

The Case for Investing in Business EQ

Business Emotional Intelligence Assessments
Deep Insights To Shift People's Performance



The case for investing in Business EQ

The goal of the **EBW Global Business Emotional Intelligence Assessments Toolkit** is to help you achieve lasting and positive change by learning to manage and focus on the critical emotions and behaviours that are the most important for success.

This whitepaper provides an overview of the research and the business case for:

1. Why Business Emotional Intelligence is Important for Leadership?
2. What is Business Emotional Intelligence (Business EQ)?
3. Focusing on Emotions to Change Performance
4. Business EQ improving **Leadership and Decision-Making**
5. **Enhancing Team Performance** with Business EQ
6. Strengthening **Customer Relations and Sales**
7. Building **Resilience and Adaptability**
8. Changing **Employee Retention and Talent Development**
9. Improving **Diversity, Culture and Ethics** by investing in Business EQ
10. Boosting Business EQ for better **Financial Performance**

Why is Business Emotional Intelligence Important for Leadership

We think it is fair to say that organisations today need Business Emotional Intelligence more than ever.

Flatter structures require more self-management, changing job roles require greater adaptability, more competition demands more creativity, more pressure requires more resilience and globalisation means more diverse colleagues and customers, which require more understanding and better relationship management.

Up until recently the main approaches to understanding and developing human performance has focused on personality questionnaires. But after feedback there can be a feeling of, "So what? "

The much more important question is 'How can I be more effective?'

The answer is NOT to change who you are but to learn how to manage yourself and manage your relationships more effectively.

In essence, develop your Emotional Intelligence at work (Business Emotional Intelligence).

What is Business Emotional Intelligence?

Business Emotional Intelligence (Business EQ) is a practical, work-based approach to Emotional Intelligence that emphasises the ability to focus on and manage effectively the critical emotional drivers and underlying behaviour (see fig 1) that determine why we behave effectively or not, in a work context.

It is the ability to recognise colleagues' emotional drivers behind their behaviour to maximise how we all work together.

Understanding and gaining an accurate insight into how emotions impact on relationships and performance at work is now recognised as the key to realising the full potential of an organisation's human capital.



Capitalize on your Business EQ to improve performance



Decision Making



Motivation



Influence



Adaptability



Empathy



Conscientiousness



Stress Resilience



Self-Awareness

Powerful Leadership

Start your journey today, contact your EBW Certified Partner to use Business EQ assessments to boost your leadership.

Fig 1

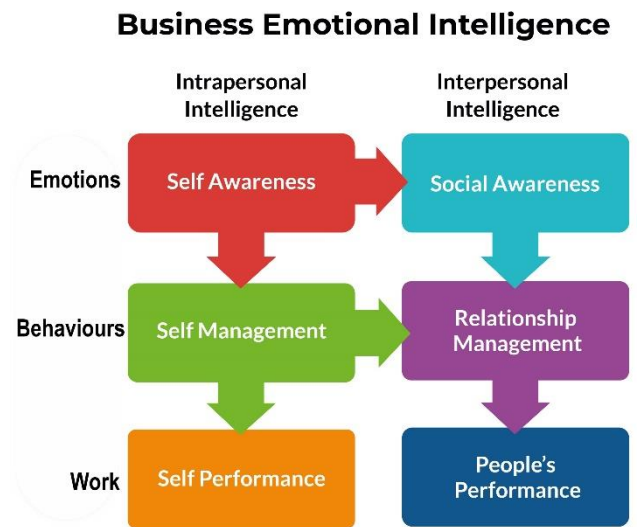
Emotions Change Performance

Decades of organisational research has shown that longer work hours, constant change and uncertainty result in elevated stress levels and a greater daily experience of negative emotions.

This, in turn, causes our thinking to be narrowed, our perspective to be limited and a greater preponderance of reactionary behaviour.

We become more easily defensive or aggressive in our responses, more problem-focused and we more readily forget the bigger picture.

