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**First Vice-Governor, Banque du Liban**  
<http://raedcharafeddine.net/>

# Leadership: Engagement through Emotional Intelligence

**Central Banking Seminar:  
Strategic Planning: Delivering Change and Meeting Objectives**

**25 April 2017 | Windsor – United Kingdom**



# Outline

## Change



## Today's Leadership Challenges

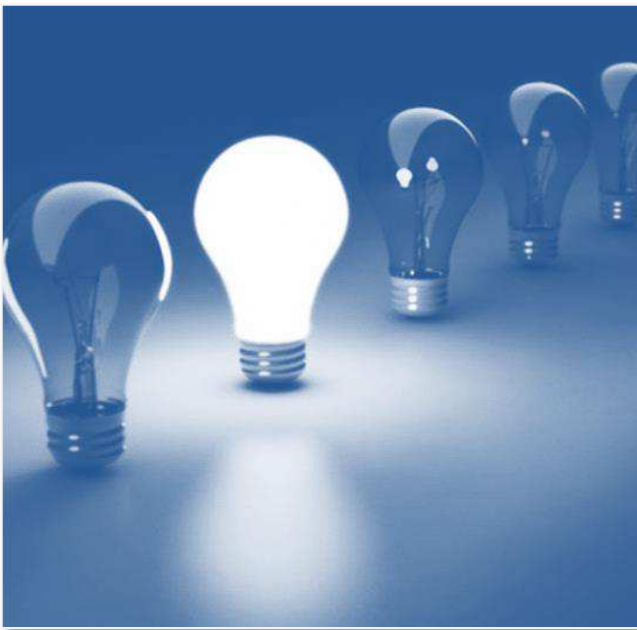


## The 5 Commitments



# Outline

## Change



## The 10 Relational Needs



## The 5 Commitments







We are living amidst  
**EXPONENTIAL TIMES**



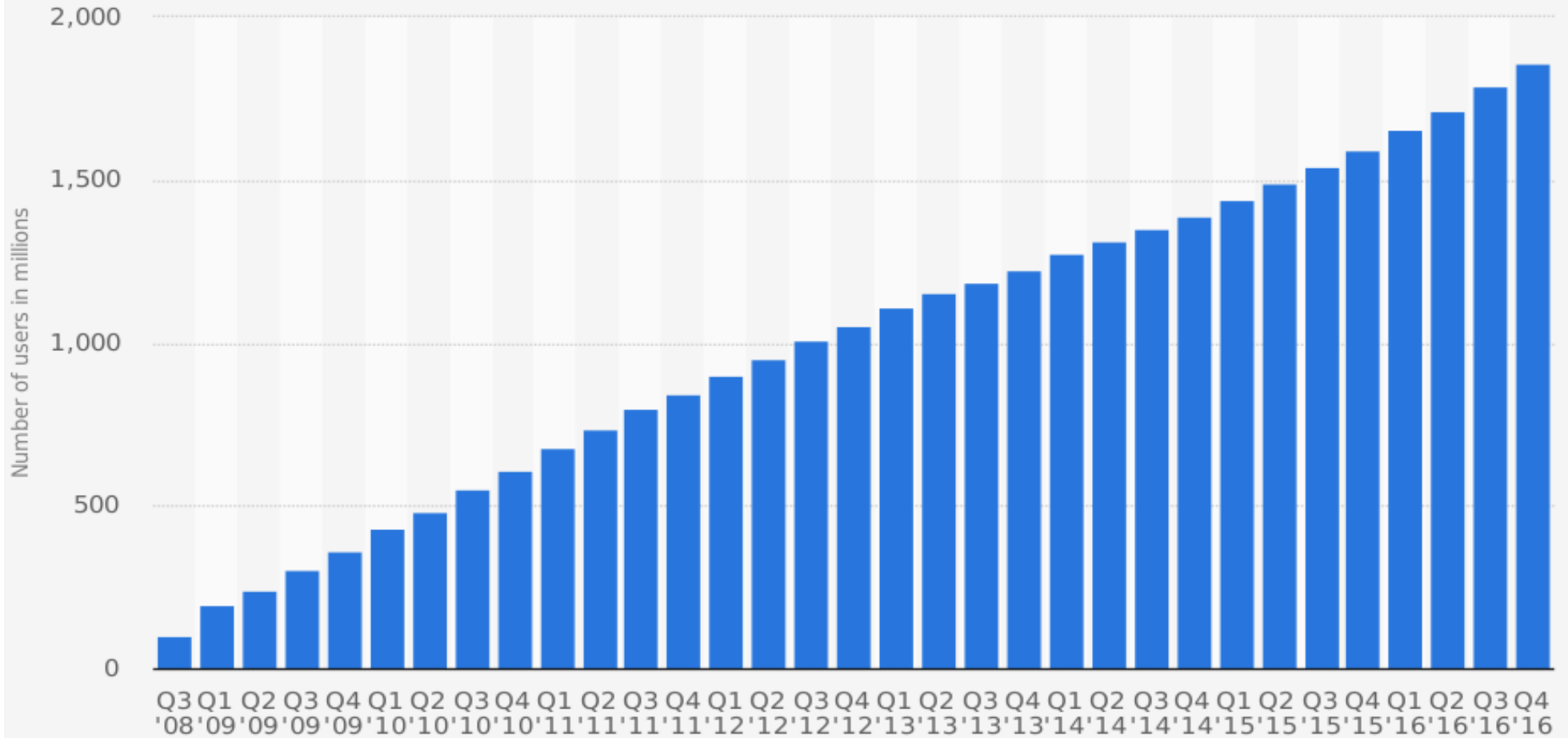
# Number of active users on Facebook over the years

- 1 million — End of 2004
- 5.5 million — End of 2005
- 12 million — End of 2006
- 50 million — October 2007
- 100 million — August 2008
- 350 million — End of 2009
- 608 million — End of 2010
- 845 million — End of 2011
- 1.06 billion — December 2012
- 1.22 billion — December 2013
- 1.39 billion — December 2014
- 1.59 billion — December 2015
- 1.86 billion — December 2016

<https://www.statista.com/statistics/264810/number-of-monthly-active-facebook-users-worldwide/>



## Number of monthly active Facebook users worldwide as of 4th quarter 2016 (in millions)







**We are living in an  
UNSTABLE ENVIRONMENT**





# Ongoing **CHAOS** in the Middle East and North Africa



**The impact of the BREXIT execution on the global economy**





**Increased pressures from Local and Foreign Regulators  
on Financial Provider**

A close-up photograph of a conductor's hands. The right hand holds a thin, light-colored baton, pointing it towards the upper left. The left hand is positioned below the right, with fingers spread in a gesturing motion. The conductor is wearing a dark suit jacket and a white shirt with a visible cuff. The background is a soft, out-of-focus grey. A bright yellow horizontal banner spans the lower portion of the image, containing bold black text.

**We are living in an  
Influential & Smart Leadership Era**





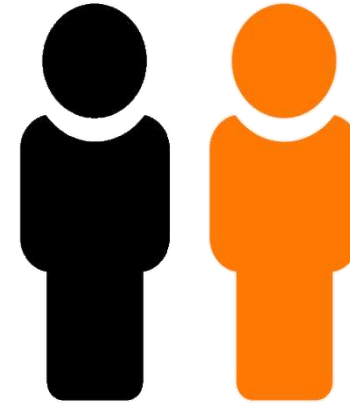
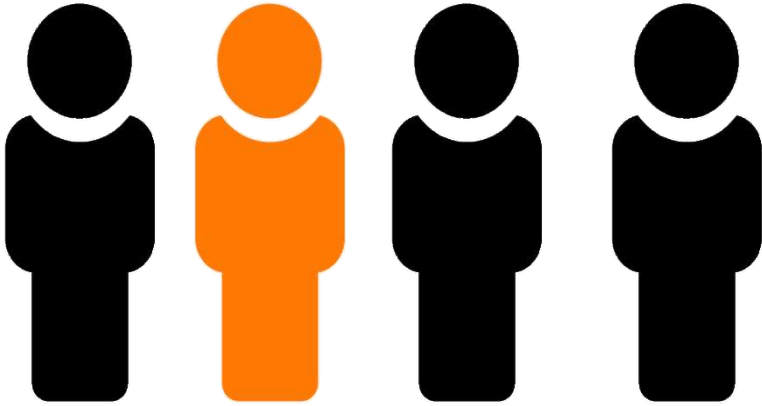
**The hierarchical, command and control structures of the past are gone. The days of simply telling someone to do something are gone.**





**We are living in a  
Diversified Talent & Team Environment**



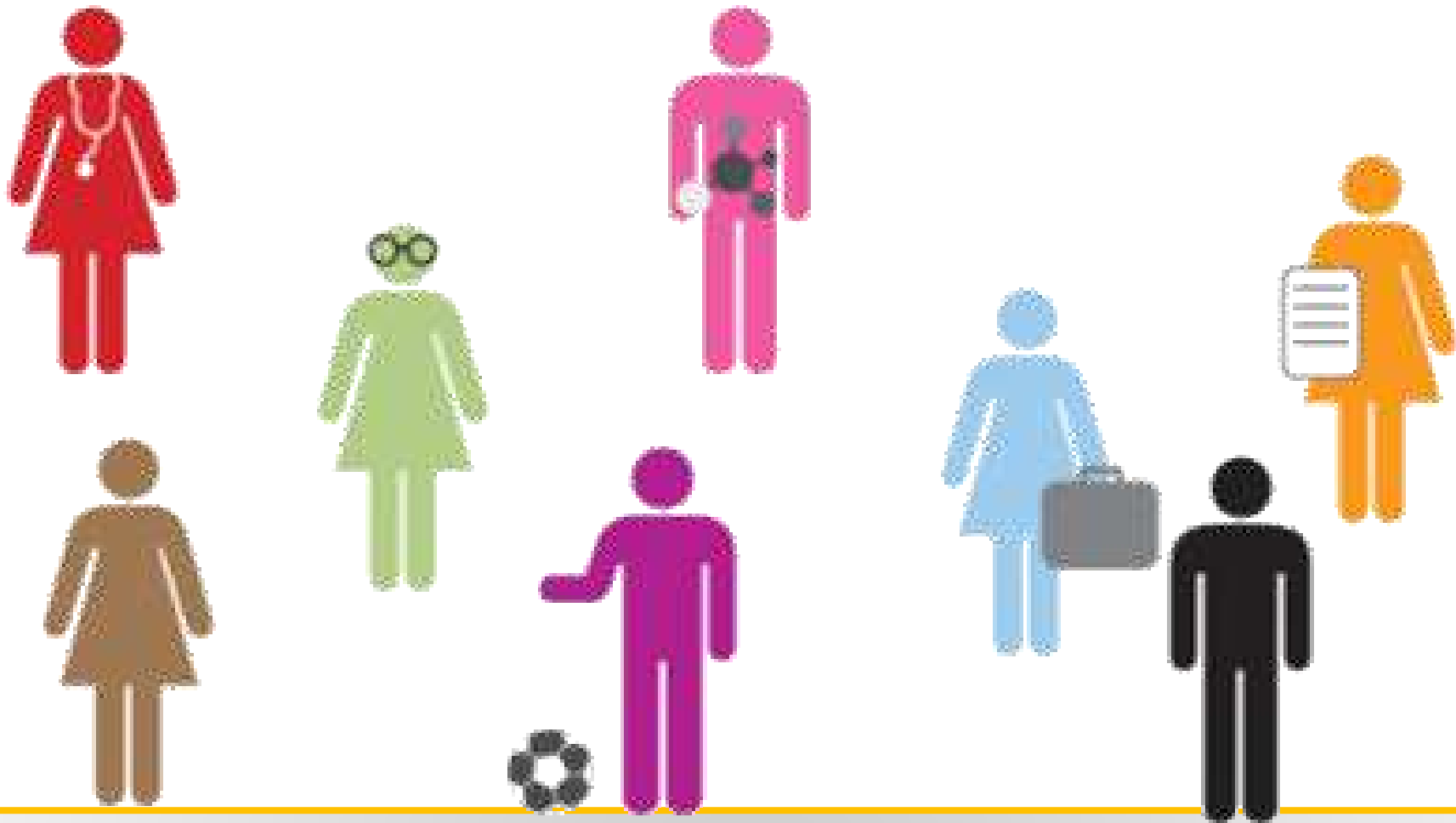


**1 in 4 workers**  
has been with their current  
employer for less than a year.

**1 in 2 workers**  
has been with their employer  
for less than **five years**.

**Today's learner will have 10-14 jobs...**  
**by the age of 38**

*Source: US Department of Labor*



**While a dozen of occupations disappeared, 65% of today's school children will eventually be employed in jobs that have yet to be created.**





