

# Emotional intelligence and its influence on organizational leadership in the VUCA world

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**Abstract** The objective of this paper is to address the importance of emotional intelligence in the organizational leadership of the 21<sup>st</sup> century.

Recently, many academics agree that the world experiences four key aspects: volatility, uncertainty, complexity and ambiguity (VUCA). In this challenging context, in order to thrive, companies need to promote a more adaptable and conscious leadership, not only within the same organization, but also in their relations with the surrounding reality. The emotional intelligence (EI) is configured as an important aspect in the exercise of leadership, taking into account that broadly, intrapersonal level which is associated with the recognition and control of one's emotions, and the interpersonal level which is associated with empathy, assertive communication, and the ability to influence others to achieve common goals.

## 1 Introduction

Current literature provides a frequent conception of the actual world based on four characteristics: volatility, uncertainty, complexity and ambiguity (VUCA) (see Rodriguez and Rodriguez 2015). This characterization arises in the 1990s and after the consequences of the terrorist attack of September 11, 2001, and the economic crisis that emerged between 2007-2008 in the United States. With the aim of understanding the term VUCA, Bennett and Lemoine (2014), refer the following: i) volatility: the brutal increase of changes faced in the average life; ii) uncertainty: refers to the absence of predictability of events (on this case, more specifically at the age of convergence); iii) complexity: it is the generalized confusion, not having clear what is the cause and effect between the generations that begin to work; iv) ambiguity: it is the absence of precision in reality (in this case, the dramatic transformation that globalization and automation imply).

The various pressures of modern life, the exaggerated attention in personal and business competition, the pressure associated with time in the execution of tasks, the permanent demand for professional improvement, among others, are aspects that affect the generation of emotional disturbances in most of the people. According to the European Agency for Safety and Health at Work (2007), a negative relationship between working conditions and human factors can generate behavioral difficulties, emotional disturbances, and physiological variations (neurotransmitters and hormones) that are configured as risks for the appearance of more complex diseases. In contrast, if a harmonious relationship between the work environment and human elements is generated, work can generate a strengthening of motivation, self-esteem, occupational performance, and general health.

During the exercise of leadership in the VUCA world, personal and work responsibilities can generate pressures that can affect the dynamics of teamwork and productivity. It is a world where change is becoming faster,

the future becomes less predictable, options increase exponentially and the way of thinking about these options must be different.

Today, leaders must make decisions with huge amounts of information and where everything is interconnected like never before. The IQ is not enough to succeed professionally, to compete or to boost business productivity. It is necessary to have emotional control, which facilitates healthier interactions in the work environment. Indeed, Emotional intelligence (EI) plays a prominent role for leaders, since it is related to the identification, understanding and self-regulation of emotions, motivation and the establishment of realistic and rational perceptions.

This type of intelligence is configured as a significant element for academic success, work and for everyday life (Goleman 1998). On the other hand, Fernández-Berrocal and Ruiz (2008), affirm that the deficit in EI skills affects people in different contexts, mainly in occupational performance, well-being and emotional balance, in interpersonal relationships and in the appearance of disruptive behaviors.

## **2 Emotional intelligence**

It is usual to find in the common, statements that highlight the rational nature of the human being. The nervous system, as a set of tissues and organs, is responsible, among other functions, for intelligence. This concept has generated different perspectives of analysis taking into account its complexity.

The controversy about what intelligence is, how it is measured and how it works, has revolved around the fundamental components and the factors can explain individual differences. Intelligence has been raising research since the late 19<sup>th</sup> century, emphasizing the psychometric model, which seeks through tests, quantitatively measure the factors that are considered part of intelligence (understanding, reasoning, etc.) and, according to the results of these measurement processes, forecast the future development (Papalia and Feldman 2012). However, this vision reduces intelligence to attributes associated with memory and problem solving, leaving aside social and emotional components. More recent conceptions establish that abilities associated with personal motivation, perseverance in the face of difficulties, the adequate handling of impulses, tolerance to frustration, empathy, maintenance of hope and emotional control, could explain what intelligence tests can't explain.

The intelligence perspective that reduced its functions to cognitive elements such as memory, and the solution of problems, opens the way to the theoretical constructs that include the social, emotional and affective components of the human being. Following the order of ideas, in his theory of multiple intelligences, Gardner (2001) states that from a primary dimension, intrapersonal intelligence has an impact on the discrimination of feelings, to later establish a name, break them down into symbolic codes, and give them use to understand and direct the behavior. At an advanced level, this intelligence enables people to reveal and symbolize broad and differentiated groups of feelings. On the other hand, interpersonal intelligence, on a primary level, is related to the faculty that the individual has to discriminate against other people and capture the variations of the state of mind. In a more advanced dimension, this intelligence allows the individual to read the wishes and intentions of others, and to act on that knowledge.

On the other hand, Salovey and Mayer (1990) pick up Gardner's personal intelligences and pose the concept of emotional intelligence, contemplating it as the ability to monitor and discriminate emotions and feelings of oneself and others, and use that information to guide thoughts and emotions and actions. In the same way, they propose that said intelligence has five main domains: knowing own emotions, managing emotions, personal motivation, recognizing emotions in others, and the ability to relate to others.

