

SELF-ESTEEM – PART EMOTION, PART BUSINESS SKILL

By James Houran and Thomas Mielke

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How you feel about and treat yourself directly affects your relationships – and in the hospitality industry managing internal and external relationships is a fundamental and critical business skill. Often success in building relationships is rightfully credited to factors like a person’s level of Extroversion, Service Orientation, or Emotional Intelligence (“EQ”: the ability to perceive and express emotion, assimilate emotion in thought, understand and reason with emotion, and regulate emotion).

Yet, a critical element that can be overlooked or minimized in the mix is Self-Esteem. It might appear controversial to present self-esteem as a skill versus a feeling or emotion, but the fact is that the concept is more important, nuanced, and malleable than many likely realize.

Dissecting the Myth

What constitutes self-esteem? When people talk about self-esteem they are typically talking about people’s general views of themselves. However, research reveals that self-esteem actually has two components:

- **One aspect gets at the degree to which people “like” themselves. That is, it pertains to people’s attitudes about themselves.** Some affirmations that reflect higher levels of this component of self-esteem are “I feel great about who I am,” “I am comfortable with myself,” and “I take a positive view of myself.” This attitude can be described as “Self-Worth.”
- **The other component captures the extent to which people think that they are competent or capable.** This is described as “Personal Competence.” This is different from Self-Worth, as it reflects the extent to which people think that they are able to succeed in specific situations or even in life overall. Items that capture this attitude are “I am very talented”, “I am good at many different things” and “I am highly effective at the things that I do.”

The existence of two components to self-esteem explains why some people might like themselves but simultaneously think that they are ineffective. Or, why a person can be very capable and successful and yet not really like himself or herself.

Self-Esteem & Business

How does self-esteem impact your business relationships? Imagine you are an executive at a large multi-national corporation, trying to secure an account with a new client that will generate significant incremental revenue for your firm. You have only just started to establish contact with said client but are trying to move ahead quickly ...

Everyone knows that relationships need to be established and strengthened first before they can become reliable and potentially money-bearing. In a business environment, though, where “time is money” (remember, you are trying to quickly secure this new account) people are often able to “jump start” relationships by quickly establishing trust and rapport – and have you ever entrusted a business partner with important decisions if the person is insecure or apprehensive of his/her abilities or your corporation’s capabilities? Or have you ever signed a deal with someone if s/he failed to convince you of their convictions? Chances are the answers to these questions are No” ...

Building or elevating one’s self-esteem is therefore often the first step in better positioning yourself as a reliable and trustworthy business partner. Being able to confidently “boast” about a particular skill set or experience (hopefully backed up by a solid track record in the particular area of discussion) helps to “wow” the potential business partner and win him or her over – in fact, often the ability to verbally convince someone of your capabilities is actually more important than a “documented” track record. People want to buy into people and if you cannot explain to them how you can help them succeed in a suggested business venture then your experience and expertise is only worth the paper it is written on. Therefore, how successful you are in winning this new account often largely depends on your self-esteem.

As relationships evolve and the initial “honeymoon” phase has ended (i.e. you have successfully established yourself as a trustworthy business partner and won the account), research shows that the tendency to want to be seen as a “superhuman” and great at everything fades away – in fact, at this stage of the relationship, an individual wants others to see them as who they truly are. The focus remains on the trustworthiness, though – trust and a sense of authenticity are now established by openly sharing strengths and weaknesses.

To continue with our example, you as the account manager will for example want to make sure to set realistic expectations and openly admit if your company cannot meet certain agreed-upon deliverables. One’s self-esteem comes into play again and impacts how successful you are in overcoming any such obstacles and in managing a potentially frustrated client. Everyone would agree that it is important to communicate and deal with failures as early as possible in the process in order to retain a client and identify a strategy to rectify the errors – yet, it takes a person with a healthy degree of self-esteem to constructively face such adversity and turn a potentially negative situation into a positive one by admitting “defeat” and proactively identify ways to solve the problem.

Did you know?

Can you guess which of the following executive roles is associated with the *lowest* versus *highest* scores on self-esteem and personal competence as measured by the 2020 Skills™ standardized assessment?

