagine who they are capable of being and what they are able to achieve.

Regardless of any technical competencies you may possess, if you want to lead, you have to look and feel the part. As John Peters,

CEO of Technology Inc., says, 'You can't lead a cavalry charge if you think you look funny on a horse'. Emotional independence expressed as self-reliance and self-belief is essential in becoming an emotional capitalist and building emotional capital in your personal life and business.

Before we explore these two components of self-reliance, here are a few words about how to best think about your role as a leader with a commitment to building emotional capital.

Creativity – the declaration of independence

The most basic difficulty in becoming self-reliant is overcoming dependency and the accompanying feelings of insecurity. Our insecurities are often rooted in the fear of failure or the fear of other people's judgements.

Take, for example, Jason, a logistics manager for a large supermarket chain. When I first met Jason he impressed me as someone exceptionally skilled at the technical aspects of his job. Under his leadership, his division consistently surpassed its quarterly targets. In fact, Jason was considered a regional expert within the supply chain industry. As we talked, however, he confided that one aspect of his role encumbered him with a very difficult challenge. He experienced a real reluctance to manage staff who were performing poorly. Jason acknowledged that he went to considerable lengths to avoid potential conflict. He tended to tolerate underperformance and sloppy work rather than address the issues with the relevant people.

Jason feared that managing people's performance would make him unpopular and imagined the confrontation and disharmony that it would cause. In striving to be a well-liked manager, Jason's lack of belief in his ability to appropriately

critique and support his people, and the emotional discomfort this led to, continually undermined the strength of his leadership. His fear of being judged negatively by his staff meant he worked longer hours to compensate for their underperformance. While he was tuned in to the feelings of others and was a good listener, he also found himself reluctant to communicate his views in a straightforward manner. By making decisions guided by how others might react (that is, by what they might think of him), Jason had stopped tuning in to his own thoughts and backing his own judgement. He had actually heard from colleagues that some of his people had described him as a ‘pushover’.

People who experience low levels of emotional self-reliance display a range of behaviours that can best be described as ‘impression management’. It’s as if their lives are structured by the question, ‘What will others think?’

Over time, Jason learnt to shift his focus from pleasing others and worrying about their potential judgements of him, to trusting his own views and communicating them clearly. As issues came up, the first question he asked himself before consulting with others was, ‘What do I believe?’ He would then make decisions based on an inner conviction and communicate these in an honest, respectful and straightforward way (skills we cover in detail in the chapter on assertiveness). Learning to accept responsibility for his own views and behaviour also enabled him to allow others to do the same.

After several weeks of coaching, he told me he felt much calmer and more genuine in his life generally, and more inspired and powerful in his leadership role. This last comment is not surprising. In addition to strengthening your leadership presence, building emotional self-reliance also frees up a lot of creative energy. As your self-confidence builds, you will find yourself trusting your more innovative ideas and taking risks. This is the unexpected pay-off of becoming more independent.

Not only do independent people experience more power, but they also experience more creative energy.

I can hear you say, ‘Creativity? You’ve got to be kidding, right?’

Actually, I’m not. Any way you look at it, human beings are fundamentally creative. Yet in order to express your innate creativity you have to see yourself as a creative person and trust your own creative genius. Opening the doors to your own creative emotional energy is absolutely integral to becoming an extraordinary leader. Leaders high in stocks of emotional capital have little interest in proving themselves, but a continuous interest in expressing themselves.

This is not as easy as it sounds — particularly if you’re someone who has spent most of your life working out what others want you to say, do or be.

To lead well, you have to make a declaration of independence against being judged by the estimation of other people. Or, as the German philosopher Hegel put it, ‘To be independent of public opinion is the first formal condition of achieving anything great’. In other words, to make a decision to lead is to decide to stop being a product of your time and place and instead take responsibility for creating a distinctive vision and accomplishing something unique. This is what ultimately defines you as a leader.

Strategy one — self-reliance

Leadership is for grown-ups

So, now the journey to finding and expressing the emotional capital within you begins. The most basic challenge of increasing your emotional self-reliance and becoming an effective leader is the same one that you face in becoming a mature adult. As

children, we naturally develop a psychology of approval where we seek to protect ourselves against the vulnerability of our helplessness. This need for approval is an effective strategy for having our needs met as children. The problem is that many people carry this psychology into their adult lives. This approval-seeking mindset creates feelings of dependency and powerlessness.

And that's the good news!

