ENGAGE EMOTIONAL INTELLIGENCE, MANAGE GLOBAL LEADER

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Abstract:

Emotions and feelings had little consideration up until recently at the workplace. Realizing their importance has been a slow but steady struggle that has led to the realization that such intangible concepts have a real and significant impact on employees and firms. Over the last decade, the world of psychology has slowly worked its way into corporations, and only after a slow process of adoption, areas as abstract as emotions or feelings have shifted from being ignored, to working alongside them attaining great success. Far from being a passing fad, the qualities that comprise emotional intelligence are more critical to the success of business leaders than ever. In regards to prognostic validity of emotional intelligence and competence, the strongest observed relationship was with the quality of global leadership. This article discusses how the core qualities of emotional intelligence help global leaders strengthen their effectiveness in that changing environment. The nature of this paper is purely exploratory and to act as a primer for leaders to successfully address fundamental challenges in a changing workplace and drive performance.

Key words: Emotional intelligence, leadership, performance, self-awareness, self-management

1. INTRODUCTION

We have all come across someone who's 'lost it' in a meeting, or gone blank during a presentation, or who creates a negative team atmosphere. How much does such behavior cost a business? Job performance is more relevant than ever and finding ways to enhance it can prove to be an extremely influential tool for a firm to succeed. In order to achieve good performance between members of an organization, high levels of cohesion and empathy are usually a sign of a healthy organization. One of the areas that has seen more development in the last few decades and seems to be more promising in aiding with these issues is emotional intelligence. Raising emotional intelligence levels is emerging as a major contributor to improved business performance.

No single, commonly accepted definition of leadership has ever existed. However, there are trends in the focus of research and practice. The traditional hierarchical leadership structure may have been useful in the industrial age, but the model is bleakly outmoded today. Instead, the flat, democratic, open model are the wave of the future. We are just coming out of a decade of interesting new developments and thinking in the 'softer' areas of leadership. There is growing recognition that multiple intelligences are required for global leadership. Many executives and organizations now seem to readily accept the positive impact on the business of developing people and leaders and have stopped attempting to measure 'return on investment' (ROI) on

management or leadership development in isolation. This does not necessarily mean that the values of emotional intelligence have been firmly anchored in organizations nor that the behaviours of all managers have changed accordingly. Hence, executives are now looking for the next generation of global leadership development, for a holistic approach which will fully integrate the 'hard' and the 'soft' sides of leadership and include the whole area of business intelligence.

2. EMOTIONAL INTELLIGENCE

Human intelligence and logical thought are recursive areas of interest that have been studied throughout human history and have seen very different interpretations in their meaning (Mayer, Roberts, and Barsade, 2008). Considering its changing nature, the current definition of intelligence is "a mental ability (or set of mental abilities) that permits the recognition, learning memory for, and capacity to reason about a particular form of information" (Mayer, Roberts, and Barsade, 2008). There is not one single and unitary form of intelligence (Goleman, 1995), but a series of them, and part of these intelligences focuses on the way individuals see emotions and how they react to them; this is at the core interest of emotional intelligence (Mersino, 2007).

According to Goleman (1995), in order to understand the impact of emotions, one must first understand how the brain processes data and makes decisions. The basic principle revolves around two types of process, the emotional versus the rational brain. Before being able to

master emotions and their impacts, one must first be emotionally self-aware (Goleman, 1995), this is the key of Goleman's theory and only then, the individual can start to perceive and read emotions in others and to properly adjust his or her own. All these concepts are actually parts of the bigger construct that is emotional intelligence. In order to provide a complete understanding of emotional intelligence, it is necessary to clearly fathom what these components are. These components are grouped in four areas: Self-Awareness, Self-Management, Social Awareness, and Relationship Management.