CEO, CFO, COO, CLO, CDO, CMO or CIO

Can you guess which of the following mid-management roles is associated with the *lowest* versus *highest* standardized score on self-esteem and personal competence as measured by the the 2020 Skills™ standardized assessment?

GM, AGM, HRD, DOS, F&B or DOM

Answer 1: The assessment is scored on a 1-100 scale (avg=75, standard deviation=5). Based on worldwide norms, the aggregated CMO score is lowest at 72 compared to the relatively highest scores of this executive group – CEOs and COOs – both with aggregate scores of 75. Executives tend to score very close to one another overall.

Answer 2: Based on worldwide norms, the aggregated HRD score is lowest at 73 where the aggregated F&B Director score is relatively highest at 77. Unlike C-suite executives, mid-managers and especially executive committees at the individual property or store level, tend to show more variation in their self-esteem and personal competence.

Reaping the Rewards

How to improve self-esteem to elevate your business profile? There is no doubt that self-esteem plays a key role throughout the lifespan of a business relationship. It can make or break a partnership as easy as it can help to establish oneself as a reliable, trustworthy, and confident business leader. Therefore, changing one’s mindset and actually starting to think of self-esteem as a business skill as opposed to an uncontrollable emotion can help to better harvest and leverage this positive mindset of oneself in a commercial context.

Awareness of the two components of self-esteem is a first step in improving oneself and advancing one’s business skills. It is not by chance that executive coaches, for example, integrate programs that examine both the professional life (i.e. the experiences and skill sets that are the building blocks of one’s personal competencies) as well as the personal

life (i.e. the aspects that help to build one's self-worth) into their leadership and career development plans. They do so in order to help senior leaders improve (or make them aware of) their personal competencies and self-worth – the result is often a higher degree of self-esteem that ultimately helps to foster business relationships, manage internal teams, successfully navigate complex negotiations, face adversity, resolve conflicts, and form the basis of your personal brand.

A number of tools such as the 20|20 Skills™ HR and leadership assessment scientifically measures self-esteem and feelings of personal competency – often, such tools form the basis of Individual Development Plans (IDPs) and are used to put together specific action plans that are addressing areas of improvement.

Yet, anyone can conduct an informal assessment of this vital personal and professional characteristic in order to assess whether any action is needed to strengthen one's own competencies as a leader and business executive. Studies reveal a strong correlation between general self-esteem and a person's outlook on life and their personal performance – so ask yourself this:

- **Do I tend to attribute my success to my own abilities and my failures to other people or the situation?**
- **Do I tend to attribute success to other people or the situation and attribute my failures to my lack of ability?**

If you answered “Yes” to the first question then you can pride yourself on having a healthy level of self-esteem. If it was the second question that got a positive response then your self-esteem is low.

Regardless of your current state of mind, the good news is that self-esteem can be deliberately enhanced and consciously reinforced. Changing one's self-esteem takes time, though. For example, a person might begin to alleviate low self-esteem by consistently behaving in ways that suggest to others that s/he is a person of worth. Maybe the individual is successful in what they do (high Personal Competence), so others seem to like him or her. Because of this, people may increasingly treat the person well. In due time, this sort of feedback could lead the person to develop higher self-esteem in terms of perceptions of Self-Worth. To be sure, self-esteem affects how people behave and interact with others, and so feedback from others can, in turn, influence how people perceive themselves. Indeed, research indicates that self-esteem is a by-product of conducting good actions, rather than self-esteem being the impetus for good actions per se.

Arguably the number one, constructive thing anyone can do to is to form realistic expectations of yourself — based on your abilities, attitudes, and knowledge areas. A competency assessment with impartial, expert feedback on the results is an efficient and effective way to gain this information. The bottom line is that people with low self-esteem tend to have very high expectations that they would never be able to fulfil. You must have realistic self-view and be patient. The more you act confident, play to your strengths, and act as though you like yourself, the more you'll promote self-esteem as a business skill.

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- Resiliency in difficult times and situations
- Humility and servant leadership in our dealings with others
- Collaboration and the collective wisdom of groups
- Innovation in helping our clients become market leaders
- Hospitality in our lives and actions
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