**We are living in a  
VOLATILE SOCIAL ENVIRONMENT**



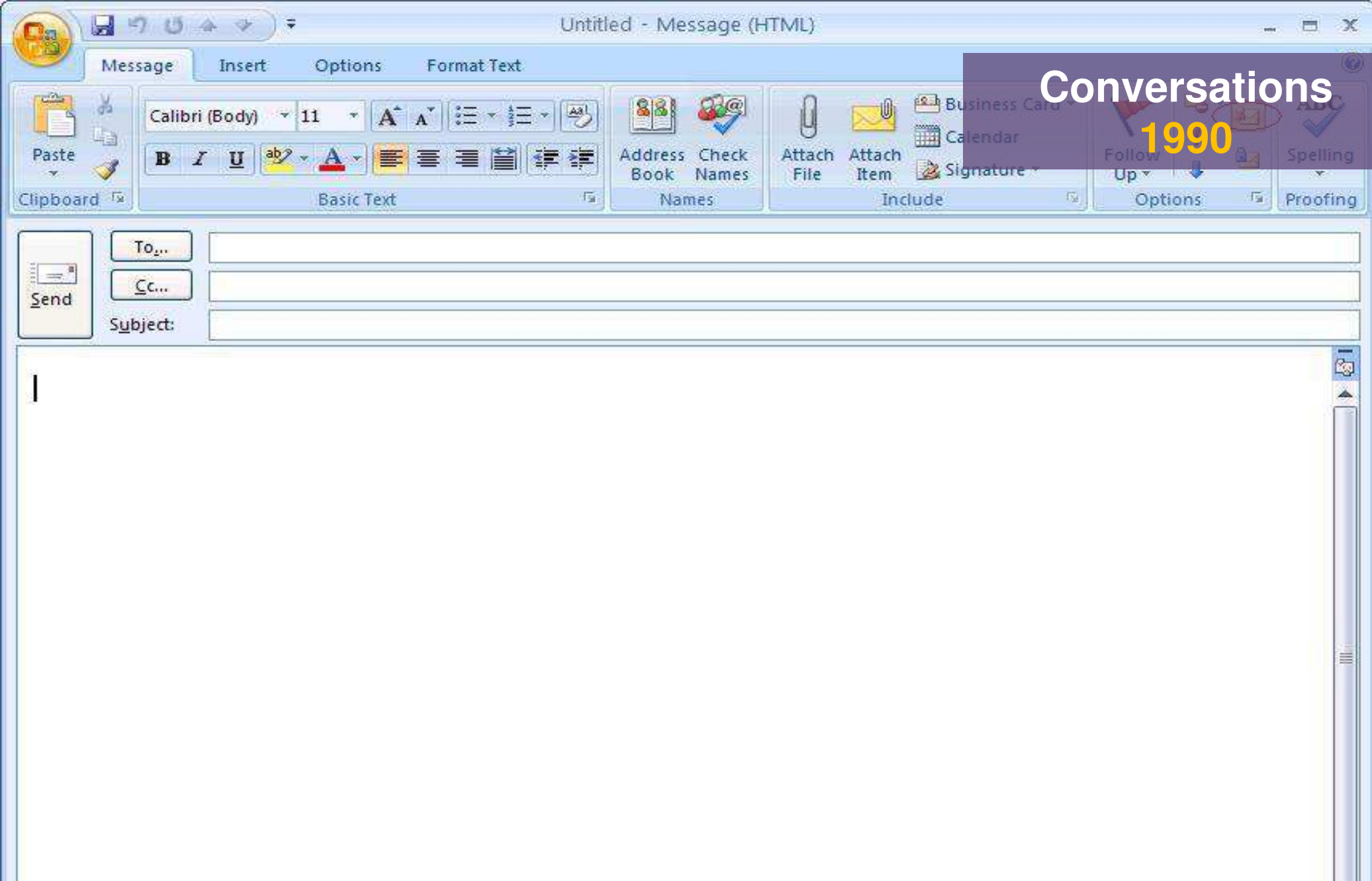


# Conversations

## 1980



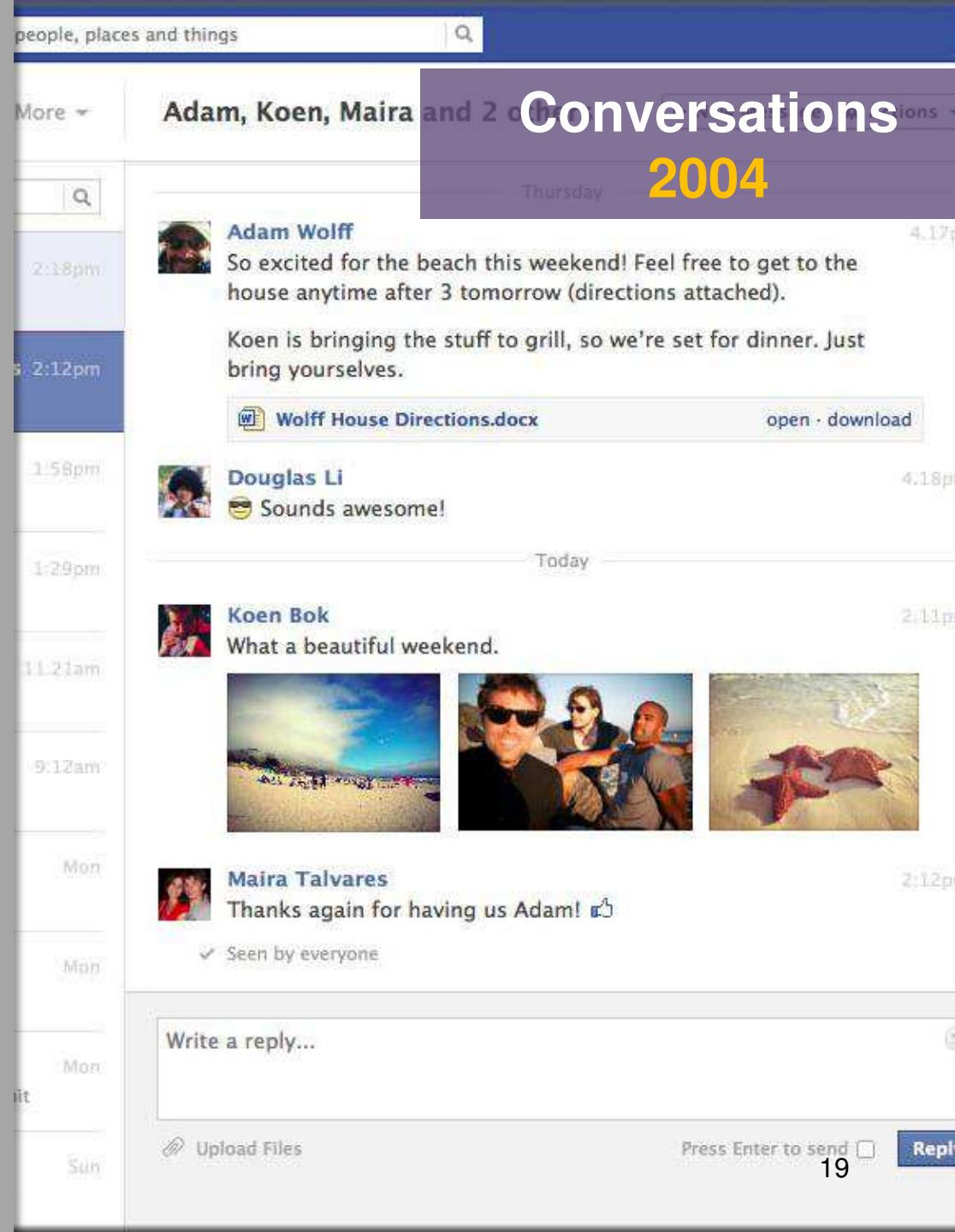




# Conversations

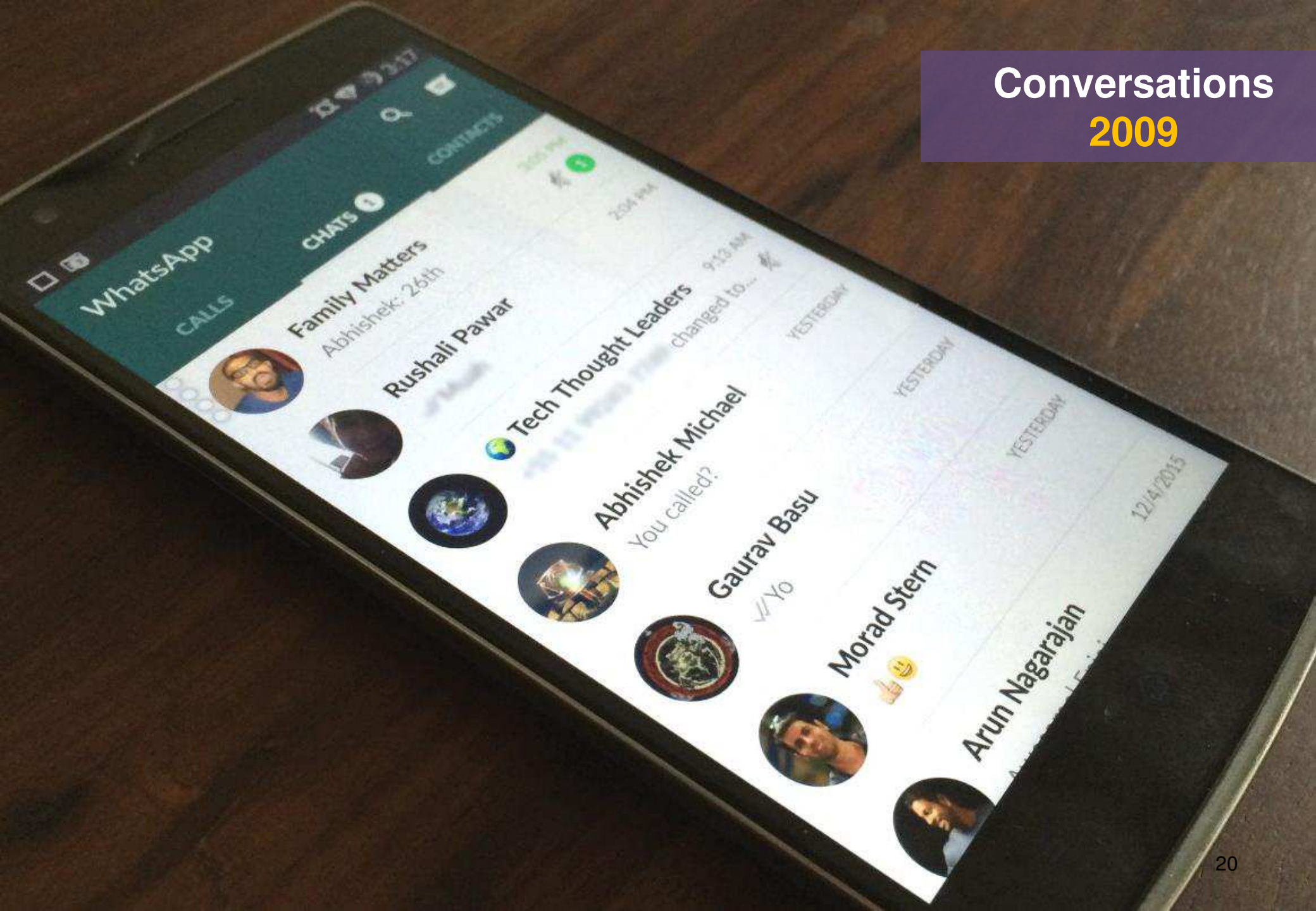
## 1995







# Conversations 2009





natgeophotos



natgeophotos

4d



756 likes

**natgeophotos** Well done to @code99 this is today's winner :) Please keep tagging your photos with #natgeohub :D



nbcnews



nbcnews

1d



768 likes

**nbcnews** Tornado damage in Lancaster, Texas. #Tornado #Dallas #Texas



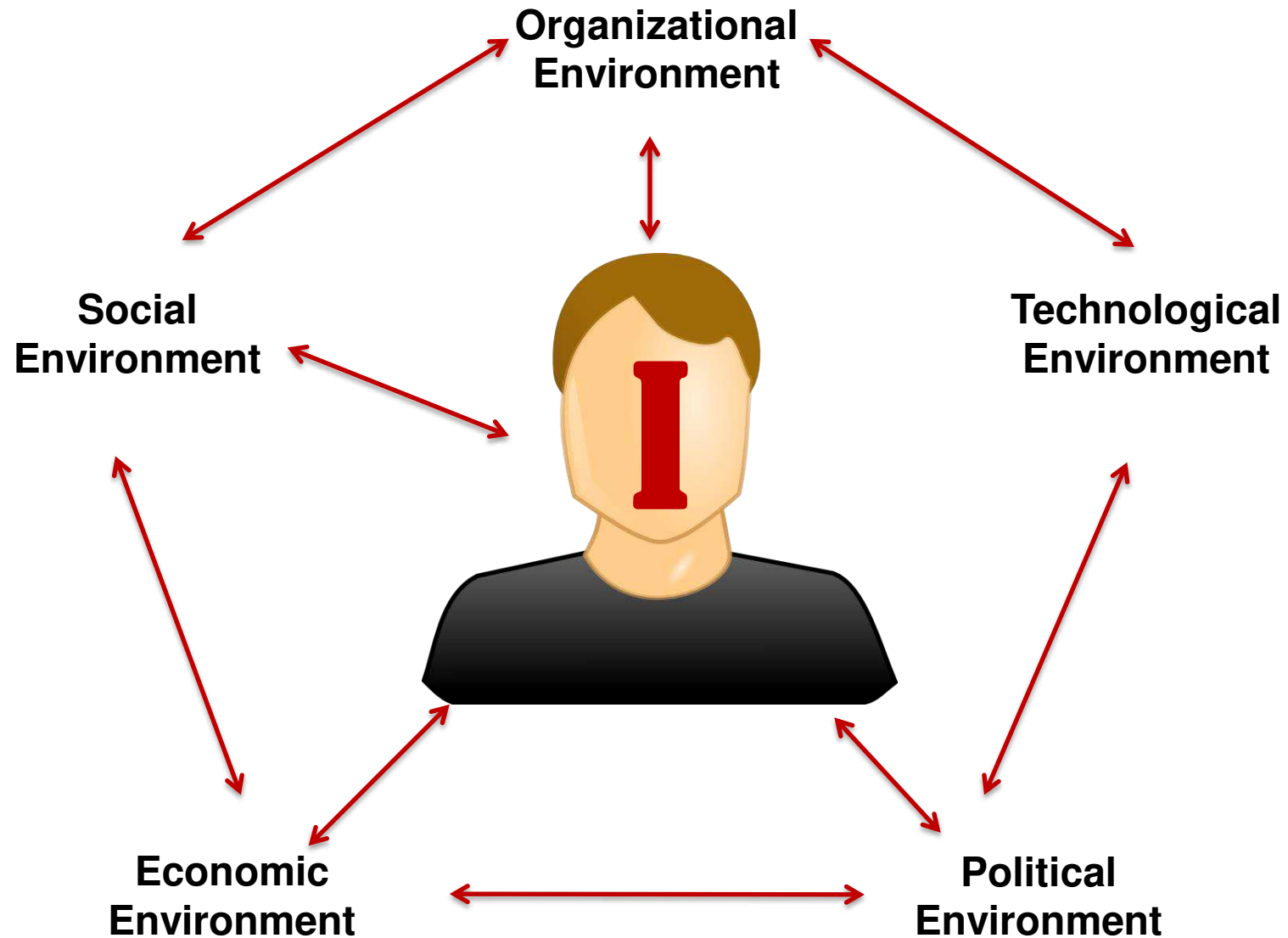
