



## Leaders Who Can Read Collective Emotions Are More Effective



By [Quy Huy](#) , INSEAD Associate Professor of Strategy

**How a leader manages collective emotions can create or destroy enormous market value. It can also have a huge bearing on what large groups of stakeholders think of you.**

One of the reasons Nokia lost the smartphone battle, despite holding a strong position before the iPhone came along, was its lack of speed and inability to react to changing circumstances. As I argued in a [previous article](#), the reason for Nokia's sluggish reaction was a collective fear among the company's middle managers, not of the competition, but of losing status and resources within the organisation.

With the management putting heavy pressure on departments to deliver more and faster, nobody wanted to be the bearer of bad news; that the company's Symbian software platform wasn't going to cut it in the new world of pocket computers. As a result of selective upward reporting, the

leadership thought Nokia was progressing well against its competitors, when it wasn't.

The oversight of the collective fear in the organisation cost Nokia dearly—its precipitous decline in the smartphone business and loss of about 90 percent of its market value which was greater than that of Apple Computers. But I believe the loss of market value and market share could have been avoided with a better view of the collective emotions of the organisation.

### **Do you see the forest or the trees?**

Until now, there have been a variety of tools for managers who wish to measure the emotional cues of individuals, such as the [Brief Affect Recognition Test](#) to understand cross-cultural facial expressions. Facial expressions provide a wealth of reliable information about how others are making sense of the world around them, and allow us to tailor our responses to the individual in a one-on-one situation.

This represents one of the key measures of emotional intelligence, which evaluates how well individuals perceive and deal with affectively charged interpersonal situations. But there are situations in which leaders have to deal with the emotions of large groups of people, not just those of one or a few individuals and most managers don't have time to operate on a one-on-one basis all the time. Understanding the collective can help leaders respond effectively to the group as a whole. This happens in situations such as dealing with the collective anxiety of executives facing the news of corporate restructuring; or public authorities dealing with the collective anger of large groups of people in the streets; or politicians seeking to inspire large groups of people to win an election. Those with the skill to pick up on the subtle emotional cues of the collective can adapt accordingly and, according to our research, earn more respect as a result.

So how can this ability to see the forest for the trees be applied by leaders?

### **Using the emotional aperture**

Prior research has found that individuals typically focus either on the trees or the forest, but rarely both when facing the same target. This means that some managers are simply better (or more naturally disposed) to reading the individual or the collective emotions, but not both.

In our paper, **Assessing Collective Affect Recognition via the Emotional Aperture Measure**, forthcoming in the journal **Cognition and Emotion** with co-authors Jeffrey Sanchez-Burks, Caroline Bartel, and Laura Rees, we develop a test (the Emotional Aperture Measure or EAM) that rates a manager's ability to read the collective emotions of a group and how this natural personal disposition could be modified. The test is based on changes in facial expressions among groups of people. We asked our research participants to watch a number of short video clips of groups of employees, just prior to and after an event happens in their organisation. Following each clip, participants were told to report on the proportion of positive and negative reactions seen in the group. The emotional aperture test assesses individuals' ability to estimate the approximate proportion of people who display very quick (2 seconds) positive and negative emotions in the group--for example, 25 percent of people express positive affect and another 50 percent express negative affect—rather than just a single dominant and long-lasting affective display in traditional interpersonal tests of EQ.

We examined whether an individual's ability to recognise collective emotions had a bearing on how their “transformational” leadership ability was perceived. Using a global sample of high-ranking managers, we contacted their direct reports and requested online evaluations of their manager's leadership performance. We found that their performance on the EAM was significantly correlated with what was considered transformational leadership behaviour by their direct reports.

### **Effective leaders read collective affect**

Together, these findings reveal the importance of being able to read the emotions of the group to be perceived as transformational leaders. The EAM can also be a predictive tool for organisations to indicate an individual's potential leadership performance and their ability to relate successfully with their employees.

The EAM could have multiple applications, from helping teachers assess groups of students, political leaders addressing constituents, corporate managers introducing major disruptive change in a large organisation, or police officers dealing with the emotions of large groups of people.

For leaders to be able to respond successfully to frustrations, hopes and fears of their organisation, they must first be able to read the patterns of emotions that signal the onset of different behaviours. Top managers who

manage large groups of employees often don't have the time to relate one-on-one with individuals and must therefore be able to decode and attend to the collective emotions beyond individual cues.

Readers are invited to take the emotional aperture test and obtain their personal results free of charge by accessing the following website:

<http://www.jeffreysanchezburks.com/blog/emotional-aperture/>



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