

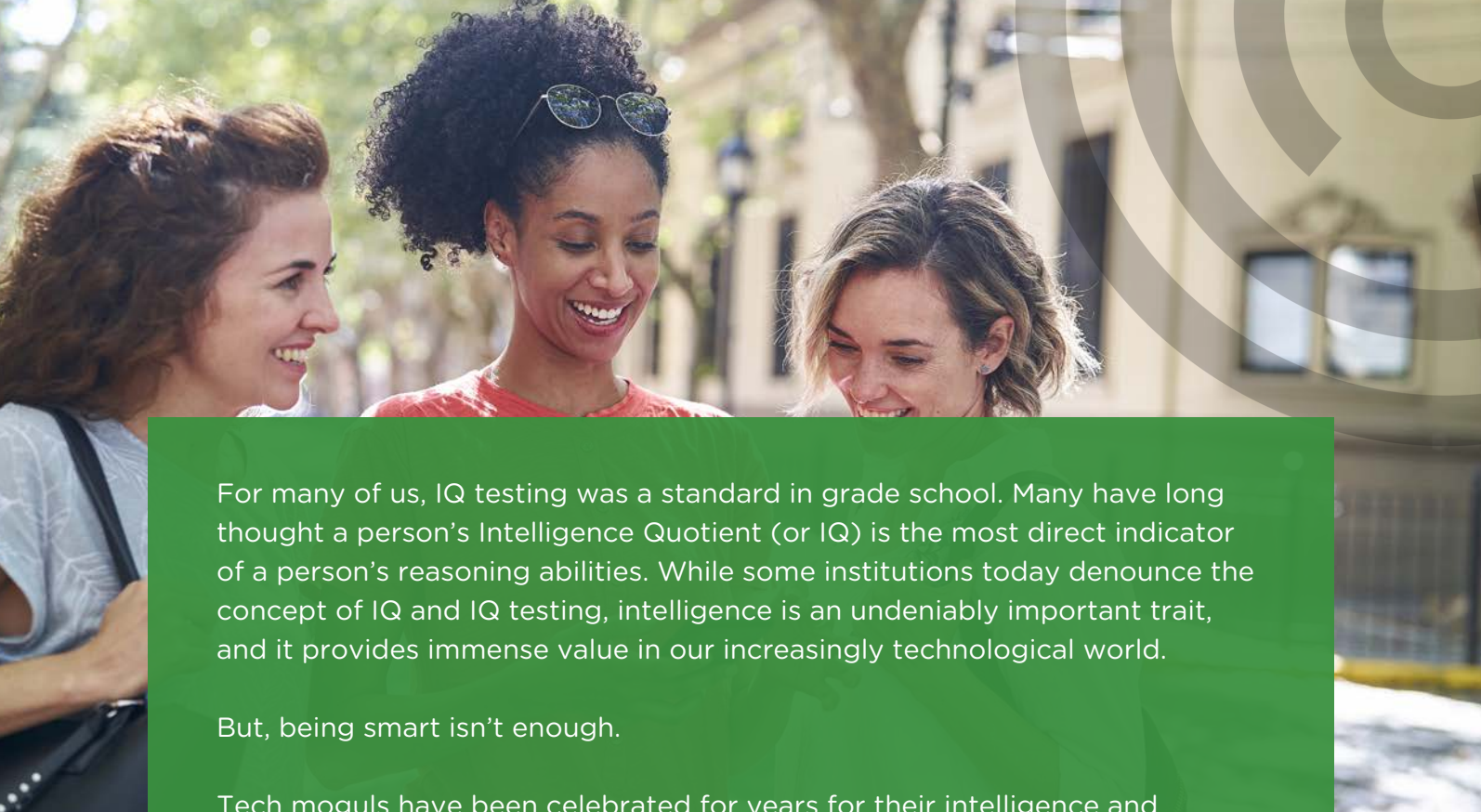


CINC Systems

LEADING WITH AWARENESS & EMPATHY

How Emotional Intelligence Enhances Community Management





For many of us, IQ testing was a standard in grade school. Many have long thought a person's Intelligence Quotient (or IQ) is the most direct indicator of a person's reasoning abilities. While some institutions today denounce the concept of IQ and IQ testing, intelligence is an undeniably important trait, and it provides immense value in our increasingly technological world.