Conversations  
2017

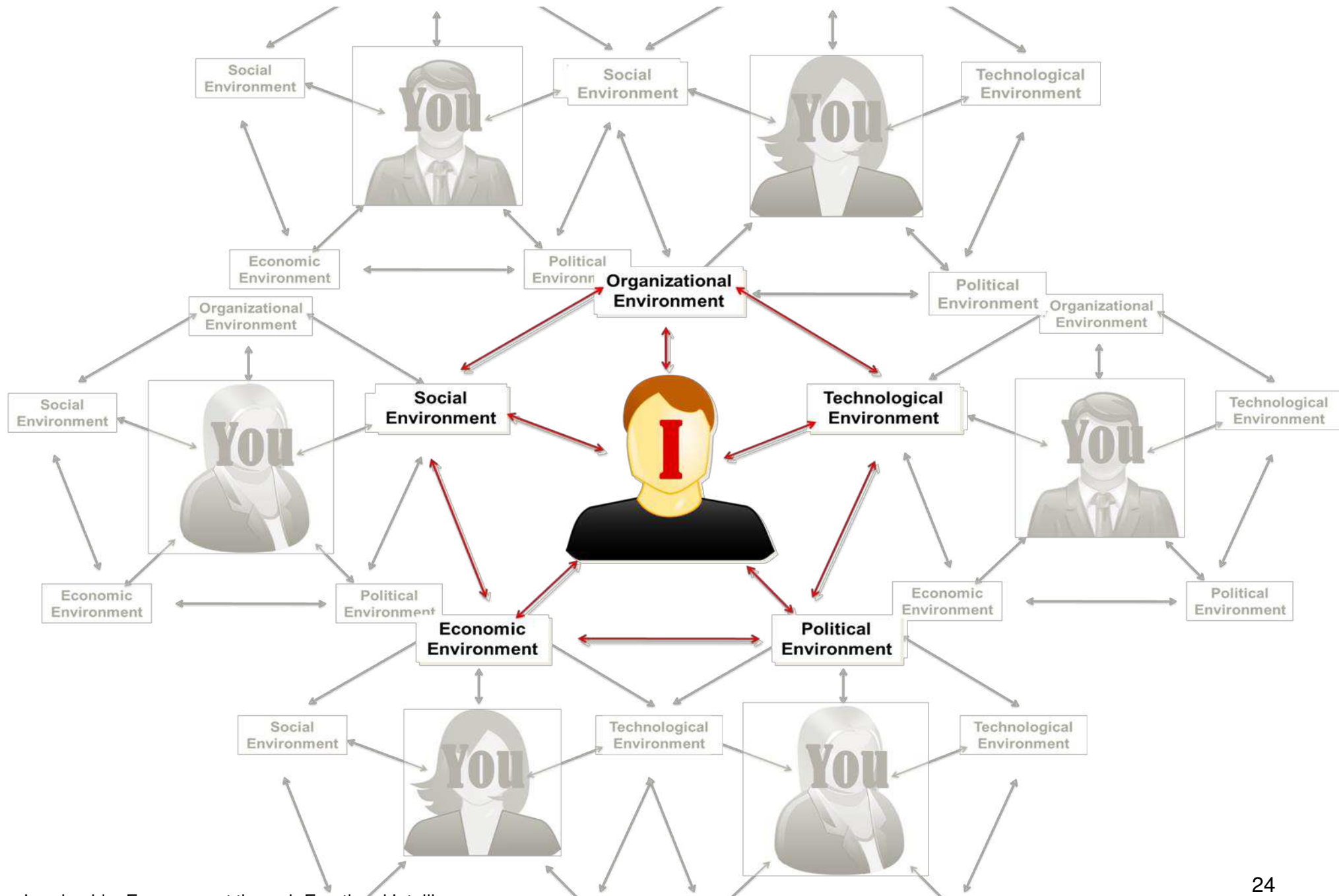


An abstract, artistic representation of a molecular or atomic structure. It features several large, translucent red spheres and smaller black spheres, connected by thin, black, curved lines that suggest orbits or chemical bonds. The background is a gradient of light blue and white, with some faint, larger, translucent blue shapes. The overall composition is dynamic and scientific in theme.

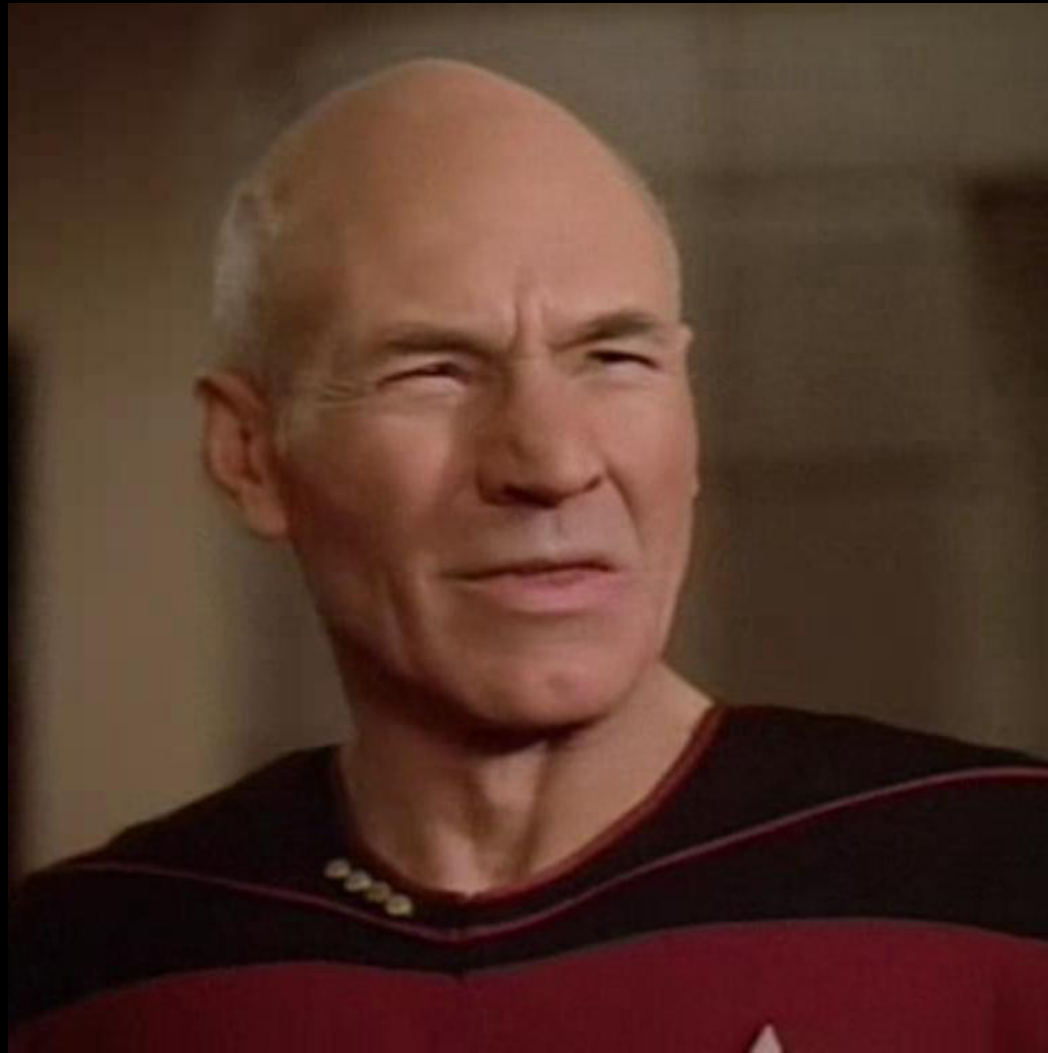
Change is a **CHEMISTRY** of  
**INTERCATIONS**