The first concept of self-awareness necessitates an enriching mood in order to process information. To be acutely aware, the mental stage needs to be set. Positive moods indicate increased creativity, problem solving, mental flexibility and efficiency in decision making. One's mood affects thoughts and decisions. This is especially true for students. Any classroom teacher has seen an upset child unable to work or focus. A disruptive emotional state affects the processing of information and can be detrimental to learning. While being in a good mood is the general preferred state, negative moods elicit challenges and benefits. Goleman affirms that negatives moods tend to lessen the ability to focus and make sound decisions, stay on task, and create pessimistic bias. Yet with this sour mood comes a greater ability to pay attention to detail, be skeptical, and ask probing questions. Being aware of one's internal state builds a stronger self-awareness.

The next domain, self-management, is intrinsically tied to self-awareness. By first being aware of emotions and then managing them can lead to being focused and, thus, achievement of goals. Coupled,

the two compose self-mastery. Concern arises when emotions are not controlled and self-management is not suitably developing. Goleman states two vital areas of the brain are involved: the amygdala which is the trigger point of emotion and arousal, and the prefrontal cortex which helps in reasoning, inhibition and decision making. An amygdala hijack can occur when a threat is detected and this region takes over the brain. The focus is on that threat and no reasoning or learning can take place. When the amygdala is in overdrive with multiple, concurrent threats, chronic stress ensues. This is termed allostatic load. Significant life changes can cause this, but even social interactions such as negative feedback, facial gestures, and criticism can yield these detrimental effects.

Fortunately, the prefrontal cortex can help regulate emotion by inhibiting the amygdala's signals. This can be achieved by various techniques ranging from taking the dog for a walk to mindfulness sessions of meditation. Additionally, educators can reduce chronic stress by creating optimal levels of challenge for students, as opposed to stressful levels. The ideal level would move students beyond boredom, into a level of "good stress" where they are engaged and can perform at their best. These findings are reinforced with brain studies. When a person is bored, there is scattered brain activity. When engaged, the relevant brain areas of the task are activated. And when stressed, much of the activity is in irrelevant emotional centers of the brain indicating distractedness.

Goleman suggests three simple techniques to ensure optimal performance. Those in charge can create accommodations to adjust the

work demands. This may include increasing work load to raise students into the healthy challenge zone, or reducing the workload and providing more support. Additionally, the scaffolding of developing skills and attention training are pivotal steps to meet the benchmarks required for that level. How to easily detect stressed students? Goleman recommends paying attention to students' demeanors. If they seem "off", cranky, bored, unusually inattentive, they may be experiencing anxiety and cannot concentrate.

The final areas of emotional intelligence, social awareness and managing relationships, are influential in group dynamics and building rapport. As essential as these concepts are, much of these domains are founded on emotional, unspoken feedback between individuals that can exist without words or gestures. Emotions can be passed from person to person and, in a sense, are contagious. Individuals must take responsibility when interacting with others, and ideally, contribute to building a positive rapport in the workplace. Goleman states that three key elements are needed for rapport: full attention, non-verbal synchronization and positive flow. These ingredients bolster overall emotional intelligence by supporting increased social awareness and positive relationship building.

Considering that the concept is widely used in the corporate world, there seems to be some controversy regarding the actual conceptualization of emotional intelligence (Bar-On, 2006; Lievens and Chan, 2010; McEnrue, Groves, and Shen, 2007; Mersino 2007; Giorgi, 2013; Silong, Shahhossein, Ismaill, and Uli, 2012). This debate divides

the definition of emotional intelligence into two deviating theories (Giorgi, 2013; Silong, et al. 2012; Rosete and Ciarrochi, 2005):

- Emotional intelligence as mixed model In which emotional intelligence agglutinates mental abilities with other personal attributes, portraying it as a "non-cognitive intelligence". This conceptualization is mainly supported by academics such as Bar-On and Goleman.
- Emotional intelligence as an ability based model Identifying emotional intelligence as standard intelligence similar to cognitive intelligence (i.e. IQ) and backed up by academics such as Salovey and Mayer.