At worst, this need for approval fuels a narcissism and resentment that consumes our most powerful strengths, abilities and creative energies.

In practical terms, think of your life as a book — the early chapters you coauthor with your parents, teachers and other influential figures. The choice to become an adult is about choosing to be responsible for authoring your own personal story. To become fully independent you need to overcome the approval-seeking mindset that fuels your insecurities and self-doubt, and accept personal responsibility for who you are, what you become and what you want. This represents the enormous step from childhood to maturity. Prior to that decision, many people go through life wounded, tending to criticise, complain and hold others responsible for their problems. They exhibit what I call the 'Snow White syndrome'.

Some day my prince will come!

You know the story. Life is tough. Through no fault of your own you've been given a poison apple so you think you'll just lie there on the cold slab and wait for rescue. If you're lucky, some time in your thirties you realise the bad news — no-one is coming to your rescue! You've got a decision to make, and it's the most important decision of your life — wake up and get up off the slab! After making that decision, you can begin to see yourself

as the primary creative force in every area of your personal and professional life.

To become an emotional capitalist—to create wealth in the fullest sense of the word—you must make the decision to accept personal responsibility and become self-reliant. Self-responsibility is the core quality of the fully mature, fully functioning individual. In fact, in your business there is a direct relationship between how much responsibility you are willing to accept for results, and your value as a leader.

Successful leaders have a strong sense of internal accountability that extends to their work and to all of their relationships. Self-reliant individuals tend to be positive, optimistic, self-confident, and, as we shall see shortly, possess a core self-belief.

I don't need to tell you that the complete acceptance of personal responsibility is not easy. We are conditioned to believe that other people (such as our parents, teachers and colleagues) are to blame for what happens to us. This certainly feels true at the emotional level. After all, it was Freud who originally suggested that 'we are not masters in our own house',

by which he meant that we are controlled by our primitive emotions. Fortunately, one of his students—and one of my favorite psychologists, Alfred Adler—recognised the creative genius in all of us when he said, 'Individuals can create their own unique lifestyle and are therefore responsible for their own personality and behaviour. They are creative actors rather than passive reactors'. Absolutely!

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At the emotional level, perhaps no-one has expressed this truth more straightforwardly than Eleanor Roosevelt when she said, 'no-one can make you feel inferior without your consent'. I'm

convinced that Eleanor and Alfred were dead right. Sure, we can all find reasons to blame others for our circumstances and even for our personalities, but in reality you never actually give away responsibility. The only thing you really give away is control. If you try to make someone or something else responsible, you end up giving him or her, or it, control over your emotions. In other words, you are still completely responsible, but by giving up control you lose your ability to direct your life and lead effectively.

At the risk of labouring the point, management consultant Brian Tracey puts it this way: ‘There is a direct relationship between how much responsibility you accept in any area of your life and how much control you feel in that area.’⁶ There is, in turn, a direct relationship between how much control you feel in any given area and how much independence you express in that area. Responsibility, control and a sense of independence, or autonomy, go hand in hand.

Tracey also suggests that there is a direct relationship between responsibility, control and independence, and the number of positive emotions you enjoy. When you put it all together, the message is simple: there is a powerful connection between the level of overall responsibility you accept and the level of personal emotional capital you are capable of building.

It’s time to bite the bullet!

Leadership is what big people do

Self-reliance actually arises from a deep trust that you have the strength to face your leadership responsibilities head-on and overcome the patterns of dependency that have controlled your performance in the past.

You begin to develop your emotional capital as you recognise that you are a completely self-directed individual and have the

power to take responsibility to act accordingly. While from the standpoint of your awareness your status as an adult is obvious, you may not be fully convinced at an emotional level.

Pause for a moment and become aware of how often you experience the emotional desire to remain dependent and escape from responsibility. Sometimes this shows up in the paralysis of indecision or through procrastination. Sometimes you may find yourself acting impulsively. Both are typically techniques to avoid responsible, thoughtful choice. In the first instance, you put off making the decision because of the responsibility of living with the consequences. In the second instance, you act quickly to avoid the anxiety of considering all the potential options and outcomes. We all struggle with these options continually.

It was Plato who recommended that ‘Whenever you meet another human being remember they are fighting a battle’. This battle inside each of us is often the battle between the two parts of ourselves — the child and the adult. The child in you remains controlled by fear and insecurity and wants to remain dependent on other adults. The adult part of you wants to assert mastery over the fears that sabotage independent, creative thought and action.

