

Business Advice

Leading with Emotional Intelligence: Why is it so important?

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Emotional Intelligence – Fact or Fiction?

This thing called ‘Emotional Intelligence’ – is it fact or fiction? And is it really important in business? Does it help us become more successful or is it just unnecessary hype?

We keep reading about how using our emotions well, and making them work for us, not against us, is important, but how does it really work? And is it really that important in leadership?

Research about Emotional Intelligence is significant, having enjoyed momentum in the late 1980’s by American researchers Salovey and Caruso. The concept of emotional intelligence gained popularity through the publication of Daniel Goleman’s internationally acclaimed book entitled ‘Emotional Intelligence’ which was then followed by others, including ‘Emotional Intelligence at Work’ and his latest release ‘Social Intelligence.’

What is Emotional Intelligence?

Simply, it is the ability to manage your emotions well and to be able to understand the emotions of others and respond appropriately to them.

What may sound as a very simple construct, is not. Emotional intelligence produces sound and significant benefits that if leaders at any level master well, could increase their competencies both personally and professionally. Their relationships will flourish, their Organisations will become a hive of achievement and profitability and their people will continue growing with enthusiasm.

As Goleman explains ‘Emotional Intelligence is the ability of an individual to understand and manage their emotions (by using their cognitive reasoning) and the emotions of others, in order to facilitate social functioning. Emotional Intelligence is a set of competencies demonstrating the ability a person has to recognize his or her behaviours, moods, and impulses, and to manage them best according to the situation they are facing. (Source: Goleman, Social Intelligence, p 45)

Creating Emotionally Intelligent Teams and Organisations

So how does that affect us in business and can it increase the bottom line?

Emotional intelligence is a core competence in leadership. It centres on the ability to have strong people skills by relating and communicating effectively with others, creating and maintaining highly performing teams, making optimal decisions and creating a viable profitable team or Organisation, for example.

When emotionally intelligent leaders work with their people (and each other) they can deal with minor aggravations and stay focussed on the tasks at hand that are key to the team’s goals. They stay calm when things get heated and the pressure is on, and they have the empathy to help their people if they are struggling.

‘When people get into an Organisation, they are all roughly the same. But once in, it is the individual’s ability to use their emotions intelligently that progresses them up the Organisation.’ (Goleman)

In short, emotionally intelligent leaders are more successful at getting the job done and having successful relationships with those around them.

So are emotionally intelligent teams. Recent research has identified that teams with higher Emotional Intelligence perform better than those without it. They reach their goals more effectively and achieve strategic outcomes more collaboratively.

The Benefits of Emotional Intelligence in Organisations

When you consider the benefits of Emotional Intelligence overall, it seems critical that everybody learns how to be emotionally intelligent, regardless of who they are or where they work.

Consider these benefits:

- **Better decision-making.** Having an awareness of your emotions, where they come from and what they mean, can allow you to take a more rational, well-planned approach to making a specific decision. Thinking things through thoroughly, instead of making instant and spontaneous reactive decisions, can mean the difference between a profit or loss on the balance sheet.
- **More effective relationships.** When a leader is able to understand why they are the way they are and why they react to things the way they do, they gain a greater appreciation who they are, and others, which can in turn lead to stronger relationships, both at work (and at home.)
- **Better health.** Many times, internal turmoil expresses itself as physical illnesses. Harboring negative emotions can lead to higher stress levels in the body, which can temporarily or fatally damage it. By dealing with stress and pressure better, leaders enjoy better health.
- **Others include:** Better career opportunities, more effective problem solving skills, greater resilience when life gets tough, greater competence at work and the ability to get ‘more out of life’, getting more enjoyment out of life, less stress, stronger and happier relationships and more profitable Organisations.

How can you a leader afford not to become emotionally intelligent or create an emotionally intelligent Organisation? Simply, they can’t!

What the Research says

- A study of more than 1400 leaders and managers found 41 percent felt the inappropriate use of communication or listening was the biggest mistake leaders make when working with others.
- The most critical skill a leader should possess is listening (cited by 43 percent) followed by effective management skills, emotional intelligence and empathy, values and integrity, vision and empowerment.
- Of the top five things that leaders and managers fail to do when working with others, the top one was not providing appropriate feedback (cited a whopping 82 percent). Failing to listen or involve others was nearly as big as failing overall, cited by 81 per cent.
- More than 75% of those interviewed failed to use a leadership style that was appropriate to the person, task or situation, and a similar percentage (76 percent) felt leaders failed to set clear goals.
- Nearly six out of 10 complained that leaders did not train or develop their people enough.

Source: www.ebwonline



Case Study: An Exercise in Emotional Intelligence in Leadership

Consider the two scenarios outlined below. Consider the 'Points to ponder' which we encourage you to reflect on and then answer.