Due to this considerable significant array of options, McEnrue, Groves, and Shen, (2007) provide a summary of different and most commonly used models and how they measure emotional intelligence depending on which of the two conceptualizations is being considered: the MSCEIT for the ability based model and ECI-2, EQ-I and DHEIQ for the mixed model.

Salovey - Meyer - Caruso's (1990) four dimensional ability model

-Emotional Perception, Appraisal and Expression

-Emotional Facilitation of Thinking -Understanding Emotions

-Regulating Emotions

Measuring tool: **MSCEIT**

Goleman's (1995) four dimensional trait model

-Self-awareness

-Self-management

-Social awareness

-Social Skills

Measuring tool: ECI-2

Bar-On's (1997) five dimension trait model

-Intrapersonal

-Interpersonal

-Adaptation

-Stress Management

-General Mood Factors

Measuring tool: EQ-i

Dulewicz and Higg's (1999) seven dimension trait model

-Self-awareness

-Emotional Resilience

-Motivation

-Interpersonal Sensitivity

-Influence

-Intuitiveness -Conscientiousness

Measuring tool: **DHEIQ**

Figure 1. Common measuring models for Emotional Intelligence

As a popular and emerging topic in the business world, emotional intelligence can help managers connect better to others and use empathy to foster understanding and better decision-making (Mersino, 2007). From the perspective of effective leadership, Goleman (1998) states that "emotional intelligence is the sine qua non of leadership. Without it, a person can have the best training in the world, an incisive, analytical mind, and an endless supply of smart ideas, but he still won't make a great leader." Emotional intelligence has also been associated to other positive benefits such as performance (Crowne, 2013; Wong and Law, 2002), better task accomplishment and more effective leadership skills (Crowne, 2013). Salovey, Lopes, Kadis, and Gall, (2006) also add that it can also add more benefits for work performance "by enabling people to nurture positive relations at work, work effectively on teams and build social capital."

3. LEADERSHIP

The first commandment of great leadership is to know and conquer thyself. It is to master the art of consolidating the intangible. For to be human, is to operate through emotion. However, to be successful, is another question altogether: it is to understand emotion, dictate emotion, and speak and deliver emotion – fluidly, fluently and facilely. This is emotional intelligence: the ability to manage, perceive and control emotions both effectively and efficiently. Although seemingly

evident, we as organizations and leaders have yet to willingly bestow emotions with the credit they are due and with the importance they merit. This is because we do not entirely understand the full capacity of emotions and how they thoroughly affect us, dictate us and create us. However, treading into an era of new thought and management, the corporate sector is now propelled to bridge the need for emotional competency in leadership, as they begin to recognize it as a critical prerequisite to positive, evolving and bearing interpersonal interactions – particularly in the workplace. As before we are able to lead, we must first strive to understand ourselves, secondly, those around us, and thirdly, yet most critically, why it is that we are heading where we seek to, and leading where we are inclined to.

Leadership has a variety of definitions and some of these definitions, explicitly or implicitly, resemble earlier notions of leadership such as collegiality, governance, group identity and democracy. One of the most restricted definitions about leadership by Northhouse (2001) states that leadership is "a process whereby an individual influences a group of individuals to achieve a common goal." Yukl (2002) suggests that leadership is often confused with concepts such as authority, power, management and supervision and highlights that leadership is to inspire, influence, develop and empower others and to agree what needs to be done and how it can be done effectively. He adds that in order to develop as a leader, s/he needs to know the culture before trying to change it, have a vision for it and yet be open to different perceptions of reality, embrace contradictions and be able to acknowledge mistakes. Goleman (2000), on the other hand suggests that leaders who achieve the best results do not rely on one leadership style but incorporate multiple styles depending on the situation and

context. One way of achieving this, he says, is by building a team that incorporates the styles the leader lacks or by expanding one's own style of leadership.