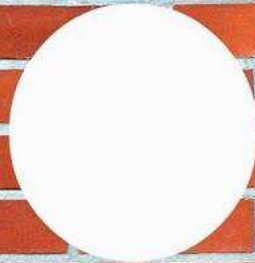




**So What....**



**BANG HEAD HERE**




***IF WE KEEP DOING WHAT WE HAVE BEEN  
DOING WE WILL KEEP GETTING WHAT WE  
HAVE BEEN GETTING***



Hence,




The need to CHANGE in a  
POSITIVE WAY



**Why would  
people want  
to change?**





# Why would people want to change?

To Persevere

To avoid Pain

To gain a positive outcome

# Why Change?







People Change to **Preserve**

# Aral Sea 1977

Before

After





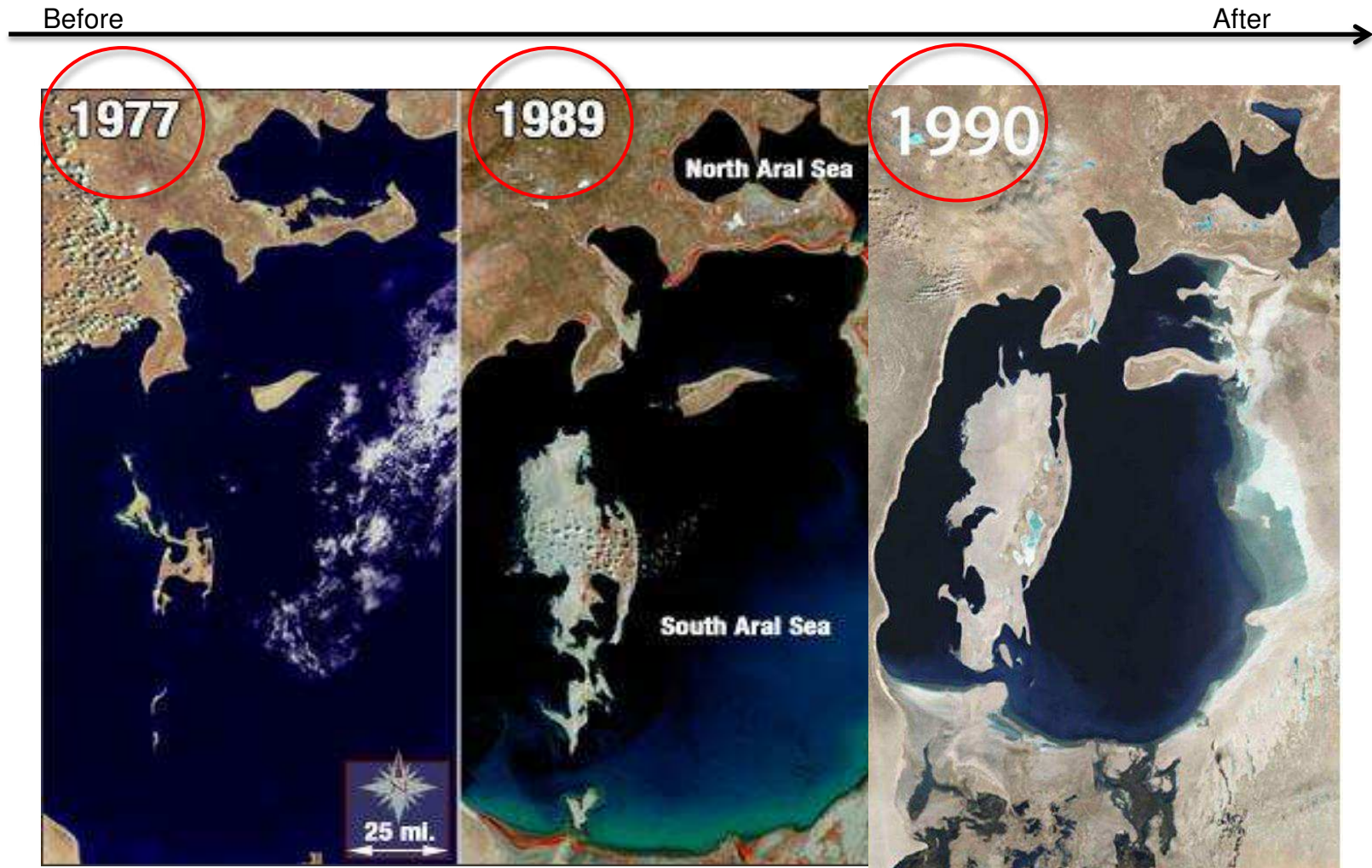
# Aral Sea 1989

Before

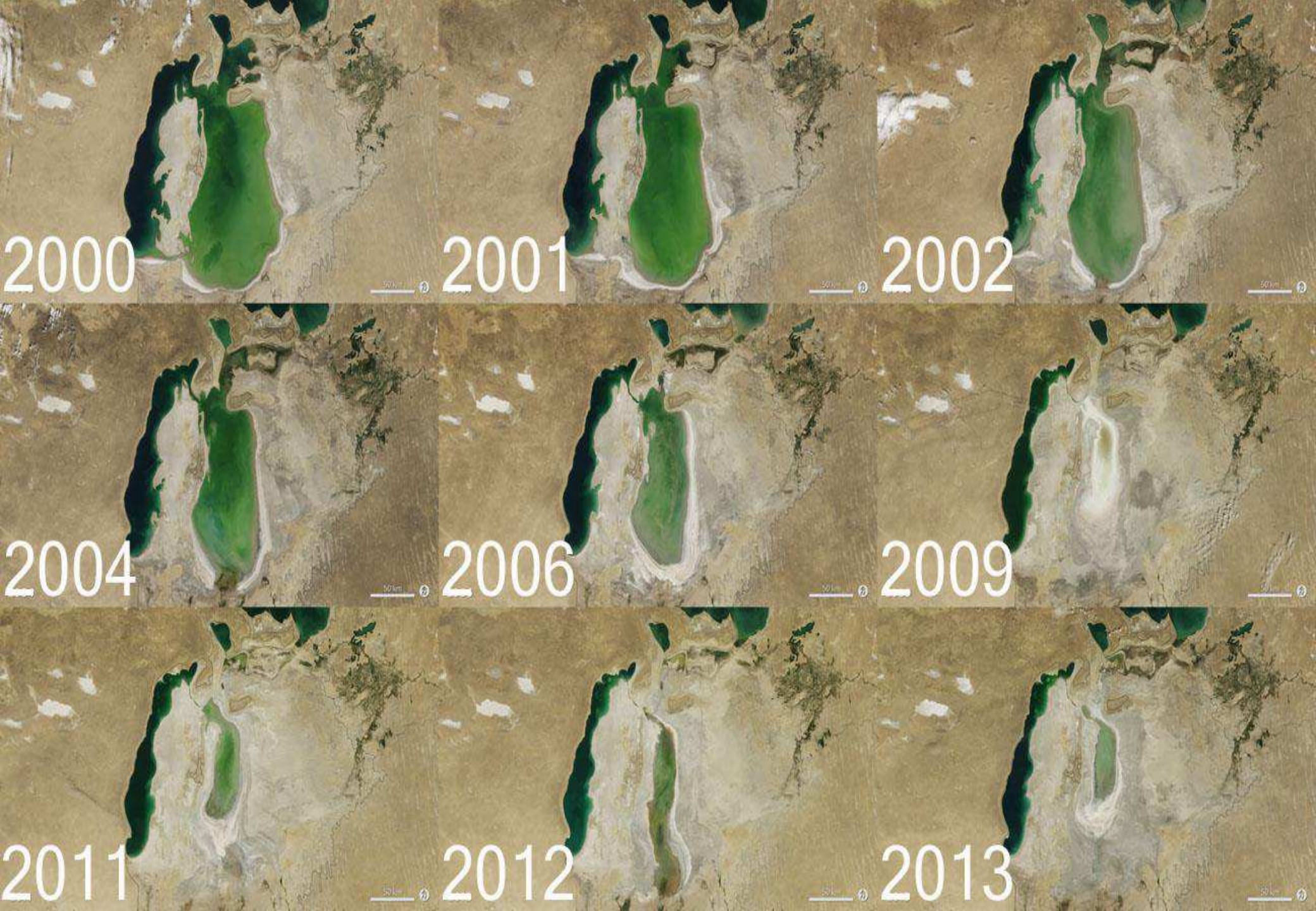
After



# Aral Sea 1990







2000

2001

2002

2004

2006

2009

2011

2012

2013



**Aral Sea 2016**





A close-up photograph of a pufferfish, likely a pufferfish species, with its mouth open, showing its teeth. The fish has a light brown body with dark spots and a large, inflated head. The background is dark and out of focus.

People Change to **Avoid Pain**









People Change to **Gain a  
Positive Outcome**

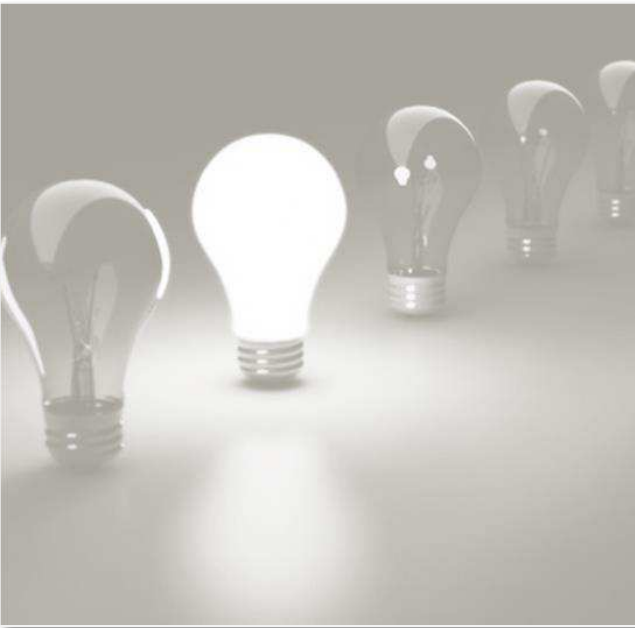






# Outline

## Change



## Today's Leadership Challenges



## The 5 Commitments



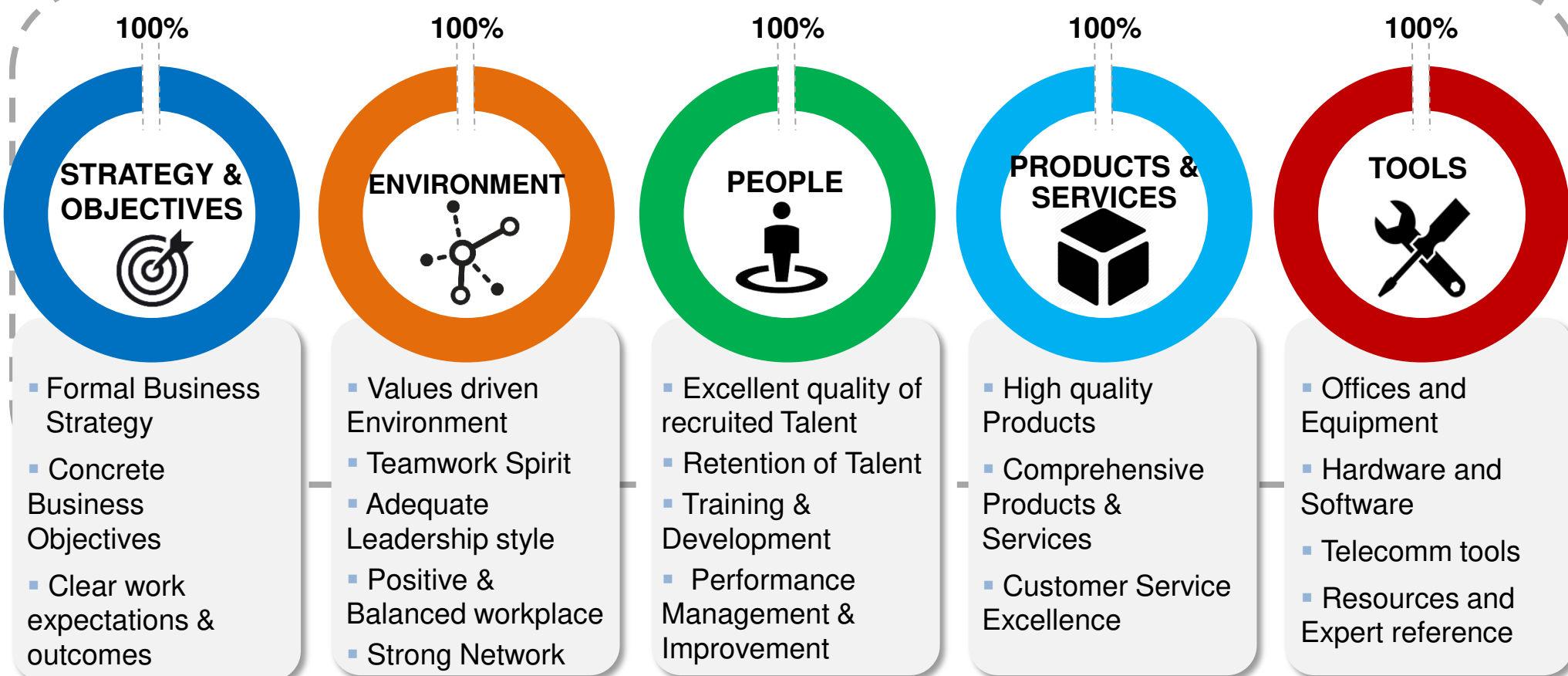
# The Performance FORMULA



# Performance Enablers

*Securing the right performance enablers is imperative for Change & Engagement*

## Performance Enablers



**Business Success**

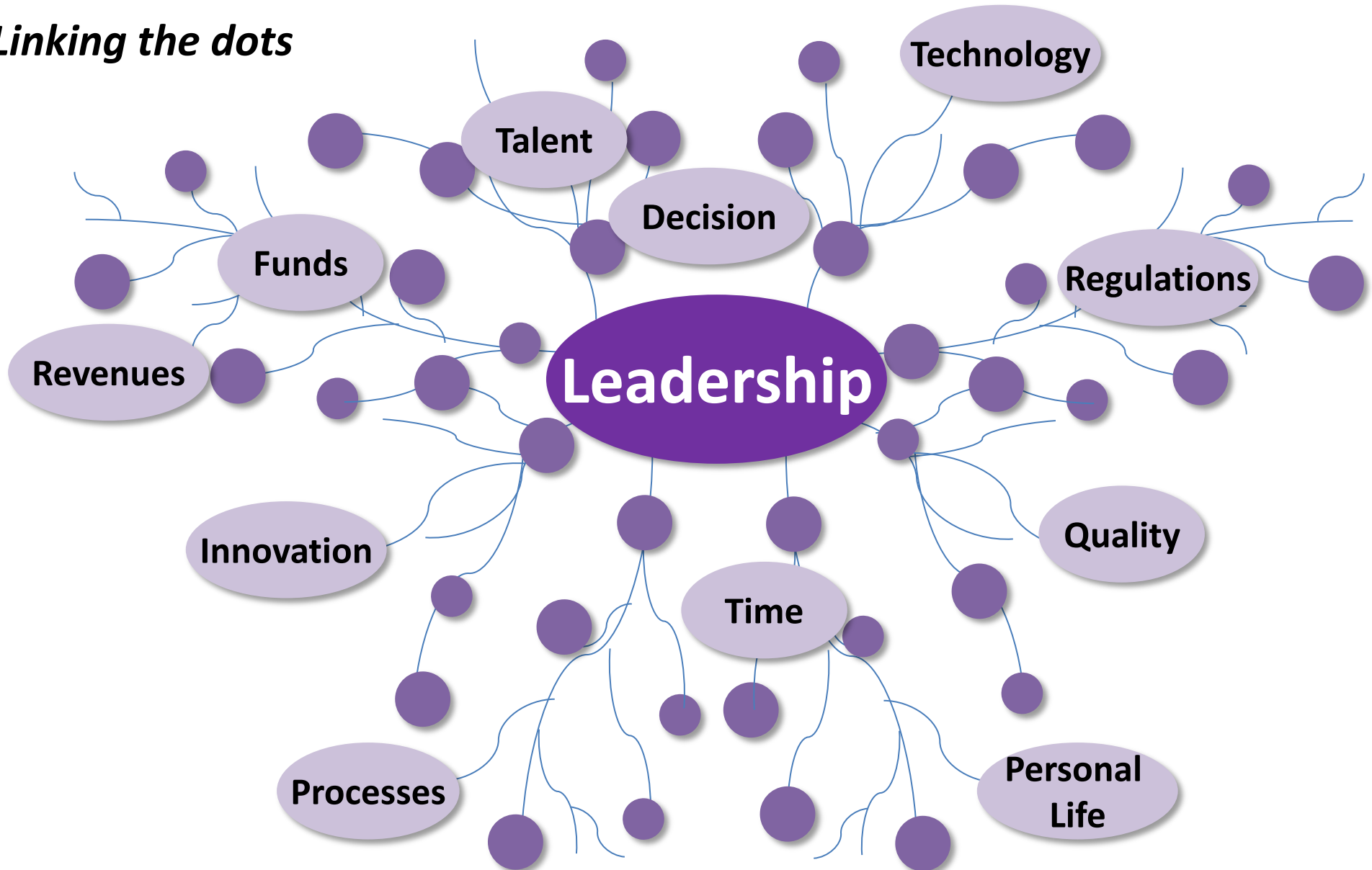


**Leadership Challenges are like viruses. They are cascadable and vicious. One challenge leads to another, which will lead to a third... until reproducing the same initial challenge.**



# Leadership Challenges of Today

*Linking the dots*



# 1. The Execution Gap



- How are we facing the Execution Gap between what is planned and what is done?
- Why are execution Gaps the key obstacles facing leaders these days?
- Is the Execution Gap at the Strategic or Operational level?
- How can we bridge the Vision – Strategy – Execution gap?



## 2. Sourcing the Right Talent



- How do you Identify the need for a new hire?
- Where to find the right Candidate?
- How to manage an ongoing pile of resumes?
- What type of questions need to be asked during a face to face interview?
- Conducting Reference & Background checking?
- Sending the right Job Offer?

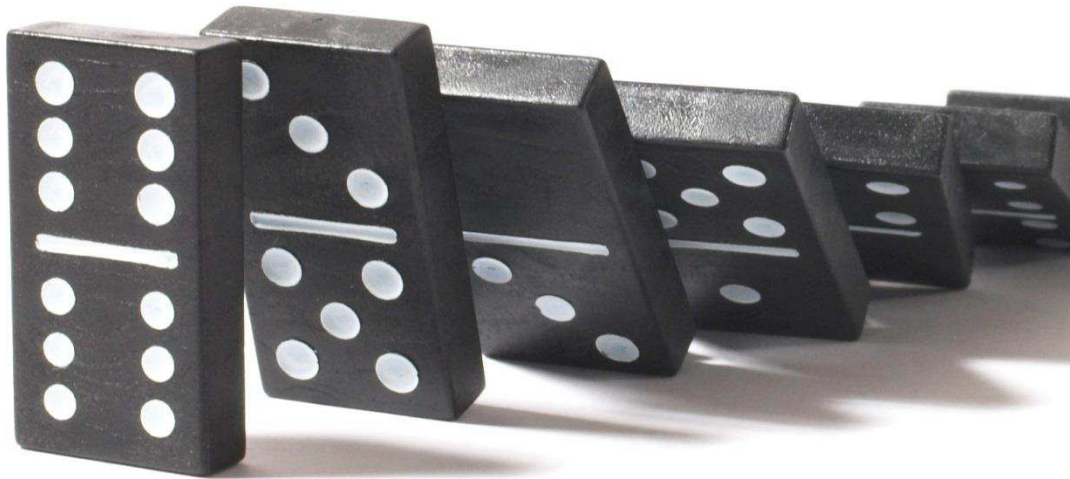
### 3. Investing in People



- What are your people training Needs?
- How to develop your talents into becoming Leaders?
- Relation between Retention and Employees Development?
- Benefits of investing in People?
- Impact of NOT investing in People?
- Setting a Comprehensive Career Development Plan?



## 4. Individual Dependencies & Succession



- Employees of High Dependencies?
- Positions of High Turnover?
- What to do when losing a Dependable Talent?
- Identifying the Key employees and potential successors?
- Communicating or not on succession plans?
- Developing and nurturing successors?
- Setting up a succession plan?
- Succession planning & talent retention?
- Business Continuity?