Scenario 1: Sam, 46, is the senior manager in his team. He is patient and good at his job, but he gets angry easily. When somebody does the 'wrong' thing in his Team, he will go into their work area and sometimes be calm when talking to them, but other times scream at them in front of other team members.

People are unsure how he will be on any one day. The people working for the Organisation love their work and the product they are selling, but the Company has lost many talented and dedicated people because of Sam's behaviour.

Scenario 2: Joel, 54, runs an organisation that employs 36 people. He is very good at his job and when he comes into the office every day, he greets everybody, with a smile on his face.

He is known as a patient man and makes an effort to connect, and talk to, as many of his people as he can on a regular basis.

Joel gets angry at times, as everybody does. However, mostly when things go wrong he sits down with the person or team where the problem lies, calmly asks them questions about what went wrong, encourages them to find solutions with him and then puts strategies in place to ensure it does not occur again.

He is loved by his people and greatly admired in the community. He is known as a respectful leader both within the Organisation and wider community.

Points to ponder

- Describe the main difference between Sam and Joel's leadership styles? Why is one more successful as a leader than the other?
- What one thing could Sam do to increase his leadership effectiveness and how can he go about this?

Increasing your Emotional Intelligence as a Leader

There are ten things you can do as a Leader to become more emotionally intelligent and effective in your role. Give yourself a score out of ten (ten being the highest) to assess how well you think you do on each point. If you want to be more courageous, get your team members to assess you on each of these points.

1. **Start with you.** Get in touch with your own feelings and thoughts. What makes you angry? How do you resolve conflict? Are your relationships good or do they struggle? What part do you play when there is conflict in your team or Organisation? When you feel angry or upset, ask yourself what is driving that feeling? Why do you feel that way? Learn what your emotions are telling you and listen to them.
2. **Manage your Emotions well.** When you get angry, take a deep breath in and say or do nothing. Walk away and calm down. Ask yourself what happened and how the situation can be resolved? Think things through first, before you react.
3. **Think positively.** Conflict and facing challenges are part of leading others. Leadership is not easy but if you are able to increase your competencies in this vital role, and look for positive outcomes to problems (staying calm in the process) you can provide exemplary role modelling.
4. **Create an emotionally intelligent team/Organisation.** Get everybody to devise a Code of Conduct that outlines the behaviours that are expected in the Organisation, according to which everybody follows. One of them is to be positive and polite to each other, always seeking positive outcomes where possible. Ensure everybody lives by the Code, including you.

5. **Create a Learning Organisation.** Make ongoing learning and growth a key focus of your strategic plan to develop your people at all levels. Ongoing continuous improvement and growth should be the foundation of your people strategies, setting clear objectives, goals and processes as often as possible. Learn how to give constructive feedback to them, filled with encouragement and support, not negative criticism.
6. **Communicate well and encourage healthy conflict.** Conflict is part of everyday life and it is the same in your Organisation. Your people are going to get mad at each other at times, so teach them how to 'fight fair.' Give them healthy conflict resolution skills so that issues are dealt with calmly, appropriately and with emotional intelligence. Learn how to listen well, show empathy, and be supportive and encouraging.
7. **Be an exemplary role model.** Learn how to lead with integrity. Be positive. Encourage your people when they are struggling. Show an interest in them. Be available to help them. Always resolve conflict with the person with whom you have the problem, and not discuss the issues openly with others.
8. **Be the change you want to see in your team/organisation.** Whatever level you are at in the Company, you only have control over 'your patch of grass.' Make it count. For example, if you want to see more effective team meetings held, then start with making the ones you run more effective. If you want people to take more time doing their work thoroughly, then you pay more attention to detail and the quality of your work first. Lead by example.
9. **Listen to yourself and others.** Often in leadership what people tell us is not necessarily what is going on. Listen to what your people say and watch body language (75% of our communication is through our bodies). Follow your intuition even if your thoughts don't agree. Generally your intuition is right.
10. **Be kind and empathic.** There is no better leader than one who shows kindness and consideration. These are the reasons that people stay working for specific Organisations.

Key Points

Emotional Intelligence is a key competence of modern day leadership. It is not a 'nice' to have. It is a 'critical' competence to have. Leaders with high emotional intelligence are far more effective than those who don't possess it, and the same goes for teams.

Emotionally intelligent leaders tend to be happier, healthier, they have better relationships around them, and they make more effective decisions and create more profitable organisations.

They focus on creating emotionally intelligent teams and an organisational culture that is highly supportive and achievement orientated.

The real question is:

How can any leader afford not to be emotionally intelligent in their role?

Simply, they can't!

**For any business advice, write to Caryn Walsh at
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She will gladly assist