Remember, at each moment you are fighting that battle and choosing whether to allow the child or the adult in you to determine your thoughts and actions. Notice that I did not say feelings. To build your emotional capital, pay attention to your feelings and accept them, but examine them in the light of your adult self. Then choose actions that are consistent with someone who is fully independent and free.

It’s lonely at the top

Becoming self-reliant is important because, in my experience, there’s a certain loneliness that accompanies the leader’s role.

There appears to be many situations where there is often no-one else to turn to but yourself. At these times you have to have trust in yourself.

Most of us prefer to talk about leadership as a subject rather than refer to ourselves as leaders. Few people are comfortable with the title of 'leader'. As Michael Gerber says, 'Leadership is

**WHAT DOES IT FEEL
LIKE TO BE YOU?**

what big people do'. Gerber goes on to suggest that to become a leader, you first have to learn to live with the word and accept its importance and responsibility.

You have to learn to feel at home with saying, 'I am a leader. I am called upon to do the work of leadership'.⁷

In other words, the first responsibility to yourself as a leader is to become comfortable with the fact that you are a leader. You won't take your responsibility seriously if you can't take yourself seriously. Seeing yourself as a leader is the first task for building your independence — even if you do look silly on that horse!

Of course, this is easier said than done. Let's break it down even further.

The dance of leadership

Think of responsibility as being made up of two components: 'response' and 'ability'. The first part of 'response-ability', response, is the capacity to respond rather than react. When you react to something, you are not making a conscious choice, but instead acting out of habit. The situation stimulates a reaction deep in the emotional part of your brain, which in turn sets you up for a set of learned reactions. The stronger the emotional reaction, the more rigid and predictable your behaviour becomes (and often less appropriate!). Your ability — the second part of the equation — is really your talent. Whether or not your talent shines is determined by the impact of your emotions on your behaviour.

The first thing to understand is that, in reality, leadership is not actually a battle after all — it only feels like one. It's actually more like a dance, because it involves getting your responses and your abilities to work together. In other words, it's emotional capital that makes your talent dance!

You can only be angry about your feelings of powerlessness and dependency if you believe it shouldn't have been that way. Much of your lack of independent behaviour is likely to be a struggle to win approval and acceptance. No matter how hard you try, though, you will never achieve enough or be good enough to satisfy this longing. The best response is to recognise that dependency was perfectly appropriate as a child and no-one is to blame for it — not you, nor anyone else. But now that you are an adult you no longer need the approval or acceptance of others. Instead, you must see yourself as a free, independent person. Once you do this, you can accept yourself in your role as a leader. This deep acceptance of yourself and your role as a leader enables you to develop your leadership abilities.

Showmanship — the lead story

While your leadership should not be driven by the pressure to win approval nor avoided because of the fear of disapproval, you should not minimise the need to demonstrate the abilities of leadership. Zen writer and philosopher Alan Watts wrote about the importance of showmanship as a requirement for success in a highly commercial society. As he put it, 'No-one can succeed as an independent author or minister (leader), without a flair for drama and coming on strongly as a personality, and by success I mean not only financial reward, but also effective communication'.⁸ In other words, in order to excel you've got to live in the tension between, on the one hand, genuinely accepting yourself and

WHAT DOES IT FEEL LIKE TO BE YOU AS A LEADER?

being comfortable with who you are, and, on the other hand, continually reinventing yourself as an author of growth and change in yourself and your business.

The message is simple but profound. Leadership is about acting responsibly and telling a story authored by you.

**DO YOU
TRUST
YOURSELF
ENOUGH?**

At this point, let me say what absolutely needs to be said. Deciding to take this step is crucial to becoming an authentic leader. It is the only platform upon which you can build compelling leadership.

Once you have taken responsibility for authoring your own story, one of your primary abilities as a leader is to communicate the story of your business to your people. You must do this with a flair for drama and visibly take responsibility for the vision you communicate.

Being clear about where you are going and why you are going there is your most important responsibility as leader. Lack of clarity about outcomes and about what the end game looks like creates uncertainty in your people. By contrast, a clear and compelling vision provides them with the confidence they need.

Think of it this way.

CSO — chief storytelling officer

True leaders are really CSOs — chief storytelling officers — and the stories they tell become the stuff of dreams. This is where real emotional capital originates. It's the energy generated by the story of what you and your business are capable of achieving. It's this energy that provides the focus, inspiration and meaning that ordinary people as well as organisations need to move forward. Your job is to tell and retell the story of what your business is capable of achieving: where it's come from, where it currently

is and where it's going. Most importantly, it's about enabling your people to understand the value of their contribution to the story.