## 5. Decision Making



- How can the Authority matrix be balanced/
- How can we ensure that the optimal decisions are being made?
- Are we capable of making optimal decision amidst severe Game Theory dynamics today?
- How to prepare new leaders for optimal decision making?
- Are all Accountability mechanisms available?
- Is Accountability being effectively respected?



## 6. Complexity of Management Layers



- Ultimate Organization Structure Design for your Business?
- Number of managers to executives?
- Authority & Accountability Distribution?
- Complex decision making processes?
- Delayed Execution and Bureaucracy?
- Relation between Managers and Employees?

## 7. Governance



- Is Corporate Governance the Solution?
- What is the margin of improvement that Corporate Governance can afford today?
- Is there a difference between theory and reality when it comes to implementing Corporate Governance Directives?



## 8. Information Management



- Suitable Technology & Information System for your Business?
- Comprehensiveness of Networking Systems between different technologies?
- Ability of staff to Manage Information?
- What is the Strategic direction for the overall technology environment in the company?
- Disclosure of Information and availability to employees at different levels?
- People with open access to data?

## 9. Allocation of Internal Investments



- What are the internal investments priorities?
- How much money to allocate on People Development vs Business Development?
- Any part of the investment spent on people well-being?
- Part of information technology from Investment?
- Investing to show or to enhance?
- Decisions for Investments?



## 10. Maintaining Innovation



- Space for innovation in the Business Platform?
- Company culture and People Innovation?
- Maintaining up to date Business Information?
- Coping with Trends and Techniques?
- Toleration of Risk and Failure?
- How to reward people who innovate?
- Recognizing people with innovation skills?

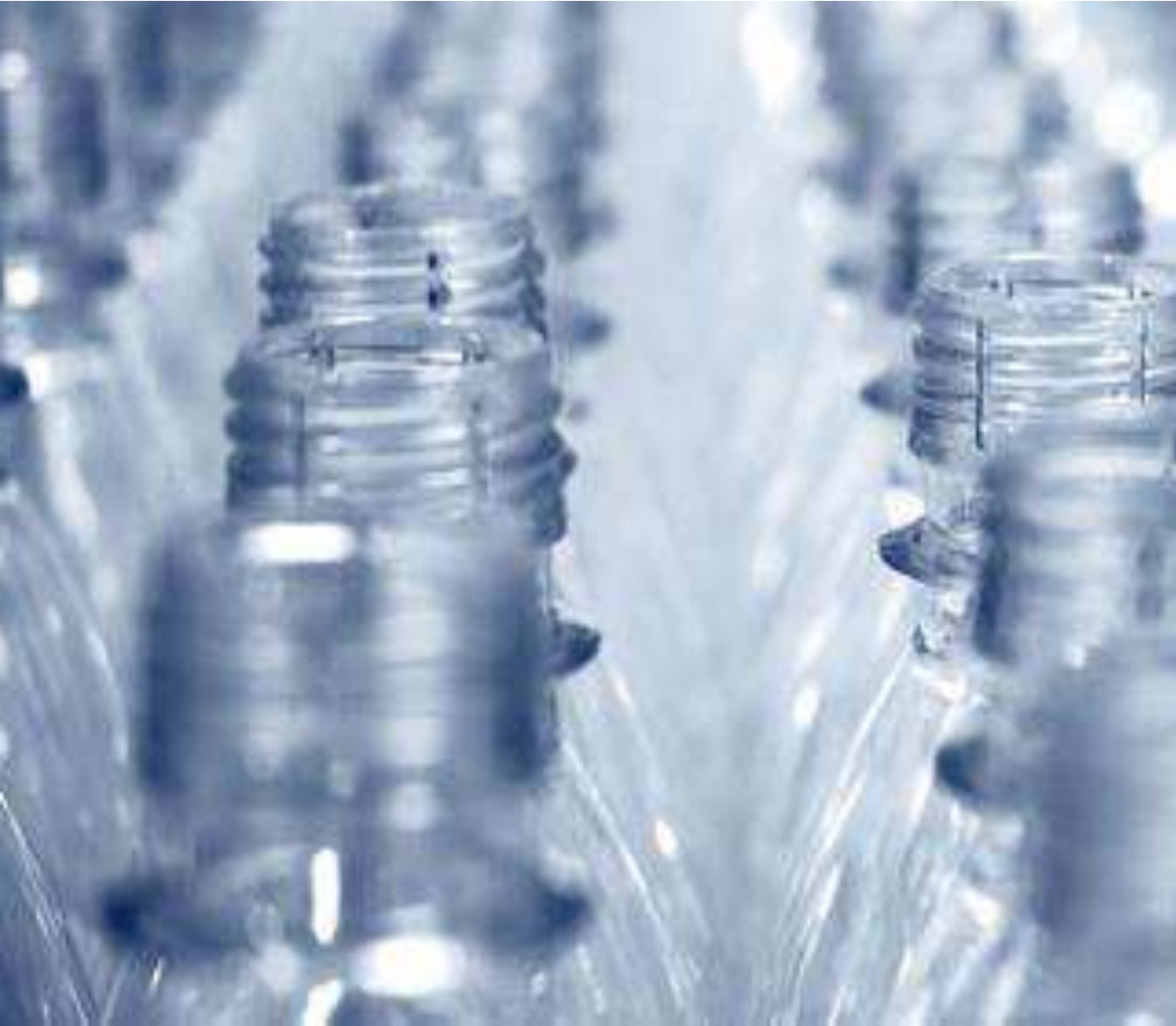
## 11. Legal Compliance



- Legal obligations toward employees?
- Compliance with Country Legal Structure?
- Written Agreements content?
- Standardized contract forms?
- Health & Safety Considerations?
- Data Security & Credibility?
- Monitoring Compliance?



## 12. Standardization



- Reliability of work-flows?
- Quality of Products & Services?
- Monitoring Quality & reporting non compliance?
- Documentation of processes?
- Consistency of Decisions?
- Need for standardization or Harmonization?
- Communicate & verify results?

## 13. Organizational Culture



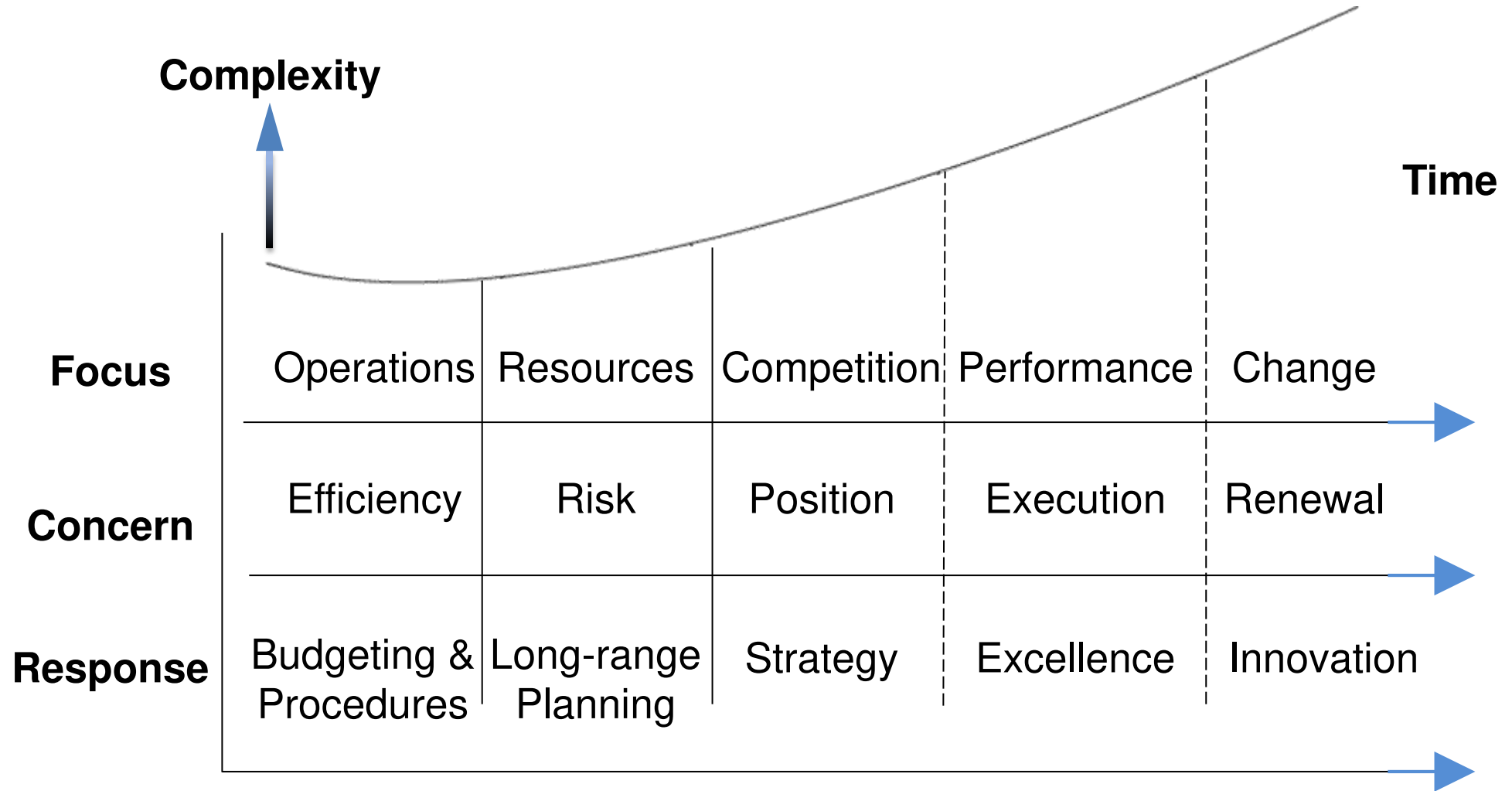
- Communication style with employees?
- What behavior to expect on day to day basis?
- Are strategies more daring or conservative?
- What kinds of relationships are developed with customers?
- What is important to the Business?
- Discouraging undesirable actions?



# Leadership Style & Impact on Performance



# The Evolution of Leadership Concerns









































# Why do people have different Leadership Styles?

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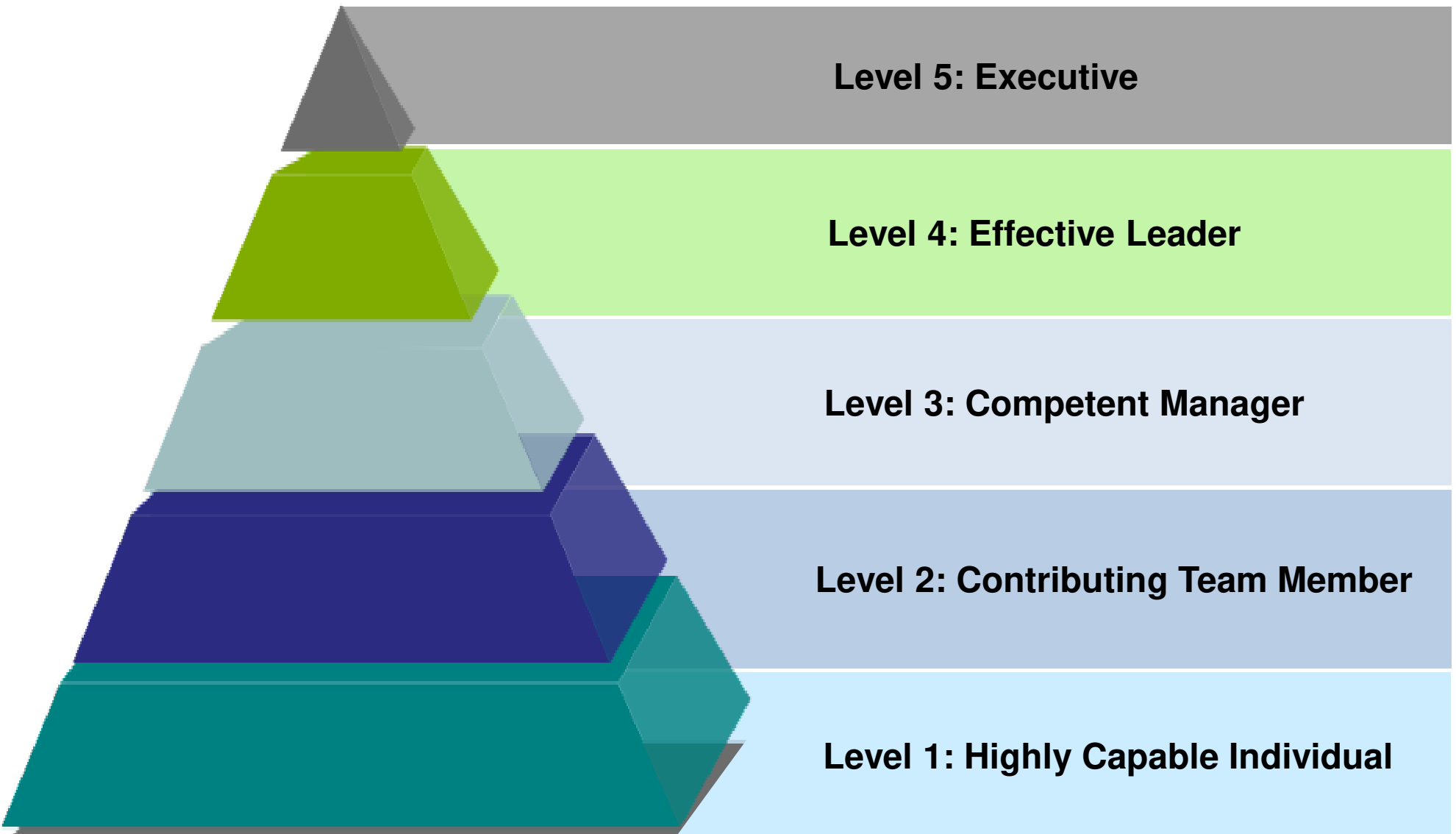
<b>Experience</b>	▶ Life and professional experience build certain beliefs and impact the approach of the individual in dealing with people and situations
<b>Personality</b>	▶ Innate psychological tendencies impacted by childhood and bringing up habits and context
<b>Education</b>	▶ Scientific and philosophical concepts brought to the person through schooling and university education
<b>Values</b>	▶ Social, political, and religious values the person absorbs at various stages of his/her life

# Managerial Style affects Organization Climate! Beware how to use it

	<i>Flexibility</i>	<i>Responsibility</i>	<i>Standards</i>	<i>Rewards</i>	<i>Clarity</i>	<i>Team Commitment</i>
<b>Commanding</b>			Short term Long term 		Task Long term or big picture 	
<b>Visionary</b>	Short term Long term 					
<b>Affiliative</b>				Rewards not always tied to performance 		
<b>Democratic</b>						
<b>Pacesetting</b>		With a good team With less directed team 	Short term 			
<b>Coaching</b>			Long term Short term 			



# Levels of Leadership



*Source: Good to Great, James C. Collins*

63

# Levels of Leadership

Level Number	Leadership Ability	Observed Behaviors
Level 5	Executive	Builds enduring greatness through a paradoxical combination of personal humility plus professional will.
Level 4	Effective Leader	Catalyzes commitment to and vigorous pursuit of a clear and compelling vision; stimulates the group to high performance standards.
Level 3	Competent Manager	Organizes people and resources towards the effective and efficient pursuit of predetermined objectives.
Level 2	Contributing Team Member	Contributes to the achievement of group objectives; works effectively with others in a group setting.
Level 1	Highly Capable Individual	Makes productive contributions through talent, knowledge, skills, and good work habits.