But, being smart isn't enough.

Tech moguls have been celebrated for years for their intelligence and ingenuity. Silicon Valley meccas used to rank highest among Best Workplaces, touting fast-paced work environments with exciting opportunities and limitless growth potential.

Leaders across the workforce looked to the tech sector for guidance on how to see explosive growth quickly, especially when these same tech moguls seemed to quickly achieve notoriety and success. The emergence of the "Rise and Grind" mentality gave way to "Sleep Is For the Weak" and "Girl Boss" attitudes. And initially, it was great! Empowering your staff to empower themselves by incentivizing the notion of committing 110% worked...for a time.

So many brands tried to emulate Silicon Valley's infectious startup energy. And even though many succeeded, the business model ultimately didn't pan out as expected.

When the energy runs out, and the product success can no longer generate unencumbered growth, the bubble of hopefulness and excitement bursts, leaving leaders with a team of people who have worked themselves to the bone with nothing more than a workplace beer tap and a ping pong table to show for it. Their work-life balance was sacrificed for the company's good, and the company consistently refuses to rebalance those lives meaningfully.





The Pitfalls of IQ-Only Leadership

Intelligence is the cornerstone of innovation and progress. It is the spark that generated the technology we utilize on a daily basis, and it continues to drive society to new heights of success.

But that intelligence alone can't sustain a company or an initiative.

Behind the idea is a group of people striving to see that idea, and that innovation, thrive.

In tech sectors and global corporations, we saw mass terminations without any human interaction. One day your computer login works, and the next, it doesn't. In the CAM industry, we saw, and continue to see, CAMs leaving the industry in droves, with no incoming professionals to replace them. As the talent vacuum continues to grow, current managers are being overworked, underpaid, and offered minimal support in areas they need it most.

Today we're seeing the dangerous fallout of what happens when we lead only with IQ. It's time to consider the other side of that coin: Emotional Intelligence.

What Is Emotional Intelligence?

A far more recent psychological notion, the concept of emotional intelligence came about in the late 90s, and the term "emotional quotient" or "EQ" was coined to mirror IQ. Unlike IQ, there is no real way to quantitatively "test" for EQ. Instead, EQ is understood to be the awareness and control of one's own emotional state, and the ability to perceive the emotions of those around you. Today, emotional intelligence is a catchall phrase used when someone clearly exhibits (or lacks) empathy.

The challenge IQ-focused leaders faced (and continue to face today) was a logic-heavy methodology. Obviously, logic and intellect are crucial components of an effective business, but your operational success isn't the only metric by which to measure.

The Business Case for EQ

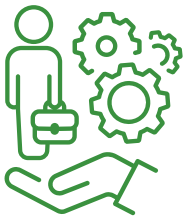
High emotional intelligence isn't just a trending gimmick for business leaders. The integration of emotionally-intelligent actions and decisions throughout a company has a wide-reaching impact on retention rates (client AND staff), as well as productivity and profitability. Simply put, happy people make for better clients and employees. Understanding the significant impact EQ has on personal and professional happiness fosters the success and scalability of these professional goals.



Client Retention

Ongoing communication is key to the success of any relationship—including the one between the employee and the client. How a business interacts with its clientele goes a long way in determining the lifespan of the relationship. And today, communication nearly always outweighs product capabilities or innovation.

Management companies, in particular, struggle with client retention for exactly this reason. Traditional business models have taught us that being right is enough, when that simply isn't the case.



Employee Retention

EQ can contribute to employee retention in several ways. Employees with high EQ are better at communication, empathy, conflict resolution, leadership, and self-awareness. They are able to understand and manage their own emotions and have a strong grasp on the emotional state of those around them. This helps them build stronger relationships, handle stress, and make better decisions.

Approaching employees and teammates with awareness and empathy can lead to better working relationships, increased collaboration, and reduced conflicts, improving employee satisfaction and retention. Increased empathy helps employees understand their colleagues' needs and concerns, leading to increased job satisfaction and loyalty. Increased awareness around work styles directly correlates to increased retention and, overall, better conflict resolution.