Despite the multitude ways of how leadership has been defined, the common theme around it suggests the need for greater awareness of the reasons and motivations for individual and organizational action and the recognition of the emotional costs of organizational life. Whether a leader is emotionally intelligent or not would depend on several factors, one of which is strongly related to their perceptions about emotional intelligence and the meanings they attach to emotional intelligence from their lived-experience as a leader.

With the prevalence of debate on leadership today, emotional intelligence has transfigured into an imperative trait of effectual and global leadership. Largely accepted as an organizational need, cultivating and nurturing emotional intelligence in leaders is now becoming critical in the development of a new generation of caring workplaces and compassionate work cultures. We now expect more out of our leaders and our organizations. We require them to distinguish between what they feel, what they think, how they act, how they perceive others, and how they consequently react. Offering a route of proactivity over reactivity, the concept of emotional intelligence suggests that the human capacity to recognize the fluctuating nature of emotions and accordingly engage in interpersonal interactions is one of immeasurable value and moreover, a key determinant of rewarding relationships.

This is primarily owing to the fact that, at the end of the day, management is all about facilitating how people function and correlate. Hence, with a leader's ability to influence and direct the levels of motivation, and degrees of engagement amongst their employees, it is no wonder that they must first be a master of their own demons, so to speak. A master who is able to lead by example. This is as authentic and effective leadership is all about guiding others to a place you yourself have visited. Therefore, the best gift a leader can offer, is an example of themselves – as governors of themselves and as learners of everything around them.

4. GLOBAL INTERACTION AND SOCIAL CLIMATE AT WORK

To say that globalization is upon us is axiomatic. Conducting global, international, and cross-cultural business is a mundane reality for most contemporary large organizations. Even if your business is a mediumor small-sized firm, you have probably experienced globalization through interactions with global participants that belong to at least one, or perhaps more, of these four key categories: customers, competitors, suppliers, or employees. The World Trade Organization reported that, in 2014, international trade comprised 30% of global GDP. Thus, while globalization has arrived, the full extent of its impact on business has yet to be felt. If growth in international trade continues as expected and predictions for its eventual size hold true, global business will see at least a twofold increase. Such dramatic changes in the conduct of business require leadership from individuals skilled in global aspects of business functions such as marketing, operations, finance, human resource management, information management, and R&D.

However, global leaders must also be extremely skilled in the interpersonal conduct of global business.

Unfortunately, while the need for global business leaders has never been so urgent, serious deficiencies exist in the preparation of corporate managers as they deal with the interpersonal realities of global business. In a comprehensive review of the global leadership literature, Vesa Suutari (2002) came to the following conclusions:

- 1. 85% of Fortune 500 firms surveyed did not have an adequate number of leaders.
- 2. 65% felt their leaders needed additional skills.
- 3. One-third of international managers underperformed in their international assignments based on their superiors' evaluations.
- 4. Organizations have erroneously promoted leaders to international assignments based on technical and organizational skills.

Ultimately, the negative consequences of wrong leadership choices are both expensive and well publicized. And while the overall picture of global leadership development indicates businesses are not pursuing this matter sufficiently, the outlook is even more bleak regarding the development of global leaders' emotional intelligence. Although some firms are endeavoring to enhance the emotional intelligence capabilities of their leaders, the awareness of this important concept is still at an early stage.

5. DEVELOPING GLOBAL EMOTIONAL INTELLIGENCE LEADERSHIP

According to The EQ Edge, written in 2000 by Steven J. Stein and Howard E. Book, research across 30 mostly professional and managerial career fields reveals that anywhere from 47% to 56% of work/life success is the result of emotional intelligence, with the range being related to job type (Stein and Book, 2000). Even stronger evidence linking emotional intelligence to the success of leaders within the U.S. was noted by Daniel Goleman, Richard Boyatzis, and Annie McKee in their 2002 book, Primal Leadership. They found that the most critical leadership skills in the U.S. were linked to emotional intelligence (Goleman, Boyatzis, and McKee, 2002). Their research and the research of others (such as the Hay-McBer consulting firm) suggest that as much as 79% of leadership success in the U.S. results from high emotional intelligence. Based on these and other emotional intelligence studies, it would seem that leaders' levels of emotional intelligence influence their behaviors, making them more or less successful.