As a leader there are three types of stories that you have to tell. The first is your personal story. To be credible, you have to express yourself genuinely and communicate your beliefs and values in ways that distinctly represent who you are. This is not about wearing your heart on your sleeve, but about describing what makes you tick and what values drive you as a person. For example, if you value diversity and innovation then ensure you create an environment where people's views are respected and taken seriously and where mistakes can be made without retribution. Likewise, if you value collaboration and teamwork, then ensure you're a team player by consulting widely among your people.

**WHAT
IS YOUR
STORY?**

The second story you have to tell is the group or collective story. This provides some sense of collective identity with which the group can identify. Leadership is not about imposing your individual dream, it's about developing a shared sense of destiny. It's about enabling each person to develop a sense of belonging to the group. You do this by helping each individual to understand both his or her unique contribution and the distinctive contribution of others. In other words, adopt a 'you need me and I need you' approach.

Once the first two stories are communicated clearly, the real power of your leadership will exist — as it always has — in telling the third story: the destiny or dream story. In this story you provide a description of why the group must change, where it is going and how it will get there.

The destiny or dream story provides people with dreams that touch, excite and arouse them — something that ultimately gives

them a chance to live out part of their hopes and aspirations. This story must be genuine and come from your heart. It must be an authentic expression of your confidence in what can be achieved and why it matters. In addition to ‘big picture’ descriptions, it needs to be reinforced continuously by celebrating small wins, recognising small achievements and commemorating milestones.

**DOES YOUR STORY
EMPOWER YOU AND
ENABLE YOU TO
TAKE RESPONSIBLE
ACTION?**

Harvard leadership guru, Howard Gardner, also believes that leaders achieve their effectiveness mainly through the stories they tell. In addition to communicating stories, however, Gardner believes that leaders must embody those stories:

Stories have identity. [They are] narratives that help people think about and feel who they are, where they come from, and where they are headed. [They] constitute the ... single most powerful weapon in the leader's arsenal.⁹

So, the real question for you as a leader is: do you possess sufficient self-reliance to author a distinctive story — or at least a chapter — in the life of your organisation or business unit? Does the story engage people and provide them with a relevant and potent dream? Can you do this for your customers and, more importantly, can you then empower them to realise those dreams by buying into the vision, product or service that you are responsible for providing?

Strategy two — self-belief

So far we've talked about leadership as acting and leadership as storytelling. But real leadership is about something more. Once you have accepted responsibility for authoring your vision and have made this vision visible to your people, it's about

belief in your ability to realise that dream. In other words, if self-reliance is the most important emotional platform for building independence, then self-belief is the energy that drives the leadership engine. Do you remember the prerequisite for leading the cavalry charge? You've got to believe you look great on that horse!

I concur with leadership guru Tom Peters, who believes that a problem with most books on leadership is that they focus on tactics and motivation (and, frankly, manipulation). Sure, leadership is all about doing, and doing things well, but your ability to lead well depends on the strength of your convictions—particularly those about yourself. This means that you need a psychology of leadership. You have to have confidence in your judgement and be willing to back yourself, putting yourself on the line to achieve your objectives.

The quest for personal power

What does a psychology of leadership come down to? After more than a quarter of a century of studying how people make their best choices, seize opportunities, generate lasting motivation, maintain energetic mood states and develop resilience to adversity and stress, psychologists are almost unanimous that most of it depends on how much self-efficacy you possess.

Put simply, self-efficacy is about how much belief you have in your ability to exercise control over your own behaviour and over events that affect your life. In other words, how much personal power you feel you possess really depends on the degree to which you perceive you are in control of what is happening and can influence the outcome. How stressed and vulnerable you feel is dependent on the degree to which you feel you are not in control, or controlled by external factors, such as other people or situations.

If you think about your personal and professional life, you will find that the areas in which you experience the greatest sense of power and satisfaction are the areas in which you feel you have the greatest amount of control, or ability to exert influence, over what is going on.

A strong sense of self-efficacy enhances your capacity to lead well. It enables you to approach difficult tasks as challenges to be mastered rather than as threats to be avoided. It enables you to set challenging goals and maintain a strong commitment to them. In short, you must have a robust sense of efficacy to sustain the effort needed to overcome challenging circumstances and succeed. As Bruce Barton said, 'Nothing splendid has ever been achieved except by those who dared believe that something inside them was superior to circumstance'.