Improved leadership skills inspire and motivate teams, facilitating increased engagement, job satisfaction, and retention. Increased self-awareness helps employees recognize their own strengths and weaknesses, leading to increased job satisfaction and engagement. By investing in emotional intelligence, organizations can create a more productive and engaged workforce, reducing turnover costs and improving employee retention.



Productivity

When employees feel valued, respected, and supported as human beings who are more than their job title, they are more likely to maintain motivation, engagement, and productivity. Leaders with high emotional intelligence are better able to communicate expectations, delegate tasks effectively, and manage employee performance, all of which contribute to sustainable productivity.



Profitability

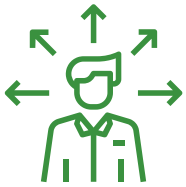
Companies that prioritize emotional intelligence are better able to create a positive and supportive work environment, which can lead to increased employee retention rates. High employee retention rates reduce the costs associated with recruitment, hiring, and training, which can contribute to increased profitability. Additionally, community association management companies that prioritize emotional intelligence are better equipped to create a positive reputation and brand image, which can lead to increased customer loyalty and revenue.





The Science Behind Emotional Intelligence

Emotional intelligence has been cited as a core necessity in successful employees over the last decade or so. When first defining the indicators of high EQ, Daniel Goleman, an American psychologist who helped to popularize the concept through his book “Emotional Intelligence: Why It Can Matter More Than IQ,” noted several key elements of the trait, such as self-awareness, self-regulation, and social skills.



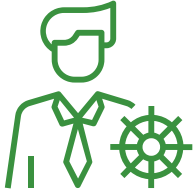
Self-Awareness

Self-awareness is the ability to perceive how feelings affect one’s reasoning, thinking, and ways of interacting with other people. It stands to reason that this skill is of the utmost importance in every aspect of life. Lacking awareness of your own emotional responses can lead to confusion in communication with others and can change the tone of conversations without intention.



Social Awareness

An inability to identify how others are emotionally responding to situations can also have a negative impact on communication. The phrase “read the room” is a great concept to consider here. Being able to comprehend the emotional state of yourself and others positions you more effectively in nearly every aspect of business, from executive leadership to sales to customer services.



Self-Regulation

But perception alone is only the first step. The ability to modify your behavior and emotional responses based on your emotions and the emotions of those around you is a reactive necessity.

The science behind emotional intelligence and self-regulation is rooted in the brain's limbic system, which is responsible for processing emotions. The limbic system is connected to the prefrontal cortex, which is responsible for executive functions, such as decision-making and self-control.

Self-regulation is critical for individuals to manage their emotions and behaviors in a variety of contexts. For example, in the workplace, self-regulation can help individuals stay calm and focused under pressure, regulate their own behavior and responses to difficult situations, and maintain positive relationships with colleagues and clients. Self-regulation is also important in personal relationships, as it can help individuals manage conflict and communicate effectively with others.



Social Skills

Emotional intelligence and social skills are closely related, and individuals with high levels of emotional intelligence are more likely to develop and maintain positive relationships with others.

Social skills are essential for individuals to navigate a variety of social situations, from building friendships to networking in the workplace. Individuals with high levels of emotional intelligence are better able to understand and respond to the emotions of others, leading to improved communication and more positive interactions. Additionally, individuals with high levels of emotional intelligence are more likely to have empathy for others, leading to greater social support and better overall well-being.

By developing social skills, individuals can better navigate social situations, leading to improved mental health, job satisfaction, and overall well-being.



Recognizing High (and Low) EQ

High vs. Low EQ

Recognizing EQ level is an important skill for personal and professional development. It helps people understand their own strengths and weaknesses in emotional intelligence and adjust their communication to better connect with others. Professionally, being able to recognize EQ allows executives to help cultivate a workplace conducive to training others to increase their emotional intelligence.

By understanding the differences between high and low EQ, individuals can communicate more effectively with others and work toward a High EQ executives and managers are better at communicating with their team members and communities, understanding their perspectives, and building a more engaged and productive partnership. Conversely, low EQ managers may struggle with effective communication, leading to conflict and low morale.



"Make it easy for homeowners to do business with you - make it easy with tools and access...HOAs, in general, have a stigma so creating that love language in property notices or communication that goes out to them is important."

