The Emotional Sophistication Tomorrow's Leaders Will Need

By Quy Huy , INSEAD Professor of Strategic Management

In an increasingly automated workplace, leaders should concentrate on uniquely human skillsets.

The future looks rather dim for the white-collar workplace, if the **most extreme predictions about automation** are to be believed. What was once the stuff of science fiction now seems a frighteningly plausible prospect – which in and of itself is a sobering fact. It means that society increasingly doesn't believe that many of us, as humans, add value to organisations beyond the instrumental functions we perform. It means we no longer appreciate (if we ever truly did) the emotional relationships that transform professional collectives into productive communities, relationships which a network of robots would be unlikely to replicate even in a distant future. It means we secretly fear that most of us are easily replaceable, if not disposable.

The current cynicism about humanity's value within organisations is the result of the **no-emotions-allowed business culture** that has been the global norm for generations. With so many companies treating people like instrumental (human) resources, is it any wonder we feel inferior to

machines, which have no emotions to suppress?

While managers have been increasingly exploring the impact of emotions upon performance, their attempts often betray a rudimentary understanding. For example, there has been far too much emphasis placed on the personae of top leaders, as if a pantomime of caring were enough. Also, many executives have selectively interpreted “emotional intelligence” as an invitation to unleash their inner Machiavelli. These may be fine techniques for advancing individual careers, but contribute nothing to an organisation’s **emotional capital**, either internally or externally.

To win a race against robots, managers need to acquire emotional sophistication, quickly. To start with, they could acquaint themselves with some of the ground-breaking research compiled in a recent special Topic Forum Issue of the ***Academy of Management Review*** entitled “Integrating Emotions and Affect in Theories of Management”, which I had the privilege to co-edit with professors Neal Ashkanasy (of University of Queensland Business School) and Ronald Humphrey (of Lancaster University Management School). The issue contains a bevy of surprises relating directly to problems managers routinely face. It conveys – and proves the usefulness of – exactly the sort of nuanced, contingent emotional sensitivity of which human managers, at their best, are capable, and for which there can be no mechanical substitute.

Emotional complexity

If they take emotion into account at all, most leaders equate positivity with productivity. Anything short of unambiguous happiness or unabashed enthusiasm is seen as useless, or worse. The prejudice certainly extends to complex, conflicted emotions.

Surveying prior scholarship, the authors of “Feeling Mixed, Ambivalent, and in Flux: The Social Functions of Emotional Complexity for Leaders”, one of the papers in the *AMR* issue, propose that ambivalence and uncertainty can sometimes lead to more flexible thinking and the discovery of solutions not visible from a purely positive or negative point of view. The ability to understand both sides of contradictory issues without succumbing to cognitive dissonance gives emotionally complex leaders a distinct advantage in times of transition.

Also, emotional complexity “signals…openness to multiple perspectives”, the authors assert, which often makes subordinates feel more empowered, engaged and therefore more likely to make conscientious, proactive efforts in support of organisational goals.

Their argument comes with caveats. Overt emotional complexity from leaders can pay interpersonal dividends only when: 1) Leaders and followers essentially understand each other and are aligned in their perspectives; 2) Leaders are up-front about the competing demands placed on them, thus rendering their ambivalence more understandable. If both conditions aren’t met, followers may lose faith in their leader, as the authors claim happened to former HP CEO (and failed U.S. presidential candidate) Carly Fiorina, whose emotional complexity drove her to seek distance from employees.

Anger and fear

If ambivalence is a corporate no-no, nakedly negative emotions in the workplace are practically taboo. Nonetheless, darker emotions are an inescapable part of the human experience. Another *AMR* paper argues these emotions can even be a net positive, if they rouse employees to initiate change. Specifically, the authors argue against labelling anger and fear counterproductive in all instances. They write that “anger and fear can energise employees with efficacy and protective effort” as easily as those emotions can provoke fight-or-flight outbursts of misdirected energy. It depends upon the individuals and unique circumstances involved, and especially on the organisational context.

Leaders should not only create space for employees to share negative emotions, and listen sympathetically, but also exhort employees to take appropriate action to resolve what’s troubling them. The counterproductive potential of anger and fear is reversed, the authors write, when people feel they are able to impact their situation.

In addition, leaders can influence how employees experience negative emotions. In cases of anger, fostering a high level of organisational identification and concern for the well-being of others can prevent retaliatory acting-out. Impressing upon fearful employees that they, and they alone, are responsible for addressing salient threats can keep paranoia at bay.

Building passionate start-ups

As **Uber's struggles** with corporate culture attest, the all-consuming passion of the visionary entrepreneur can be both a blessing and a curse. While the sheer grit of the core founder helps start-ups survive their problem-packed early days, long-term success requires passionate engagement from the entire venture team. But this is unlikely to happen spontaneously, given the vastly different backgrounds which, for example, biz-dev "rainmakers", angel investors and product developers bring to the table.

The article "Team entrepreneurial passion (TEP): Its emergence and influence in new venture teams" describes how and why some venture teams become cohesive, motivated units and others don't. Counter-intuitively, the authors assert that venture teams can be diverse in their passions yet develop a strong sense of collective identity that drives productivity. In fact, such teams are better able to stave off groupthink and monomania – and thus have a brighter long-term outlook – than teams whose passion points greatly overlap.

The authors advise entrepreneurs to "pay keen attention to the intensity of prospective team members' positive feelings towards different entrepreneurial identities or roles" when making hiring decisions. Similarly, prospective start-up backers should consider the passion of the venture team, not just that of a solo entrepreneur, as part of their assessment.

Emotion and organisational design

Automation bodes ill for many unskilled and purely skill-based professions. However, the tech wizards tasked with designing, fixing and refining the new mechanical working class will command impressive leverage. If they don't love their workplace, the most talented ones will always be able to negotiate a higher salary somewhere else. It will fall to emotionally sophisticated managers to win their loyalty and inspire them to ever-greater feats of innovation. The non-techie winners in tomorrow's high-performing organisations will be managers who can create for employees an emotional environment at least as rewarding as their paycheque.

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