Genuine self-belief comes from deep inside yourself. It is not a superficial attitude. It goes with a certain ability to dig deep inside yourself and become aware of what you really want, and then making a commitment to gain deliberate control over the process of making those ideas a reality. Self-efficacy beliefs determine how you feel, think, motivate yourself and behave.

So, where do you get it? Well, there are four main sources.

Mastery – value what you do

The first source of self-efficacy involves mastery experiences. Each success you experience builds a robust belief in your self-efficacy. They accumulate to convince you that you have what it takes. That's why it is so critical that you regularly remind yourself of your positive efforts and reward yourself for them. Confirming your progress by celebrating your successes and acknowledging your efforts renews your energy and provides the motivational lift to keep you moving forwards towards your goals. Do it purposefully and regularly!

In addition to recalling past successes, another way to boost your sense of mastery is to picture the positive performance you want. Every achievement and every product created (including you) begins as a vision — an idea in someone’s mind. Vision sets the process in motion. Visualise yourself as the extraordinarily competent leader you imagine yourself being. The thoughts and images that you repeatedly focus on have a remarkable way of becoming your reality. This is not trite, pop psychology. After all, it was William James, one of the most respected psychologists in recent times, who commented that ‘there is a law in psychology that if you form a picture in your mind of what you would like to be, and you keep and hold that picture there long enough, you will soon become exactly as you have been thinking’. Sharpen the picture of the kind of leader you aspire to be and focus on it daily.

Modelling — seeing is believing

The second source of self-efficacy is modelling. Seeing people similar to yourself succeed by sustained effort increases your belief that you, too, possess the capabilities to master similar skills and challenges. Think about it for a minute. How often do you compare yourself with others and find yourself evaluating your own achievements in light of the choices and achievements of others? Modelling is a powerful way to develop your self-efficacy. The people that you most admire and look up to have a powerful influence on how you think and feel about yourself and the kind of decisions you make. Select some key people who you consider lead well and consider the similarities between yourself and them. Then ask yourself how they would handle a situation. What would they do? Determine to model your response on theirs. This will shape your skill set in this area.

**MODELLING IS A
POWERFUL WAY
TO DEVELOP YOUR
SELF-EFFICACY**

Mentoring — listening to trusted advisers

The third source of self-efficacy comes from the effect that other people have on you. The more you are persuaded by trusted advisers that you possess the capabilities to master the challenges of leadership, the more likely you are to mobilise your efforts to develop the skills you need to succeed. This implies that you are receptive to others.

The more genuinely receptive you are to the contribution of others, and the more you appreciate their value, the more their contribution will increase in your life. Often our emotions can cloud our judgement about our actual talents. If you are unsure about your natural talent and ability, then ask someone who knows you well what he or she thinks your signature strengths really are. People who know you well can act as trusted advisers and provide you with valuable insights.

One of the most powerful ways to gather this information is to obtain an objective assessment by completing a psychometric evaluation of your emotional intelligence. The Emotional Capital Inventory is the world's first tool specifically designed to measure emotional intelligence and leadership. I've found this to be one of the most effective methods for empowering individuals and building self-efficacy. Identifying both your signature strengths and development areas puts you back in control of your development and greatly accelerates your capacity to succeed.

Mood — if it feels good, do it!

The fourth source of self-efficacy may be surprising to some. It comes from the feedback you receive from your emotional and physical experience. These experiences shape your mood, and your mood affects your judgements about your personal efficacy. A positive mood enhances your self-efficacy.

Self-reliance

This is where emotional intelligence is so important. If you are not fully aware of what emotions you are feeling and how it affects you, you lose a crucial piece of feedback to inform your actions. Research on emotional intelligence has taught us that thoughts and feelings, cognitions and emotions, work together to create action. And for the simple reason that thoughts determine feelings and actions, a number of psychological and philosophical traditions, such as Buddhism, emphasise 'right thinking' as a path to maturity and freedom.

It works like this. What you believe, combined with what you are feeling, determines your reality. Your mood is not as remote from your control as you sometimes feel it is. You can think yourself into happiness or depression. You can think yourself into peace of mind or anger. You can think yourself into a restricted, limited world characterised by procrastination and impulsivity, or you can think yourself into a creative life where your choices create products, solve problems and create value. It all depends on what your brain habitually focuses on. As Emerson said, 'thoughts rule the world'. So, the challenge is to train your brain to continually focus on your signature strengths and the opportunities for self-development inherent in most situations.