Emotional intelligence is crucial to success in both work and life in general; it is a part of the biological, evolutionary importance of emotions in human beings. As Nigel Nicholson, in a Harvard Business Review article, observed, "for human beings, no less than for any other animal, emotions are the first screen for all information received" (Nicholson, 1998). When a person receives a piece of information, it is automatically assessed from an emotional perspective. Emotional assessment was necessary for survival when man hunted in small groups, as it initiated 'fight-or-flight' responses; things are no different

today. When someone receives information, the older part of the brain still considers a fight-or-flight response. This phenomenon helps explain why, for example, when a performance appraisal is conducted, even if 99% of the appraisal is positive, the "evaluate" will fixate upon the negative 1%. To be successful in any interpersonal activity, one must be aware of one's own emotions and be able to manage them, just as one must also be aware of the emotions of others and be able to manage any interaction. Emotional intelligence surveys simply measure the ability to perform these tasks across a wide variety of emotional intelligence skills.

There is no substitute for experience when behavioral change is desired. One of the difficulties in changing emotional behavior stems from the dozens of emotional responses humans experience. Successful leadership development programs incorporate conceptual knowledge about emotional intelligence with role playing, case studies, simulations, experiential exercises, visualization exercises, and practice sessions that assist people in not just understanding what emotional intelligence is about, but also giving them practice at the skill. Establishing objectives for change and feedback sessions on progress are also critical ingredients for success. It is best to work on only four or five behavioral changes at a time, focusing on the lowest-scoring skills. If a leader is using the ECI survey, the progression from self-management to relationship management should guide the leader's choices for development. Some of this evaluation can be self-generated, but external evaluators are very helpful.

6. CONCLUSION

Due to the impact of increased globalization on business and the factors that lead to successful global leadership, firms need to embrace emotional as part of their global leadership development programs. Those that do so will most certainly be rewarded with improved levels of global performance. Since studies of emotional intelligence skill levels and managerial performance show them to be positively correlated, companies should think in terms of selecting employment candidates with high emotional intelligence, especially for leadership positions. Certainly, developing emotional intelligence is both possible but advisable, and leadership screening for those with high emotional intelligence gives the company a leg up on the competition.

Increasing globalization will make emotional intelligence skills more relevant throughout entire organizations, and virtually everyone in management and global business situations will need to focus on possessing these skills. There are a number of vehicles available to assist businesses as they transform their managers into cross-culturally skilled leaders. Ultimately, companies that ignore this challenge will find themselves at a competitive disadvantage; individuals who fail to develop their emotional intelligence will likewise suffer. Individuals must go through the stages of awareness, motivation, and action/reaction in order to become cross-culturally skillful, and so must each company.

A company seeking to have its leaders succeed globally must either select leaders with the appropriate skills or develop its existing leaders in those skills, particularly as they relate to emotional intelligence.

Furthermore, it must either choose those who possess high levels of motivation to be successful leaders or develop those motivations in them. The abilities to persist in the face of adversity, endure in frustrating, confusing, and lonely foreign environments, adapt to different ways of thinking, and elicit the right responses in cross-cultural interpersonal relationships are prerequisites to successful global leadership. Learning from experiences, as well as failures, goes a long way in developing emotional intelligence. Understanding why a positive or a negative outcome occurred and how to repeat or avoid this outcome in the future is part of a life-long learning process. From an organizational perspective, developing successful global leaders is not just the task of the human resources department; rather, the entire organization must be involved in areas such as mentoring, coaching, role modeling, assessment, education, and providing experience. Only then can the organization expect to derive the maximum impact from a global business strategy.

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