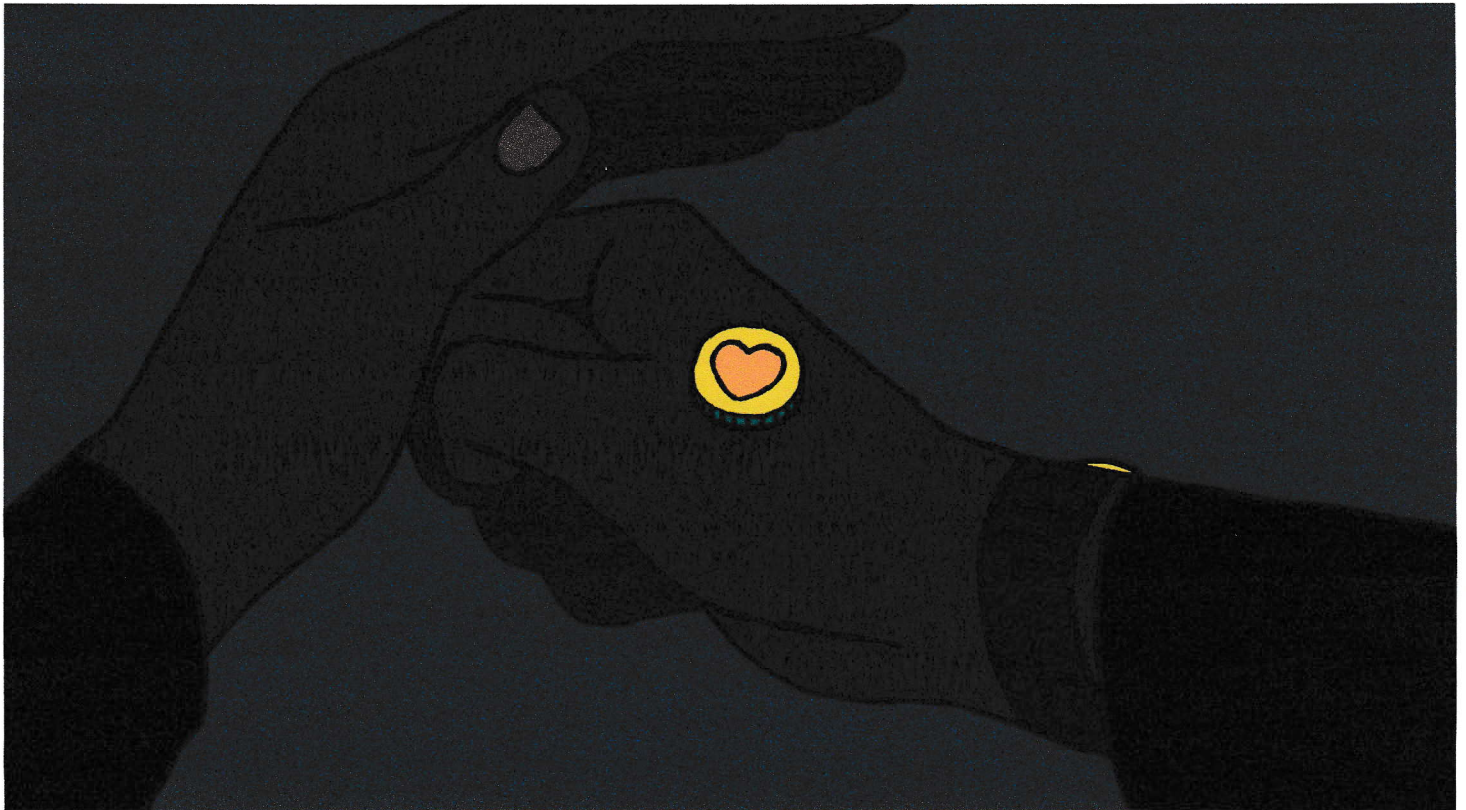


EMOTIONAL INTELLIGENCE

Why Young Bankers, Lawyers, and Consultants Need Emotional Intelligence

by James Runde

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VINCENT TSUI FOR HBR

Early in your career – whether it’s in banking, law, consulting or accounting – you will discover that all of your colleagues are as smart and hard working as you. You’ll learn that the key to being successful must be something else. Over my 40-year banking career, I’ve

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learned that the critical distinguishing factor for advancing in the professional services is emotional intelligence (EQ). Without EQ, it's likely that you will be your firm's "best-kept secret" – not recognized, not appreciated, not promoted and, often, not properly compensated. Developing EQ is just as pertinent for the recent graduate who is starting out, as it is for the seasoned veteran.

Emotional intelligence is the ability to monitor your own and other people's emotions, to distinguish between different emotions and label them appropriately, and to use this information to guide your thinking and behavior. According to a 2013 study by American Express, EQ is one of the biggest predictors of performance in the workplace and a strong driver of leadership and personal excellence. As Daniel Goleman wrote in HBR in 1998, "Without it, a person can have the best training in the world, an incisive, analytical mind, and an endless supply of smart ideas, but he still won't make a great leader."

Emotional intelligence matters even more today. A complex and global business environment requires stronger communication across multiple boundaries, and the rise of big data means clients put more value on customized insight and integrity.