Now, admittedly, it takes practice. But to stop believing in yourself by allowing your negative mood to determine your behaviour is so damaging to your happiness, wellbeing and leadership authority that nothing could possibly be worth it. Learning to recognise and be aware of your emotions will enable you to pause and take care of your thoughts. Your feelings and actions will take care of themselves. I discuss this in more detail in chapter 4.

The four-minute manager

Let's put all this together. Quite recently, I was listening to Roger Bannister speak at celebrations for the fiftieth anniversary of a remarkable achievement—the breaking of the four-minute mile.

In 1954, the entire sports world believed that it was humanly impossible to run a mile in under four minutes. This limiting belief was supported by research reported in more than fifty medical journals throughout the world that attested to the 'fact'. Of course, we now know that Bannister challenged and

broke through that barrier. What is not well known is that within the eighteen months following Bannister's accomplishment, the four-minute mile was achieved by more than forty-five runners. It is difficult to believe that technical training techniques changed so dramatically in that short amount

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of time that it resulted in making the goal attainable. It's more likely that once the four-minute barrier was broken, all those runners believed it could be broken again.

This is a clear illustration of the sources of self-efficacy I've been describing. Those forty-five athletes had a vision that they were capable of mastering the four-minute mile. Roger Bannister modelled the successful performance they were seeking to achieve. No doubt their mentors and coaches provided them with the necessary positive feedback regarding their signature strengths. But it was what had changed in their neuropsychology—their emotional brain—that made the critical difference. Once they could feel it in their bones—at the level of their emotions, physiology and mood—the world changed. The rest is history!

Come on baby light my fire

Self-belief is ultimately important for leadership because it is the match that lights the fire of creative enthusiasm among your people. It's exactly the same with leadership. More than knowledge or technical excellence, it is your self-belief expressed as independent creative initiative that is the catalyst that ignites action.

Just as your level of self-belief has a dramatic impact on your leadership effectiveness, so, too, does the self-belief of the people who work in and around your business affect their productivity. The same sources that build your self-efficacy, also build your team's self-efficacy. Growing others involves developing their self-efficacy through mastery, modelling, mentoring and mood.

Building emotional capital

Supporting mastery experiences entails creating a supportive leadership climate where people are given opportunities for participation and involvement; where assumptions can be questioned, innovation is encouraged; and where the tasks provided are challenging. This climate should be supported by a leadership style designed to model emotionally intelligent behaviours that command trust and respect. Once you demonstrate that you are ready to take personal risks, you will display a high degree of self-efficacy. This impacts upon your people by inspiring them to take risks through innovation and initiative. I discuss both these approaches in much closer detail in chapter 7.

Your role as leader also involves you positioning yourself as coach or mentor. Mentoring your people will produce outstanding performance.

Okay, so you 'don't have time'. To build emotional capital you must make time, particularly with your high-potential people. The mentoring and coaching relationship creates an ongoing conversation that provides people with performance feedback that encourages the development of their self-efficacy. At the very least, make sure you have personal conversations with your people and provide individual coaching for as many as you can. This communicates that you value them as individuals and are committed to supporting their aspirations.

Lastly, Goleman's latest research demonstrates that a leader's mood is contagious. Once you have mastered how to develop and maintain a positive mood at work, infect as many people as you can! Offer a convincing vision and attractive goals linked to material rewards. Display your optimism and continually encourage your people by providing positive feedback and offering them opportunities for personal and professional growth. An upbeat mood conveys a 'can do' attitude.

Summary

The journey to becoming an emotional capitalist starts with accepting responsibility for yourself and your leadership role. It is essential that you decide to believe in the value of who you are and what you have to offer. Once you make this decision the emotional centres of your brain release an emotional energy that motivates you to lead as if what you are doing is the most important thing in the world.

All organisations need people like this — individuals who can articulate a shared idea of why they exist, who they are and where they are going. There remains a continual need for leaders who are self-reliant and independent at their core. Men and women with solid levels of self-reliance and self-belief are emotionally independent, which means they can formulate and clarify vision

Self-reliance

and values and leverage the talent of others to achieve their full potential. Developing and expressing independence enables you to become the catalyst that drives the change you want to see in your business.