*Source: Good to Great, James C. Collins*



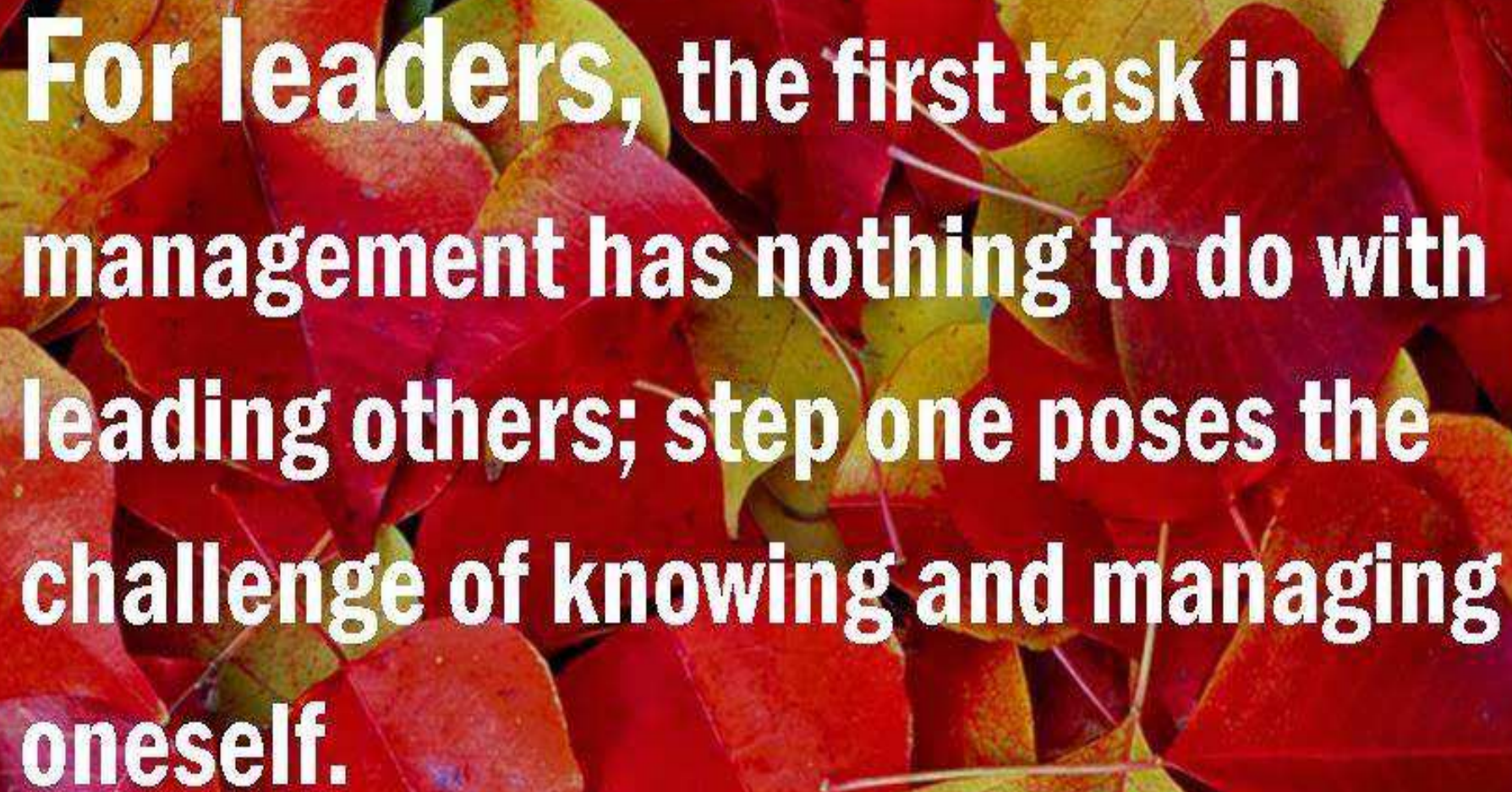


# Emotional Intelligence

CEOs are hired for  
their intellect and  
business expertise -  
and fired for a lack of  
emotional  
intelligence.

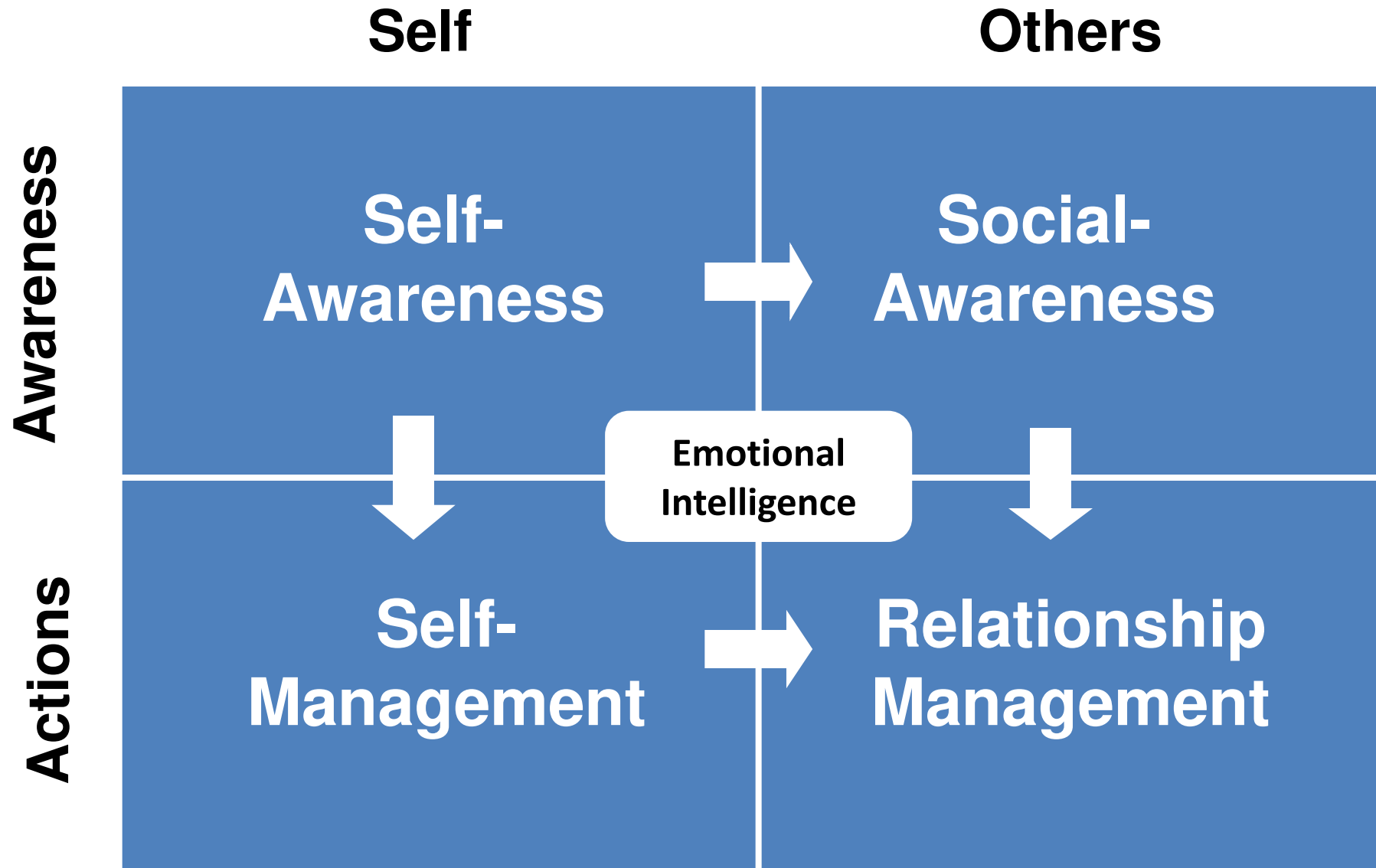
Daniel Goleman





**For leaders, the first task in management has nothing to do with leading others; step one poses the challenge of knowing and managing oneself.**

**--Daniel Goleman**





# The Five Components of Emotional Intelligence at Work

	Definition	Hallmarks
<b>Self-awareness</b>	The ability to recognize and understand your moods, emotions, and drives, as well as their effect on others	Self-confidence Realistic self-assessment Self-deprecation sense of humor
<b>Self-regulation</b>	The ability to control or redirect disruptive impulses and moods The propensity to suspend judgment – to think before acting	Trustworthiness and integrity Comfort with ambiguity Openness to change
<b>Motivation</b>	A passion to work for reasons that go beyond money or status A propensity to pursue goals with energy and persistence	Strong drive to achieve Optimism, even in the face of failure Organizational commitment
<b>Empathy</b>	The ability to understand the emotional makeup of other people Skill in treating people according to their emotional reactions	Expertise in building and retaining talent Cross-cultural sensitivity Service to clients and customers
<b>Social skill</b>	Proficiency in managing relationships and building networks An ability to find common ground and build rapport	Effectiveness in leading change Persuasiveness Expertise in building and leading teams

# *Emotional Intelligence*







The diagram depicts an iceberg floating in a dark blue sea. The tip of the iceberg, which is white, is labeled 'Competency Behaviors'. A blue arrow points from this tip to a white box containing the text 'Necessary for top performance but not sufficient'. The much larger, submerged part of the iceberg is colored light blue and contains the text 'Self Awareness', 'Self Regulation', 'Motivation', 'Empathy', and 'Social Skills'. A red-bordered box is positioned at the bottom right of the submerged part, containing the text 'Required for longer-term success'.

**Competency Behaviors**

**Necessary for  
top performance  
but not sufficient**

**Self Awareness  
Self Regulation  
Motivation  
Empathy  
Social Skills**

**Required for  
longer-term  
success**

# The LQ (Leadership Quotient)



© 2015 Dr. Michael Edwards



# There are 6 different Leadership Styles

## Emotional Intelligence Competencies

Commanding	Demands Immediate Compliance	<i>“Do what I Tell you.”</i>	Drive to achieve, initiative, self-control
Visionary	Mobilizes People toward a Vision	<i>“Come with me.”</i>	Self-confidence, empathy, change catalyst
Affiliative	Creates harmony and builds emotional bonds	<i>“People come first.”</i>	Empathy, building relationships, communication
Democratic	Forges consensus through participation	<i>“What do you think?”</i>	Collaboration, team leadership, communication
Pacesetter	Sets high standards for performance	<i>“Do as I do now.”</i>	Conscientiousness, drive to achieve, initiative
Coaching	Develops people for the future	<i>“Try this”</i>	Developing others, empathy, self awareness