Using your Business Emotional Intelligence (see Fig 2) to manage emotional behaviours (Fig 1) to navigate through change, stressful working conditions and lead by example, is known to be a strong predictor of high organisational performance.



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A Leader's Perspective: Business Emotional Intelligence and Performance

"I just wanted to take a moment to thank you for our EBW session this morning—it made such a difference. When I arrived, I was feeling like a coiled-up spring, filled with anger, frustration, and negativity. I honestly didn't realise how much I was carrying until we started talking.

Those first 20 minutes, where we revisited our previous conversation, helped me decompress just enough to focus. I know now that jumping right into the EBW wouldn't have worked, but by the time we got there, I was more in the room and ready to engage.

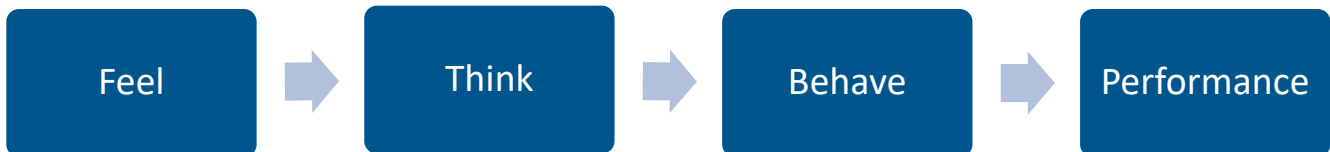
The Colours Tool you introduced was a game-changer for me. When we did the exercise on happiness and motivation, I reflected on where I started emotionally and where I ended up. I could see how much I'd moved on the scale—it was night and day. It has become clear to me how often my emotions have been driving my decisions and actions without me even realising it. It's been a blind spot, and I'm grateful for your guidance in helping me see it.

By the end of the session, you probabbaly noticed, I felt so much more calm and in control again—I even felt like smiling! My breathing was back to normal, and I left feeling so much lighter. I'm really looking forward to our next session and the Team Discovery Workshop for my team and me.

Thanks again for everything. The EBW Business EQ Assessment Feedback and the Colours Tool really worked wonders, and I'm excited to continue using it and working with you."

Why Does Business Emotional Intelligence Make A Difference?

In a nutshell, people who are able to understand the relationship between the way people feel, think, behave and their performance, and importantly act on it, are more successful.



This is not new, there is a vast range of research literature that suggests strongly that high levels of Emotional Intelligence, as displayed behaviourally in the workplace, leads to improved:

1. Leadership and Decision-Making
2. Enhanced Team Performance
3. Customer Relations and Sales
4. Resilience and Adaptability
5. Employee Retention and Talent Development
6. Diversity, Culture and Ethics
7. Financial Performance

Improved Leadership and Decision-Making

Many organisations face significant challenges because leaders will make decisions without fully understanding their impact.

Leaders who lack Business Emotional Intelligence struggle to manage their own emotions and understand the behaviours of those they lead. This results in poor decision-making, increased conflicts, and a toxic work environment where employees feel disengaged and undervalued.

A study by the Center for Creative Leadership found that 75% of careers are derailed due to issues related to emotional competencies. These issues include an inability to handle interpersonal problems, poor team leadership during conflicts, or difficulty adapting to change.

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Leaders who use their Business EQ on the other hand, demonstrate greater self-awareness and self-regulation.

They can recognise their emotional biases and manage stress effectively, leading to more balanced and inclusive decisions.

Moreover, their empathy enables them to consider diverse perspectives and emotions, fostering open communication and understanding. As a result, their decisions are better aligned with business goals and employee well-being, which reduces conflicts and enhances team cohesion.

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I was extremely pleased with the EBW sessions as I found the clarifications and explanations given by Jill (EBW Business EQ Partner) to be extremely thorough, clear and useful. She helped me tremendously in highlighting how my trust in others and "hold back" attitude could lead to misunderstanding and how I could be much more assertive and influential.