Today, providing direction is no longer a matter of command and control—and leaders who are still busy telling people what to do have already ceased to lead. Instead, leadership means accepting responsibility for providing a focus that allows and encourages people to concentrate on what really matters. Emotional capitalists exercise emotional management rather than micro-management. In a fast-paced and pressured working world, people call out for individuals who are independent and can stand above the chaos and provide a coherent story for their professional lives.

Developing self-reliance is the starting point of unlocking your potential and achieving more than you ever have. The next six chapters build on this platform and describe the essential competencies for accomplishing more through your leadership than you thought possible.

Building emotional capital

Strategies for developing self-reliance

Make a declaration of independence from being judged by the estimation of others and decide to take responsibility for accomplishing something unique – decide you look good on that horse!

- ☑ Get up off the slab, become self-reliant and accept personal responsibility for being the creative force in every area of your personal and professional life.
- ☑ Remind yourself that you are a leader and have been called to do the work of leadership – act the part.
- ☑ Become the ‘chief storytelling officer’ by regularly repeating the story of what the business is trying to achieve, and emphasise how each person fits into the big picture.
- ☑ Provide a description of why the group must change, where it is going and how it will get there.
- ☑ Suspend judgement of yourself and develop your personal power through self-efficacy beliefs.
- ☑ Build your self-efficacy by celebrating small wins, recognising small achievements and commemorating milestones – all the time.
- ☑ Model yourself on leaders you admire, identify your signature strengths by listening to trusted advisers, eradicate negative thoughts and build positive mood by practising right thinking.
- ☑ Become a four-minute manager by:
 - providing your people with opportunities to develop mastery experiences and model emotionally intelligent behaviours
 - mentoring high-potential employees by taking every opportunity to inject self-confidence into those who have earned it
 - displaying your optimism and conveying an upbeat mood.

EMOTIONAL CAPITALISTS

The New Leaders

Building your emotional capital might be your best investment ever. This book shows you how to build emotional capital in your organisation and turn emotional intelligence in to value.

We have long been aware that to be successful in our professional and personal lives we need emotional intelligence. In this book, Martyn Newman shows us how to get it and use it to achieve extraordinary results.

Based on ground breaking psychological research with some of the world's most successful young business leaders, Newman identifies the seven dynamic emotions that set these leaders apart, uncovers the psychological building blocks that drive outstanding performance and provides the clearest blue print yet for systematically building your EQ and leadership skills.

About Martyn Newman

Martyn Newman has built his reputation by delivering an outcome, making a difference and changing organisations for the better.

Trainer of psychologists and founder of worldwide consultants RocheMartin, Martyn helps high profile clients including GlaxoSmithKline, Melbourne Business School, Australian Defence Department, Boeing, European Commission, CRH, Barclays and ExxonMobil.

An inspiring and popular speaker, Martyn regularly addresses international conferences and events – presenting cutting edge thinking on personal and professional development skills around emotional intelligence. He has a lively style that is entertaining and combines a light touch with serious reasoning and research based practices.

"The three days training by Dr Martyn Newman are among the best I have attended. His clarity of thought, depth of knowledge, wide experience, excellent communication skills and above all compassion, left me feeling grateful and privileged to have had the opportunity to avail of the training he provides"

Ciara Murray, Senior Consulting Psychologist

Find out more about Martyn @ www.emotionalcapitalists.com



Praise for EMOTIONAL CAPITALISTS:

"Read this book today so that you can put it to use tomorrow. You will thank yourself for doing so."

Jim Kouzes, co-author of bestseller *The Leadership Challenge*

*"Every once in a while a book appears that isn't just informative, it's inspiring, fun to read and life-changing. *The Emotional Capitalists - The New Leaders* is one of those rare books. As with all new ground-breaking books, it must be read and personally connected to your own experience to be fully appreciated and understood. I recommend: Buy it, read it, learn from it, and apply it to your daily practice!"*

Daniela Sfameni, Global Head Human Resource Development for Allianz Global Investors Group

"The first practical book for leaders which tells you HOW to get emotional intelligence. I am convinced emotional wealth can create a competitive advantage. Martyn Newman's book is a simple read and a must for all leaders."

Dimitra Manis, Global Senior Vice President, AXA Group, Paris

"This book has proven to me that no matter how technically trained you are, and how well you know your business, you need to embrace emotional capitalism to be the leader you aspire to be."

Greg Healy, CEO, Quiksilver Asia Pacific

"For years, Martyn Newman has been an immense hidden resource of intelligence and clarity. He has been a powerful influence in shaping our understanding of organisational consultation, leadership and emotional intelligence. These pages are a generous enrichment of the field and the reader will discover a new force for generating improved organisational performance."

