



TenStep Supplemental Paper

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Corporate Sport

The essence of winning corporate tournaments...

Key Learnings

- The need for an emotionally intelligent leadership
- Reasons for ineffective leadership
- Cognitive leadership vs. emotionally intelligent leadership

The biggest business deals are struck over a game of golf! The saying holds greater relevance today than it ever did before. Business is becoming a mind sport. The profitability factor does drive decisions and deals but there is a mesmerizing interplay of emotions. Factors like interpersonal relationships, personal likes and dislikes, human biases and compatibility serve as the deciding factors here.

Like-minded people are more likely to go into a partnership - personal or professional - than people with contradictory interests. These facts have been around for ages. The question though is what has made emotions seem so important in a world driven largely by a simple profit-loss equation?

As in golf, even the best leaders lose out only because they lack control over their emotions. Not all golf champions are winners. Each lost stroke can perturb a player. Similarly, managers and executives struggling to make a difference in their professional front often succumb to their emotional weakness. Thus, whether it's golf or a game of business, controlling one's emotions can lead to success. Emotional intelligence is therefore the need of the hour.

The impact of emotions on success is well understood. However, not many executives play emotions to their advantage. Awareness about one's emotions and leveraging them is a skill that executives must master. Emotional intelligence goes a long way in unwinding stress resulting from personal workplace conflicts, interest clash, professional conflicts and over stretched deadlines. The significance of emotional intelligence in the making of a leader is thus undeniable.

Further, research by Daniel Goleman and Reuven Baron, two scholars in the field of corporate psychology and organizational behavior reveals that emotional intelligence is a better measure of managerial competence than traditional cognitive parameters like IQ. Since organizations are largely interwoven representations of human relations, an emotionally intelligent executive is more likely to succeed in the corporate arena than a cognitively sound executive.

Wearing the Feelers

Aspiring leaders and other competent executives are fraught with fears of failure, meeting deadlines and expectations and pressure to deliver consistently. These pressures make them jittery leading them to succumb emotionally and mentally. Unfortunately, the focus



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of business schools is on educating executives about the core business processes. There is hardly any emphasis on managing emotions of people who actually drive the business.

Therefore, even executives from prestigious business schools falter while handling issues like interpersonal conflicts and teamwork. However issues like strategy formulation and strategic decision making come naturally to them.

A study conducted by UCLA reinforces the need to educate executives about the emotional aspect of business in their formative years as managers. According to the study, only 7 percent of leadership success can be attributed to factors like IQ and personal intelligence, and 93 percent of leadership success depends on an executive's ability to combat emotional crisis, coordinate teamwork, manage team conflicts, build interpersonal relationships, and maintain integrity and honesty.

There is a glut of studies to justify the need for emotionally intelligent organizations and leaders. However, the concept seems to have gotten lost amidst the race to accentuate bottom line figures by means that seem rather inhumane. In addition to the number craving, leaders spend little time in defining the capabilities, shortcomings and opportunities that support them.

Unlike golf, leadership is a game that involves a number of people. Thus leaders not only have to be aware of their own strengths and weaknesses, but also need to take time out to define the capabilities of their followers.

Emotions not only determine the outcome of the journey up the ladder but also determine the quality of the journey. Therefore, in order to make the journey enjoyable leaders have to wear a human face with feelers that would sooth human emotions.

Hell in Paradise!

The debate over emotional intelligence has been around for sometime now. Leaders know the ingredients for success. A number of case studies, books, and research journals are available to guide leaders to accomplish their objectives. However, despite all these facilities, only a negligible few achieve their goals. There is enough evidence to suggest that as awareness about the right way to lead is spreading, a greater number of leaders are missing the board.

The scandals of Tyco, WorldCom, and Enron are examples of leadership deviations. In addition a survey conducted by Center for Creative Leadership reveals that "insensitive leadership" is one of the major reasons for heightened employee turnover. Further, short CEO tenures and an increasing number of workplace conflicts are indicators enough to suggest substandard leadership practices.

The irony of the situation is that despite favorable circumstances and improved tools to execute decisions, leaders are miserably failing to deliver. The reason? Most of our leaders are operating in a robot mode. The mechanical execution of their decisions yields purely monetary benefits.

There are no rewards in terms of heightened employee loyalty, integrity, a feeling of belongingness or improved employee morale. The interplay of emotions and employee



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performance is latent; therefore not many organizations acknowledge the “*emotional*” intervention. For those who do there is no limit.