**- Terri Allen, Director of Customer Experience
Spectrum Association Management**

Real-World Examples of Low EQ in HOAs

Despite their booming popularity, community associations are notoriously hated—sometimes for very understandable reasons. When it comes to community cultivation and management, emotional intelligence and knowing when to exercise empathy at the expense of accuracy can carry an enormous level of significance for homeowners.

Technically Correct and Going Viral

Today, everyone has access to millions of people with little to no effort. That means that at any point, decisions can be dragged to the Court of Public Opinion and judged for their perceived crimes. HOAs are often scrutinized heavily in this way, with the actions of board members or managers being taken to task without context. Perception is the most important thing in these situations, not correctness.

Exercising emotional intelligence rather than operating “by the book” can be a significant counter against these kinds of situations. For example, in 2023, an HOA demanded one homeowner remove a pride flag. The claim was that it was hung in a way that violated the community rules. Despite being technically correct, the decision drew widespread outrage. Optically, this demand was a silencing tactic to oppress the homeowner, thereby harming marginalized communities.

Instead of following the “letter of the law” as it were, choosing to show compassion and work with the homeowner to allow them to keep their flag in a way that was compliant with community regulations, the board chose to enforce the rule without thought into how the decision could frame their community.

Rethinking Violation Letters

Violations are an unfortunate reality of every community association, and as such, so are the necessary violation letters that accompany them. But just because something is required doesn't mean it must be callous. Modifying language in difficult communications to homeowners, such as violation letters, can be the difference between a negative and a neutral experience.

Billing with Compassion

In difficult financial times, homeowners can perceive billing communications with hostility. This is another form of necessary communication that can be improved by adding empathy. Leniency with notices such as late payment reminders can go a long way. One can also provide payment options to alleviate financial burden. These small changes show homeowners that they are more than just dollar signs and profit margins, and that someone at the management company sees them as a human being.

Training for Higher EQ

Emotional intelligence is a critical skill for management company executives. Possessing a high level of EQ allows one to communicate effectively with their team, understand the team's emotions, and manage conflicts constructively. It's essential for management companies to offer training programs that focus on developing emotional intelligence skills.

Training for EQ should focus heavily on creating an environment that supports emotional intelligence development, regular check-ins with managers to discuss progress, providing feedback and coaching opportunities, and creating a culture of open communication and trust.



Technology and EQ

Technology plays a critical role in supporting and contributing to emotional intelligence. Leveraging technology to automate repetitive tasks and organize and analyze data can reduce stress and anxiety, support a strong sense of purpose, and help cultivate a stronger sense of self-awareness.

Supporting EQ with the right technology can help individuals make better decisions, develop creative solutions, and build stronger relationships. Here are a few tools that should be available to management companies to strengthen EQ capabilities:

Homeowner Mobile Tools

When homeowners can self-manage, it's a win-win all around. Managers are able to better focus on the critical role empathy plays in addressing board needs, and homeowners feel like they're in full control of their residency. Homeowners should be able to place work order requests, manage payments, book amenities and replace lost ancillary items through their mobile devices. This, in turn, means that managers are only responsible for supplying instructions to their communities.

Project Administration Tools

Holistic oversight of a manager's portfolio is about more than just task management and execution. It's about understanding the big picture of manager commitments and their growing workloads. It's not enough to track progress and map out project benchmarks—listening to your managers and taking feedback to ensure they can achieve a healthy work-life balance is a crucial component of project administration.

Community Manager Tools:

Empowering your management team with tools that help them perform their duties with as little friction as possible is a way to bolster and support emotional intelligence from within. Your community managers have a lot on their plates, and finding ways to minimize their daily frustrations gives them back the headspace to reflect on their needs and emotions without compromising their quality of work.

Profitability Tools

Money is a known stressor for everyone on every level. So awareness of how money is being managed and what future monetary expectations look like can expose stress points and better prepare teams for dealing with difficult conversations. Financial transparency allows all users to step back and be more receptive to information.

The distinction between IQ and EQ is an invaluable asset to CAM management companies and managers everywhere. Follow CINC's resource center as we continue to discuss emotional intelligence and other trending industry topics.

Citations

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- 3 [Goleman, D. \(2004, January 20\). What Makes A Leader? Hbr.org. Retrieved March 17, 2023.](#)
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