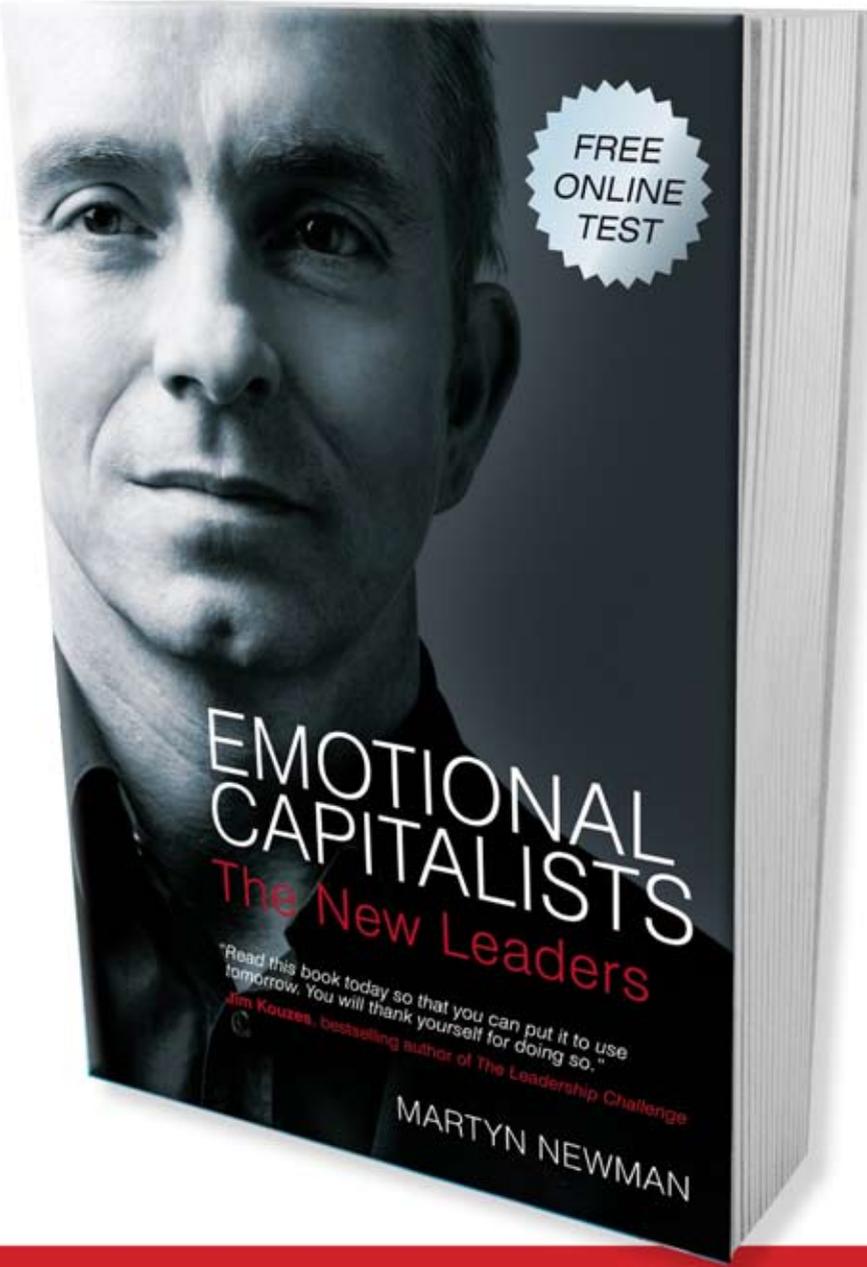
Dr James Urquhart, Head, Graduate Business School, Dublin Institute of Technology

"Martyn Newman's book is an easy read that will be particularly valuable to time-poor senior executives. He takes a complex, emergent and fashionable subject and makes it accessible."

Clarence Da Gama Pinto, Leadership Program Director, Melbourne Business School

*"Martyn Newman's *Emotional Capitalists* is one of those insightful books that steps away from the theory of leadership to an easy to read, practical book that challenges one's self perception of one's own emotional intelligence as well as delivering relevant, simple tools to improve oneself. *Emotional Capitalists* is therefore key reading for anyone wanting to make it happen!"*

Luke Mulkearns, People Capability Director, Business Services, Cadbury PLC



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Jim Kouzes, bestselling author of The Leadership Challenge

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