

# Can You Improve Your EQ?

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Anyone who is genuinely motivated can develop his or her emotional intelligence and boost emotional capital. Research has identified seven EQ competencies that represent the signature strengths of success leaders. Captivatingly, the research reports of these successful leaders reveal that they score high on self-reliance, assertiveness, optimism, self-actualisation, self-confidence, relationship skills and empathy. This article explores the necessary foundations for building emotional capital and subsequent articles will explore further approaches to developing EQ competencies against the seven as highlighted.

## Building the Competencies of Emotional Capital

Emotional Capitalist are those extraordinary leaders who recognise that to build successful business today they must go beyond the focus on traditional financial assets, such as physical capital (buildings, and hardware), and even beyond the intellectual capital (which comprises of intellectual property, data bases, formulas and business processes) to a new focus on emotional capital which is the energy, enthusiasm and commitment in the hearts of everyone connected with the business.<sup>1</sup>

According to Kevin Thompson<sup>2</sup> emotional capital in business comprises two core elements they are: external emotional capital and internal emotional capital. Martyn Newman adds a third element that is critical to the role of leadership. That element is intra-personal emotional capital.

The first element, **external emotional capital**, is the value of the feelings and perceptions held by the client as well as the external stakeholder towards your business. It can be argued that the only way to create successful service provision is to attract the emotional client rather than the rational client. This is achieved by appealing to the feelings and imaginations of the client. Clients want to buy from organisations that values diversity, organisations that they like and organisation that represent people like them. This creates brand value and goodwill. This results in repeat service use and sales through customer loyalty, lifelong relationships and referrals.

**The internal emotional capital** is the second core element of emotional capital and it relates to the value of emotional commitments held in the hearts of the people within your business. It can be described as the feelings beliefs and values held by everyone within the business. It is vital that the leadership within a business pays attention to not only the external customer relationship but also to the internal customer

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<sup>1</sup> Martyn Newman 2009 Emotional Capitalists: The New Leaders. Jossey-Bass

<sup>2</sup> Kevin Thompson 1989, Emotional Capital: Maximising the intangible assets at the heart of brand and business success. Capstone, Oxford.

relationship, the people within the organisation are equally vital to the success of the business. Every relationship that your business has with everyone it touches is an asset and an investment. To build emotional wealth you must treat your people as investors because they are intellectual and emotional investors. Everyone must be living the dream of the organisation for the organisation to be great.<sup>3</sup>

Martyn Newman states that **Intra-personal emotional capital** is the third element that makes up emotional capital. It is the level of focused and positive energy that you invest at work and in your personal life. ***As a leader, you inspire or demoralise others by firstly, your effectiveness in managing your own emotional energy and secondly, by how well you mobilise, focus and renew the collective energy of the people you lead.*** The primary role of a leader is to create emotional wealth for competitive advantage.<sup>4</sup> Once the tools of emotional intelligence are in the hands of people you open the door to the remarkable, creative entrepreneurial energy that exists in all genuine leaders.

**Just suppose you gave yourself the space to stand out in a time of change and transition.** You can do this with Beacon Organisational Development. We facilitate the development of Emotional Capital with the aid of Roche Martin Emotional Capital Assessment and Reports.

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<sup>3</sup> Cited in Martyn Newman ibid

<sup>4</sup> Martyn Newman ibid