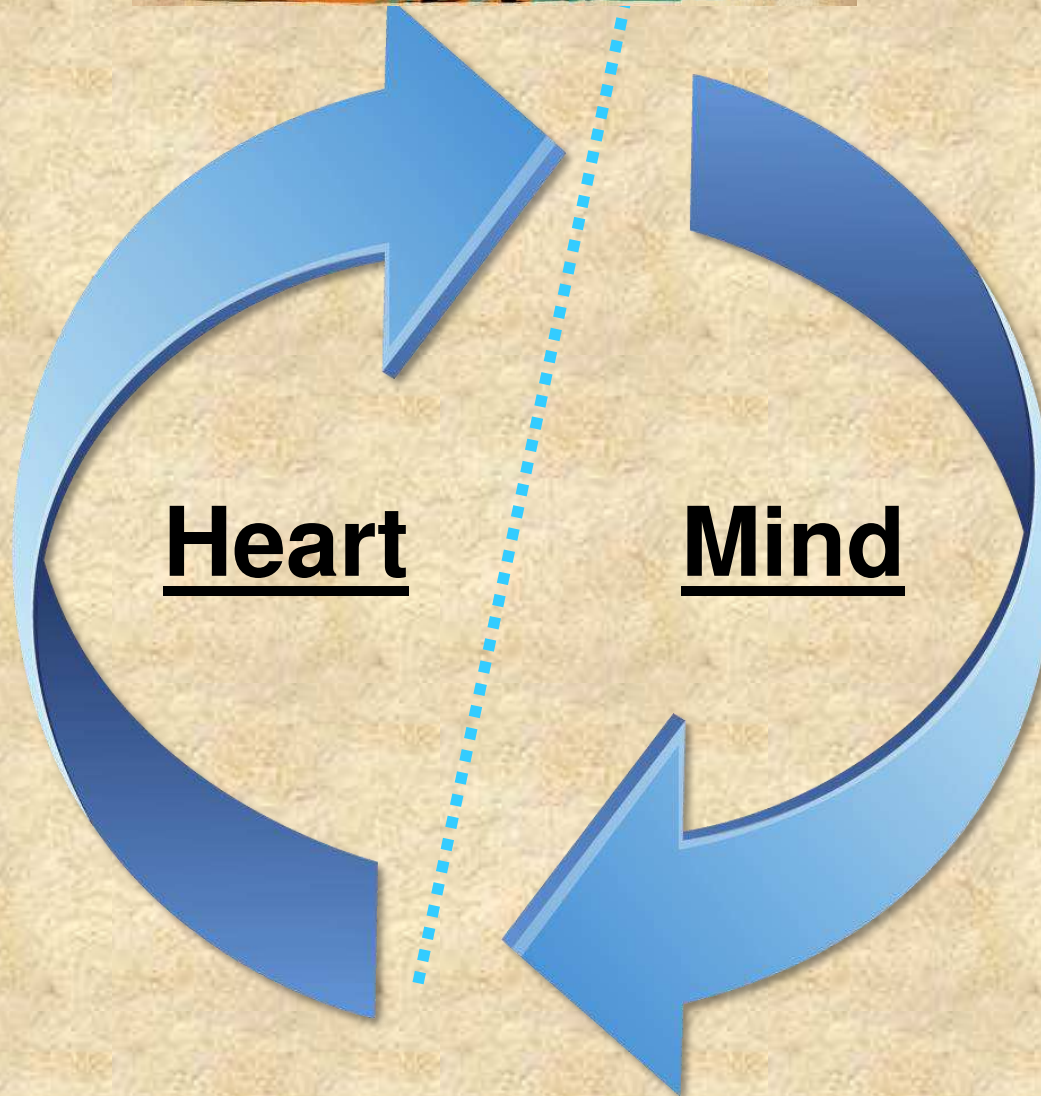


# The **Work Life** Continuum



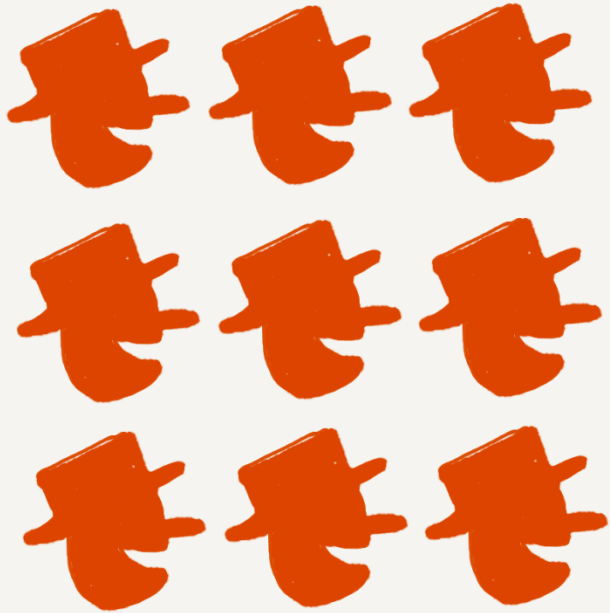


- Vision
- Motivation
- Mobilization
- Passion
- Pace and Direction
- Taking Risk
- Leading Talent



- Objectives
- Control
- Co-ordination
- Calculation
- Planning and Direction
- Managing Risk
- Managing Resources

# EMOTIONAL INTELLIGENCE STATISTIC



90%  
OF TOP PERFORMERS  
HAVE HIGH EQ

EQ IS  
RESPONSIBLE FOR  
58%  
OF YOUR JOB  
PERFORMANCE



\$29,000  
PEOPLE WITH HIGH EQ MAKE  
\$29,000 MORE ANNUALLY THAN  
THEIR LOW EQ COUNTERPARTS

BY DR. TRAVIS BRADBERRY



**For star performers in all jobs, in every field, emotional competence is twice as important as cognitive abilities.**

**For success at the highest levels, in leadership positions, Emotional competence accounts for virtually the entire advantage**

**Daniel Goleman**

	Low EQ	High EQ
Leadership Style	Aggressive, demanding, egotistical, “bossy”, confrontational	Assertive, ambitious, driving, strong willed, decisive
Communication Style	Distractible, selfish, poor listener, impulsive	Warm, enthusiastic, sociable, charming, persuasive
Management Style	Resistant to change, passive, unresponsive, stubborn	Patient, stable, predictable, consistent, good listener
Working Style	Critical, picky, “fussy”, hard to please, perfectionistic	Detailed, careful, meticulous, systematic, neat



# Emotional intelligence

## INTRA-PERSONAL

### SELF-AWARENESS

- Emotional Connection
- Self Acceptance
- Self-esteem
- Confidence
- Self-assessment

### SELF-MANAGEMENT

- Assertiveness
- Discipline
- Self-control
- Trustworthiness
- Adaptability
- Positive thinking
- Planning
- Problem solving

## CATALYSTS

### ENERGIZERS

- Motivation
- Initiative
- Drive
- Resilience
- Attitude
- Passion
- Engagement

## INTER-PERSONAL

### SOCIAL AWARENESS

- Empathy
- Social responsibility
- Communication
- Rapport
- Tolerance

### RELATIONSHIP MANAGEMENT

- Relationship management
- Teamwork
- Collaboration
- Conflict management
- Leadership
- Influence
- Service



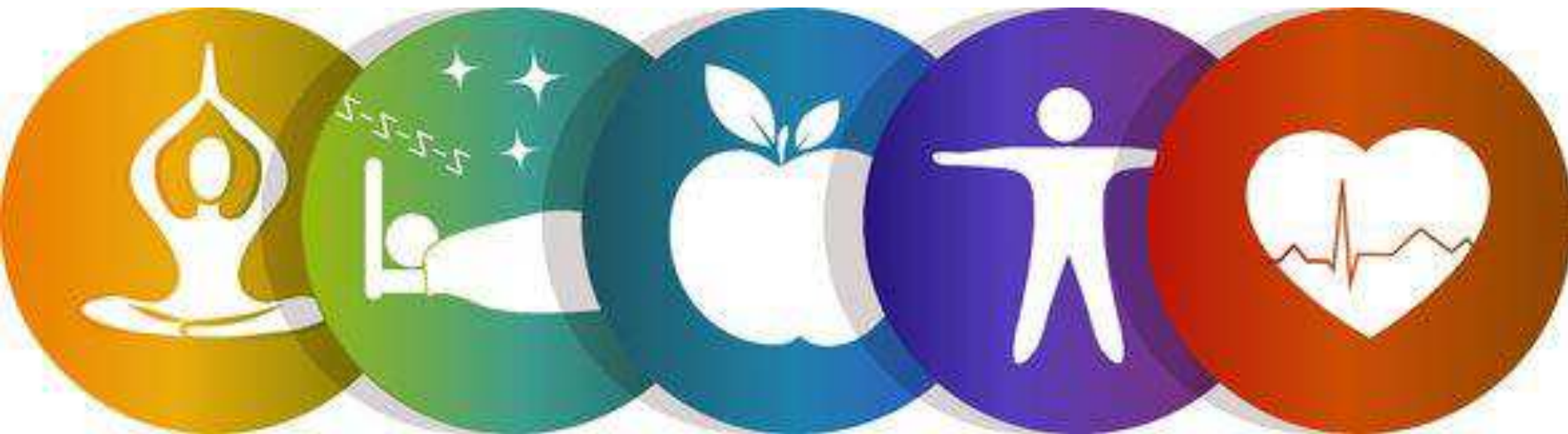
**Where are you at?**





**HEALTH has its needs**

# Physical Needs







# Relational Needs

WANT

WANT

WANT

WANT

WA

NEED

WANT

WA

WANT



- Needs are part of being human
- Needs are cross cultural
- Needs exist in all generations
- Needs are lifelong and continuous
- It is OK to have needs
- Needs must be met consistently
- Needs can only be met in the context of meaningful relationships
- It takes others freely giving to our needs in order to experience closeness
- We must be willing to freely receive what others freely give
- Needs are an essential aspect of healthy, close relationships

**NEED**

# So many needs govern Human Behavior

accepted	educated	listened to	secure
accepting	empowered	loved	significant
accomplished	focused	needed	successful
acknowledged	forgiven	noticed	supported
admired	forgiving free	open	treated fairly
alive	fulfilled	optimistic	understanding
amused	grown or growing	powerful	understood
appreciated	happy	privacy	useful
appreciative	heard	productive	valued
approved of	helped	protected	worthy
attention	helpful	proud	
capable	important	reassured	
challenged	in control	recognized	
clear (not confused)	included	relaxed	
competent	independent	respected	
confident	interested	safe	
developed	knowledgeable	satisfied	



# Sample Needs

## Acceptance

*Receiving another person willingly and unconditionally, especially when the other's behavior has been imperfect. Being willing to continue caring for another in spite of offenses.*



## Affection

*Expressing care  
and closeness  
through  
appropriate  
physical  
touch; saying “I  
care for you.”*



A close-up photograph of a pair of hands, palms up, holding a small, torn piece of white paper. The paper has the words "Thank You" written in a black, cursive script. The hands are light-skinned, and the background is dark. The right side of the image is partially obscured by a purple overlay containing text.

## Appreciation

*Expressing  
thanks, praise, or  
commendation.  
Recognizing  
accomplishment  
or effort—  
especially for  
what you “do”.*

A blurred background image showing several people giving thumbs up, suggesting a positive or approving atmosphere. The focus is on the hands and thumbs, with the faces and clothing of the people being out of focus.

# Approval

*Building up or affirming another, affirming both the fact of, and the importance of a relationship.*



# Attention

A woman with long brown hair, wearing a blue and white striped long-sleeved shirt and blue jeans, is sitting on a grassy field. She is smiling and looking towards the right. In the background, a young child is visible, partially obscured by a semi-transparent text box. The child is wearing a blue shirt and dark pants, and appears to be playing on the grass.

*Conveying appropriate interest, concern, and care; taking thought of another; entering another's "world."*

# Forbes

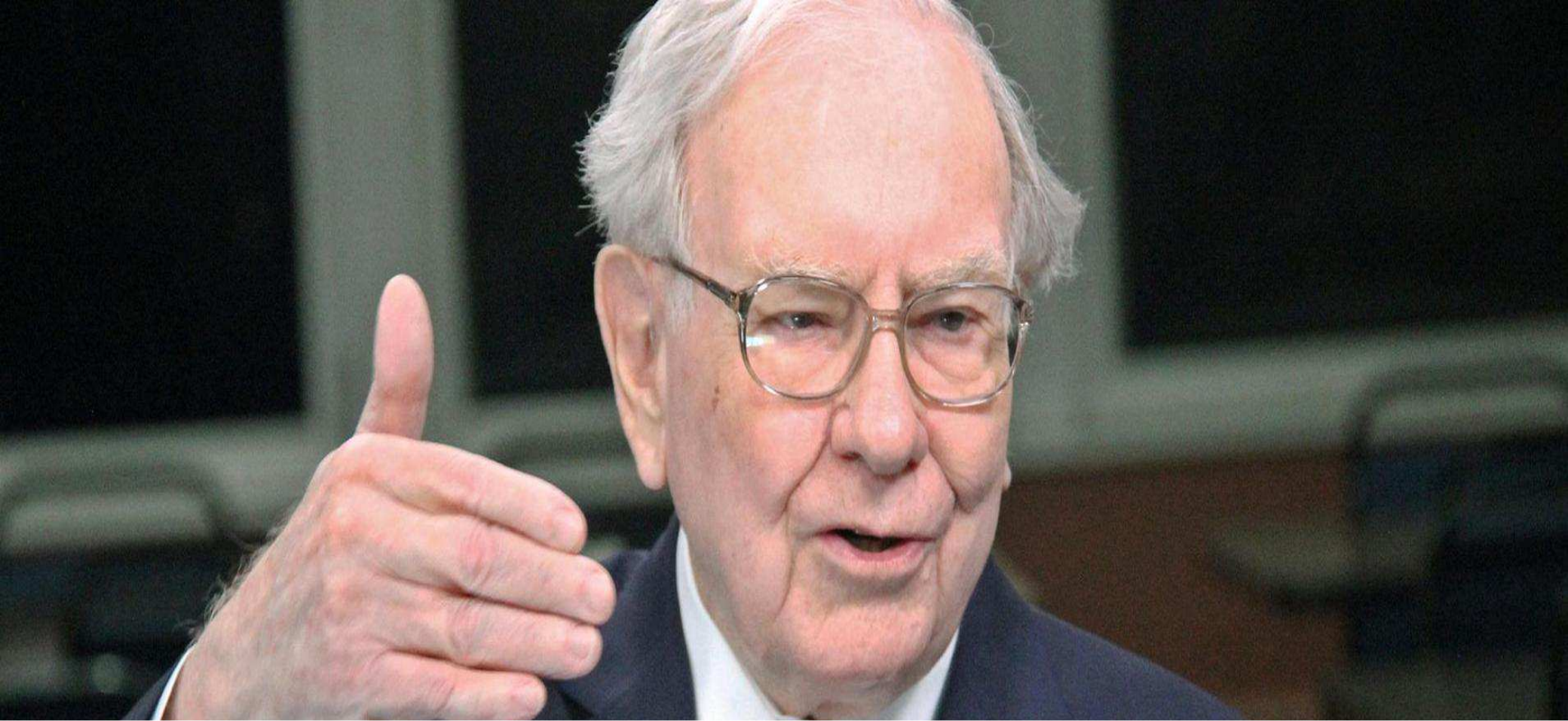
**To 10 Emotionally-Intelligent Fortune 500 CEOs**





**Jeff Bezos (Amazon.com):** With his quirky laugh and self-deprecating style, Bezos doesn't sound like a Fortune 500 CEO and that's probably to his benefit. His obsession with the hearts and minds of his customers and his long-term perspective on relationships (and business strategy) are legendary, as was his [YouTube announcement](#) of Amazon's Zappos acquisition in 2009.





**Warren Buffett (Berkshire Hathaway):** “Success in investing doesn’t correlate with IQ once you’re above the level of 25. Once you have ordinary intelligence, what you need is the temperament to control the urges that get other people into trouble investing.” Intensely loyal and relationship-driven, he asks his CEOs to run their companies as if they were to own them 100 years from now.





**Ursula Burns (Xerox):** In tandem with Anne Mulcahy who moved up to Chair, Burns transitioned to CEO as the first woman-to-woman CEO leadership transition in a Fortune 500 company in what has become a pivotal case study in organizational development. Direct, yet respectful, her assertiveness is matched by a sense of mission that inspires her employees.