Subsequently, Bar-On (2000) proposes a concept that emphasizes associated competencies the way in which an individual establishes relationships with other people and their environment. In this sense, the social and emotional intelligences exert influence on the faculty of active adaptation to the vicissitudes of the environment. Likewise, the Bar-On (2000) model is composed of the following elements:

- i) intrapersonal component: is related to the ability to be aware, to understand and establish relationships with others;
- ii) interpersonal component: refers to the ability to handle emotions and impulse control;
- iii) component of stress management: it is associated with the ability to have an optimistic and functional perspective;
- iv) component of the state of mind implies the ability to adapt to change and solve personal and social problems. Component of stability or adjustment: it is related to the ability to maintain emotional stability.

To synthesize all of the above, one can say that emotional intelligence is an aspect that helps to understand how it can affect adaptively and functionally, both in her or his own and others' emotions. Similarly, it is a dimension that has a vital function in the socialization with others and in the strategies used to adapt to different contexts.

### **3 Emotional intelligence and leadership**

Leadership is becoming a vital aspect in the business environment and education (Strielkowski and Chigisheva 2018). In a generalized way, leadership is considered as the synergy of diverse competences that contribute to influence the way of acting or thinking of others. In short, the importance of leadership lies in the fact that it is the key to the survival of any organization. Moreover, if one takes into account that the ability to know how to guide and direct is the center of it. However, recently this concept includes other aspects, since a leader is not only established to generate orders, but also has the power to establish initiatives and contribute significantly to innovation. Leadership is dynamic, and according to the area where it operates, it can stipulate the type of transformation it is capable of generating. In that sense, it has a specific function at the social, community or organizational level, which stands out for its relevance and ability to influence.

At present, society has been constantly undergoing major changes, which have led to immediacy being established as a main feature in the different organizations. Contemporary leaders accumulate a lot of information and must order it to analyze, deduce and make decisions quickly and correctly. They also have the challenge of promoting an environment capable of increasing competitiveness, productivity and profits, linking the results of the organization with social justice and inclusion. The importance of having intrapersonal and interpersonal skills facilitates the establishment of better work environments, and the development of workers' skills. According to Mathew and Gupta (2015), emotional intelligence and leadership are associated. These authors suggest that the ability to be alert to the people and own emotions, and use this to facilitate interpersonal relationships, as well as the ability to guide one's motivation and establish empathic links, contribute greatly to the development of a leader.

Goleman and Boyatzis (2008) refer there are five main elements of emotional intelligence in leadership: self-awareness, self-regulation, motivation, empathy, social skills and mental flexibility. The first one refers to being aware of oneself when one is in a leadership position also means having a clear picture of your strengths and weaknesses, and it means behaving with humility. The second is related to self-regulation which helps maintain emotional control, and with mental flexibility that allows to deal with uncertainty in a realistic way and acquires great relevance in adapting to the different changes in the environment. Among the most important aspects of the leaders is motivation, which contributes to working in a constant and disciplined way towards their objectives, and to establishing high quality standards for their work. Another element is empathy, because of its impact on the management of a successful organization, taking into account the ability to comprehensively understand other people. In this sense, an empathic leader helps the people in charge to develop and have greater self-confidence, through active listening and constructive feedback. In leadership it is important to influence others through the generation of trust and altruism (Beck 2014).

On the other hand, leaders who properly handle social skills are great communicators. They are just as open to hearing bad news as good news. In addition, they develop the ability to support their teams to have a sense of belonging. Identifying positive elements of people, boosting their development, and learning to use that potential to favor everyday challenges, are favorable aspects of a leader (Rodríguez and Rodríguez, 2015). The effectiveness of leadership is not only associated with the productive capacity or the achievement of results, but also the continuous improvement and maintenance of functional relationships with work teams (Kilburg and Donohue 2011). Finally, mental flexibility is another important feature in leadership, since it allows to deal with uncertainty in a realistic way and acquires great relevance in adapting to the different changes in the environment.

The changes that have been generated recently, associated with globalization, the means of production, competitiveness, labor links, emerging economies, geopolitical movements, among others, indicate that society is dynamic, and requires the leading competencies that continually strengthen emotional intelligence, to direct human groups towards integral development.

### **4 Conclusions**

Overall, it is apparent that leadership is greatly influenced by emotional intelligence. Leaders who have a strengthened emotional intelligence can better control their emotions and show greater adaptability to change and ambiguity.

In order to face the challenges that the VUCA world brings, the abilities of the emotional intelligence must go geared with the cognitive ones. Leaders must not only have expertise in the field of knowledge in which it develops, but it is vital that it enhances the identification and management of their own emotions and of others, as well as the social skills that allow them to strengthen teamwork and flexibility in the face of the changing environment.

The cost-benefit analysis that brings the strengthening of emotional intelligence is relatively recent in the business environment. However, analyzing the relationship between the EI and the leadership, it is clear that the organizations must stimulate the continuous development of these two aspects with the results that will be evident in transformation processes for business and for the growth of human potential.

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