But in order to strengthen your emotional intelligence, you have to know what it is. EQ is more than charisma or personality. It is exhibited in adaptability, collegiality, and empathy – and it is practiced through listening, remaining calm and resilient in the face of problems, valuing and helping colleagues, and connecting and empathizing with clients. I've found that, in the workplace, it is about your relationships:

- Your relationship with yourself (self-awareness/adaptability)
- Your relationships with your colleagues (collegiality/collaboration)
- Your relationships with your clients (empathy)

Self-Awareness/Adaptability

Self-awareness is your ability to understand your strengths and weaknesses and to recognize your emotions and how they affect your thoughts and behavior. Self-awareness is a critical component of EQ because it is what helps you to adapt to the array of different bosses, colleagues, clients, working styles, and personalities that you will encounter throughout your career.

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As you move up the corporate ladder, you will also need to adapt to different roles and responsibilities. What made you a great processor will not make you a great producer. So in order to be successful you will need to be self-aware, flexible, and open to new ideas, projects, and people. This will

help you grow your expertise and connections, and you'll be more prepared for future responsibilities, such as bringing in new business.

The best thing you can do early in your career is decide to prioritize your adaptability. Ask your boss and your network for feedback about your self-knowledge and your ability to be flexible in dealing with change. Read influential books that can help you hone your self-awareness, such as *How to Win Friends and Influence People* by Dale Carnegie and *The Wisdom of Crowds* by James Surowiecki.

Collegiality/Collaboration

Collaboration is essential in professional services firms because most work is done in teams. The industry is even becoming more collaborative, as teams become global and diverse and the workplace becomes more virtual. There are now larger teams – comprised of people across functions and industries – trying to solve increasingly complex client problems.

In order to succeed in a professional services firm today, you need to work well with your colleagues so that the entire team succeeds. Performance reviews emphasize firm and team contribution rather than individual performance. I have seen many examples of people being penalized for acting as a lone wolf instead of a good team player when covering clients or trying to provide client solutions. Team members have to respect each other's abilities and perspectives.

You can improve your teamwork skills by helping team mates (even on projects that you're not formally assigned to), carefully managing conflicts or disagreements, building your network, and not keeping score. The best litmus test of your ability to work with others is whether others are eager to work with you.

Empathy

Empathy is understanding what others are feeling, either because you have experienced it yourself or have actively tried to put yourself in their shoes. Empathy allows you to build trust with your clients—and this is the most challenging and underappreciated part of any job in the professional services industry.

People starting out their careers tend to think that finding answers is the most important part of the job. But while we are in the solutions business, finding the right solution is often not what holds us back. Experience has taught me that if a client tells me the problem, we will always come up with a thoughtful response. The real challenge is getting the client to tell you the problem.

If I was not asked to compete for an assignment by an existing client, it was usually not because the client did not know me or because I was not capable. I missed the business because the client never gave me a shot at solving their problem. Either the client did not think of calling me or did not trust me enough to share what was on their mind. The key to winning business is getting the client to trust or like you enough that they will tell you what issues are worrying them.

Building a relationship of trust can take years, but it pays dividends. For years, I worked with one client on a mergers and acquisition concept that never materialized. But over that time I gained the client's confidence because I listened and was reliable. That client, United Parcel Service, ultimately awarded our firm with the lead-underwriting role in the largest initial public offering in history at that time.

So how do you build client trust like this? You have to focus on listening. And I have observed two types of listeners: those who listen to respond and those who listen to listen. Let's call the former the Encyclopedia and the latter the Empathizer. The Encyclopedia listens waiting to interrupt and tries to upstage the client with knowledge; he leaves the meeting proud of the wisdom or advice he imparted. The Empathizer listens to understand issues, asks questions to "peel the onion," and make the client comfortable and willing to share real concerns. The Empathizer leaves the meeting with the client asking for help on a specific assignment.

Using EQ to Advance Your Career

The process of excelling early in your career involves realizing that while brains and hard work got you in the door, you now have to focus on learning from others and being the best at adapting, collaborating, and listening.

Let's look at networking – a key skill that requires all three components of emotional intelligence: self-awareness, collaboration, and empathy. Self awareness helps you recognize networking candidates and opportunities and adjust your approach as needed. Reciprocity leads you to give more than you take, as you have to be patient when it comes to the benefits of networking. And being able to cultivate trust and integrity with your network helps you form deep connections with a broad group of people who care about your success and well being.

While networking can be beneficial at any point in one's career, it can especially help young professionals find sponsors who can change their career trajectories. Networking is key to identifying new opportunities and advancing your career. It is like holding multiple lottery tickets – it can help transform you from being relatively unknown in your firm to being a well-known contributor with a diversified career portfolio, multiple advocates, and a range of opportunities.

Most of the best tips I received throughout my career came from acquaintances in my network rather than from people with whom I was close. So don't wait until you need something to build your network. Take a long-term view. You want to cultivate networking relationships over time, so that they will be there when you need them.

Networking is just one example. EQ as a core skill matters now more than ever, because work has changed in ways that favor emotional competence and soft skills. If you can develop these traits – self-awareness and adaptability, collaboration, and empathy – early on, you'll be able to set yourself apart from your peers and build a life and career that is successful and satisfying.

James Runde is the author of the book *UNEQUALED: Tips for Building a Successful Career Through Emotional Intelligence* (Wiley). He is the longest-serving investment banker at a single U.S. firm, having spent over 40 years at Morgan Stanley, where he was appointed vice chairman.

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