Changing the nature of how leaders communicate and work with others can be the single most powerful way a business can bring about performance breakthroughs.

Enhanced Team Performance

When change is happening teams often grapple with communication breakdowns, unresolved conflicts, and poor collaboration. These issues lead to decreased productivity, lower engagement, frequent misunderstandings, and high turnover rates.

Research by Vanessa Druskat and Steve Wolff found that teams with high Emotional Intelligence outperform others by up to 20% on various performance metrics.

Additionally, a study published in the Journal of Organisational Behaviour revealed that teams with higher collective Emotional Intelligence exhibited better cooperation, trust, and task performance.

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by up to 20%*



Building Business Emotional intelligence equips team members with the skills to navigate interpersonal dynamics effectively.

Individuals who use their Business EQ are adept at recognising and managing their emotions, reducing the likelihood of conflicts escalating.

Business EQ fosters open communication, enabling clear expression and active listening, which leads to a more collaborative environment.

“

We arrived at a far deeper understanding of the reason for our own, and each other's emotional needs and triggers.... [and] learned how to flex behaviours in those situations to get the best outcome for the Board and our respective teams.

Building Business Emotional Intelligence in teams encourages the free flow of ideas, drives innovation, and facilitates efficient problem-solving. Moreover, these teams are more adaptable, responding to challenges and changes with resilience and a positive attitude.

Customer Relations and Sales

Not surprisingly sales teams who don't invest in their Emotional Intelligence struggle to connect with customers, resulting in missed opportunities. They fail to understand customer needs, leading to poor relationships, lower satisfaction, and decreased loyalty.

Research published in the Leadership & Organisation Development Journal found that Emotional Intelligence (EI) accounts for a significant portion of job performance, with Emotionally Intelligent leaders and salespeople consistently outperforming their peers.

Studies show salespeople who use their EI close 37% more sales than those who don't and research in the Journal of Consumer Research highlights that Emotionally Intelligent employees are more adept at understanding and influencing customer emotional behaviour, leading to better sales outcomes.

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Employees who invest in their Business Emotional Intelligence are able to “read people” and respond to customer needs, building stronger and more trusting relationships.

Sales professionals who use their Business EQ are able to anticipate objections, respond with empathy, and tailor their approach to meet the specific emotional needs of each customer..

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I thought I understood the concept of Emotional Intelligence but understanding my own Business EQ and learning how to apply it by practicing, learning when to pause, ask questions and finding out how to really understand our stakeholders' needs to see if we can deliver what they want has made this course really a great investment

People with Business Emotional Intelligence will foster a better customer-centric approach that drives higher sales and greater customer loyalty, enhancing overall satisfaction and fostering long-term relationships.

Resilience and Adaptability

Organisations who don't invest in Emotional Intelligence training will have people who struggle to adapt to change or manage crises effectively. People's resistance to change increases their stress levels and their crisis management become chaotic, leading to a loss of organisational resilience.

According to a report by the American Psychological Association, 75% of people identify the workplace as a significant source of stress, which can be exacerbated by poor Emotional Intelligence in leadership.

However, Harvard Business Review reports that organisations with high levels of Emotional Intelligence are 40% more likely to successfully adapt to change.

People with Emotional Intelligence are 40% more likely to successfully adapt to change.



Business Emotional Intelligence enhances resilience by enabling individuals and organisations to understand and manage their stress and uncertainty more effectively.

Employees who use their Business EQ can regulate their emotions, stay calm under pressure, and maintain a positive outlook, making them better equipped to cope with change.

In crisis situations, leaders who have Business Emotional Intelligence are able guide their teams with clarity and empathy, reducing panic and ensuring a more coordinated and effective response.

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I found undertaking the EBW assessment refreshing and insightful. I would recommend this exercise and coaching process for all leaders hoping to better their leadership style and indeed themselves as a person.