**Jamie Dimon (JPMorgan Chase):** At Harvard Business School, Dimon said: “You all know about IQ and EQ. Your IQ’s are all high enough for you to be very successful, but where people often fall short is on the EQ. It’s something you develop over time. A lot of management skills are EQ, because management is all about how people function.” Read <sup>96</sup> Last Man Standing about him.





**John Donahoe (eBay):** Donahoe inherited a difficult situation from Meg Whitman with the need to truly alter the company's business strategy. As a role model for [Jim Collins' Level 5](#) (humility & ambition) and Bill George's "[True North](#)" leaders, Donahoe's disciplined self-awareness and his listening ability have created a deeply loyal team and a healthy, evolving culture.





**Larry Fink (BlackRock):** Called “psychologically astute” in a Vanity Fair feature article, Fink created the largest money-management firm in the world based upon self-reflection, teamwork and direct communication. His senior leadership team embraces EI seminars to improve their skills.





**Alan Mulally (Ford):** Walk around Ford's corporate campus and you will see office cubes featuring handwritten notes that Mulally has sent to employees... praising their work. Great interpersonal skills and a "Clintonesque" ability to make you feel like you're the only one in the room when you're in a conversation with him.



**Indra Nooyi (Pepsi):** Nooyi is a conscious capitalist whose “performance with purpose” agenda has helped move employees from having a job to living a calling. She is acutely aware that being a woman of color means she may receive more attention and scrutiny, but she still projects her personality without reservation — whether it’s singing in the hallways or walking barefoot in the office. She wrote the parents of 29 senior Pepsi execs to tell them what great kids they’d raised.





**Howard Schultz (Starbucks):** He says that the main reason he came back was “love”: for the company and its people. Very dedicated to generous health care benefits — inspired by his father losing his health insurance when Schultz was a kid.



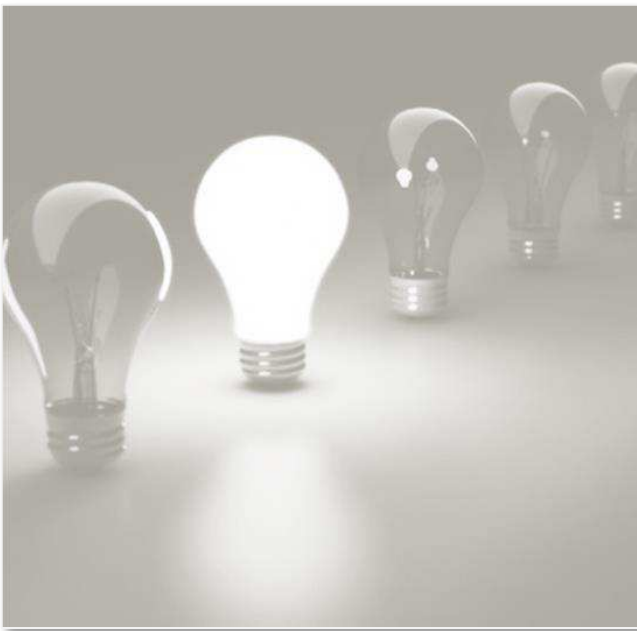


**Kent Thiry (DaVita):** Leaders with high EI/EQ create culture-driven organizations that perform at their peak due to the power of mission and teamwork. Thiry took over a demoralized kidney dialysis center company that was almost out of business and, with a passionate spirit, created nearly 44 percent annual growth in earnings per share in the past decade, 6th highest of any Fortune 500 company.



# Outline

## Change



## Today's Leadership Challenges



## The 5 Commitments



# “Positivity”

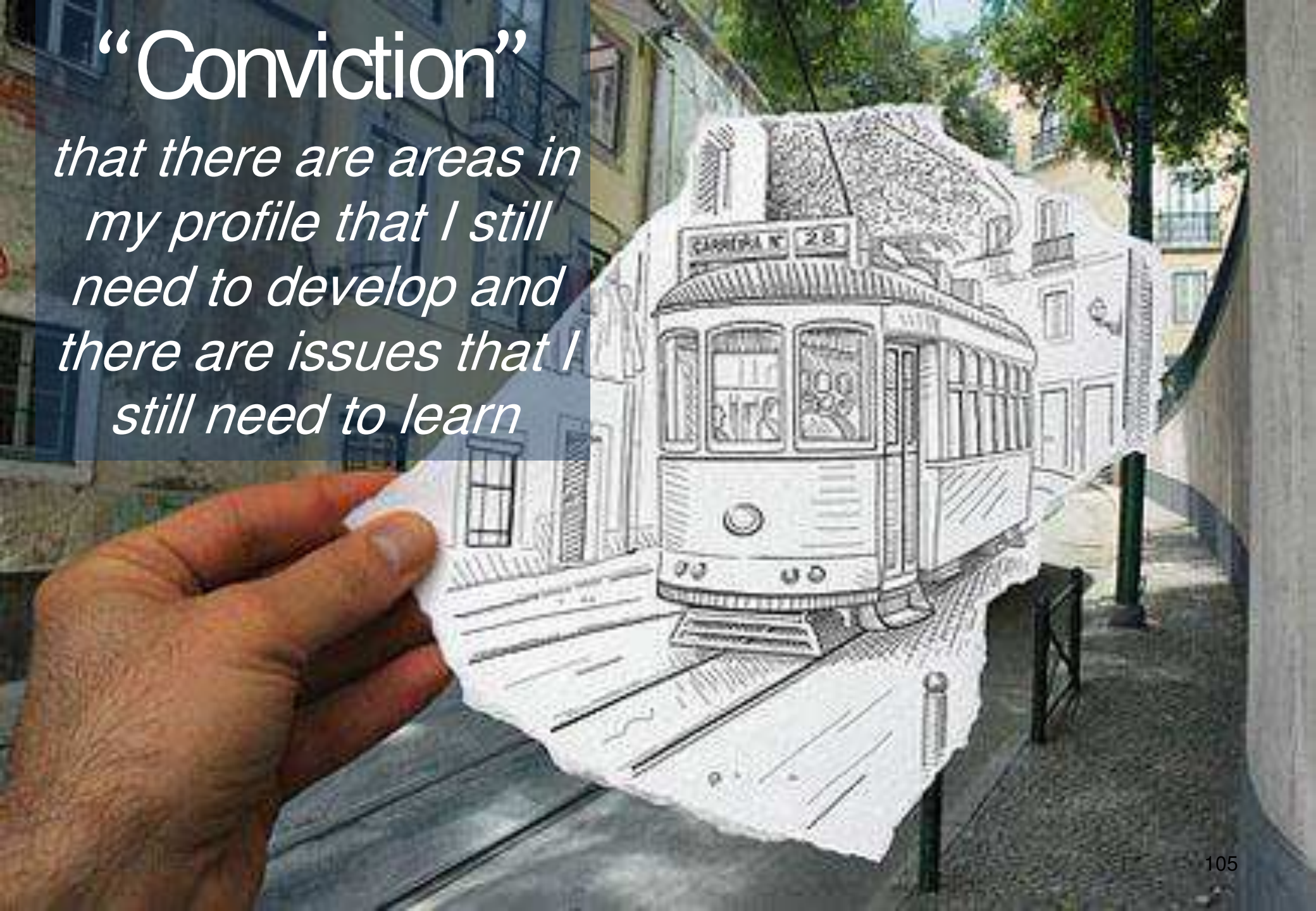
*towards myself & my  
actions, my plans and  
towards others, to  
benefit the most out of  
everything*





# “Conviction”

*that there are areas in  
my profile that I still  
need to develop and  
there are issues that I  
still need to learn*





# “Self Objectivity”

*towards myself in knowing and understanding  
my strengths and weaknesses*



# “Willingness”

*to learn & unlearn, to  
listen & share, to set  
plans & take action, to  
bridge gaps & develop  
my capabilities*





# “Living by Action”

*With openness to share  
experience & earned  
lessons with everyone*





**So!**

**Do You Know What Moves You and is  
Standing in Your Way?**

## Why do we dislike Change?

# CHANGE



**Moves us outside our  
comfort zone**

**We don't see  
the point in it!!**

**Involves new things  
to deal with**

**Needs  
more effort**

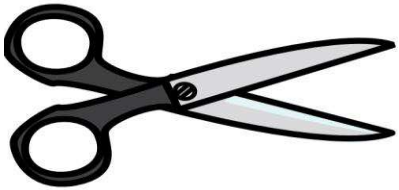
**Requires more  
time**

**Implies doing  
things  
differently**



**Cut the chains that pull you down...  
*and Move Forward.***

# ***CHANGE***



Moves us outside  
our comfort zone

We don't see  
the point in it!!

Involves new things  
to deal with

Needs  
more effort

Requires more  
time

Implies doing  
things  
differently



**What hinders and limits our relationships,  
keeping them superficial and disengaged?**



☒ MINE  
☐ YOURS  
☐ YOURS

Selfishness

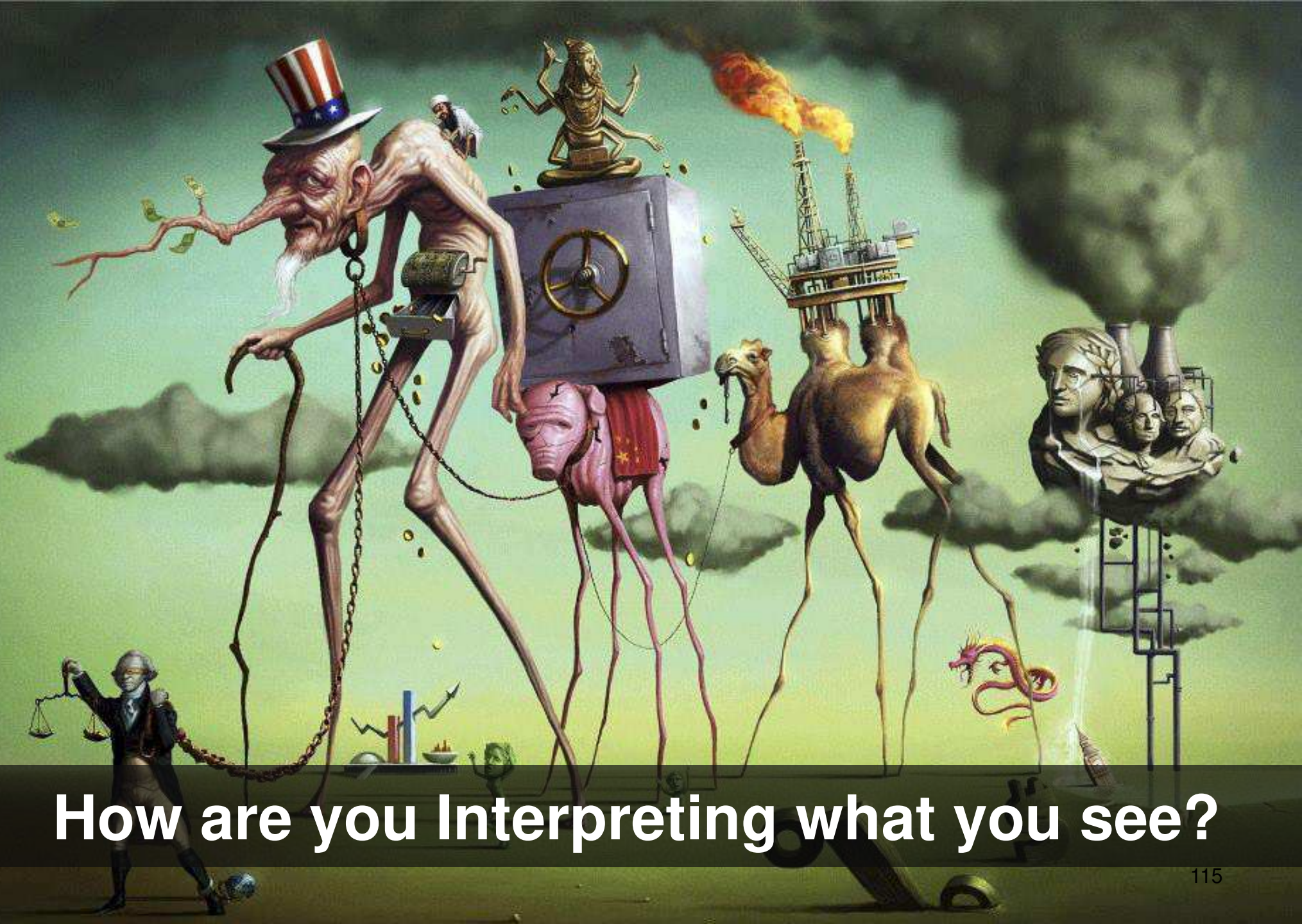
***“My needs are the most important!” “You owe me.”***



*“I don’t have any  
needs, but if I  
did, I would meet  
them myself”*

**Self Reliance**





**How are you Interpreting what you see?**




*Only one way to do something. Everything is either right or wrong.*



**Polarizing**





***Taking external events  
as personal rejections  
and attacks  
“My fault” thought  
pattern***

**Personalizing**

*Past events become  
predictors of the future*



Generalizing



# *Making mountains out of molehills*



**Magnifying**



*Significant events are  
never dealt with*



**Minimizing**





*Feelings are  
interpreted as facts*

**Emotional  
Reasoning**





# Truth!



**Some issues are black or white but  
many are shades of gray.**

# Truth!



**We are not the target or cause of everything that happens to us.**



**Truth!**



**None of us knows the future;  
the future can be different, better.**

# Truth!



**A 50-cent event needs a 50-cent reaction. People sometimes treat us badly, but not always.**



# Truth!



**Some of life's events are major happenings worth a significant emotional and/or behavioral response.**

# Truth!



**Feelings are feelings, no more and no less. They are not facts.**



K

Keep


E

Educating

Y

yourself



A close-up photograph of a pair of human hands, palms up, holding a small, rectangular piece of white paper. The paper has a torn, deckle edge. The words "Thank You" are written on the paper in a black, elegant cursive script. The hands are positioned symmetrically, with the fingers slightly curled around the edges of the paper. The background is dark and out of focus.

*Thank You*