Investing in Business Emotional Intelligence fosters a growth mindset, which builds resilience, encouraging people to be more adaptable by helping them understand how challenges might be opportunities for learning rather than threats.

Employee Retention and Talent Development

High employee turnover occurs when team members feel undervalued and unsupported. Organisations that do not prioritise Emotional Intelligence training frequently lose top talent and struggle to develop future leaders, hindering long-term growth.

A study by Gallup found that employees who feel their managers are Emotionally Intelligent are four times less likely to leave their jobs than those who do not.

The Society for Human Resource Management (SHRM) reports that companies with Emotionally Intelligent leadership have a 60% lower turnover rate.

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Leaders who recognise and address the emotional needs of their teams, can reduce stress and burnout, leading to higher job satisfaction and lower turnover rates.

Business Emotional Intelligence plays a critical role in talent development by fostering an environment where feedback is given constructively, and employees are encouraged to grow and develop.

Leaders with Business Emotional Intelligence serve as better mentors and coaches, nurturing the next generation of leaders within the organisation.



The value of leaders Emotional Intelligence during COVID-19 cannot be understated. I've seen struggling companies switch trajectories through their ability to adapt to rapidly changing demands of the pandemic world.

Leaders who use their Business Emotional Intelligence know how to develop talent, by building on people's motivational drivers and creating a supportive and engaging work environment where employees feel valued and understood, so are less likely to leave.



Diversity, Culture and Ethics

Organisations that lack Emotionally Intelligent leaders face significant challenges, such as a toxic culture, unchecked unethical behaviour, a lack of diversity and low employee engagement. This not only damages employee morale but also poses potential legal risks related to discrimination and unethical practices.

A study published in the *Journal of Business Ethics* revealed that companies with Emotionally Intelligent leaders are three times more likely to foster ethical behaviour and integrity among employees.

Research by McKinsey & Company concludes that organisations with Emotionally Intelligent leaders are significantly more successful in building diverse and inclusive workplaces, which are 35% more likely to achieve above-average financial returns.

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Leaders who use their Business EQ are more adept at understanding their biases, promoting diversity, respect, empathy, and open communication, creating an environment where employees feel safe, valued, and motivated to contribute their best work.

These leaders are attuned to their own emotions and the emotions of others, enabling them to make ethical decisions that consider the broader impact on the organisation and society.



*In my opinion Emotionally Intelligent leaders
are the cornerstone of an ethical and inclusive workplace.
Their ability to empathize, communicate, and lead with integrity fosters
a culture where diversity thrives, ethical behavior is the norm,
and every employee feels valued and empowered
to contribute their best.*

Leaders with strong Business EQ are better equipped to navigate complex interpersonal dynamics, promote diversity, and drive sustainable success, ultimately enhancing employee engagement and safeguarding the organisation's integrity.

Financial Performance

Not surprisingly inefficiencies, high turnover, and poor leadership negatively impact an organisation's bottom line. Companies that lack Emotionally Intelligent leadership miss out on the financial benefits associated with strong Business EQ, such as increased productivity and reduced costs related to conflict and turnover.

A study by the Consortium for Research on Emotional Intelligence in Organisations found that Emotionally Intelligent companies outperform their peers by 20% in key financial metrics.

Companies with Emotional Intelligent leadership have been shown to generate 34% more profit growth than those without.

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The bottom line is leaders who use their Business EQ are better at managing their teams, reducing turnover, and fostering a positive work environment that drives innovation and efficiency.

They produce Emotionally Intelligent organisations that are more resilient, adapt better to market changes and navigate crises effectively, which helps maintain financial stability. The cumulative effect of these factors is a stronger bottom line and a competitive edge in the market.

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I've personally seen a real step change in my executive team since we undertook the EBW training, especially in how they engage with each other. We've also seen our time to excellence decrease which has resulted in positive impact to the bottom line.

Investing in Business Emotional Intelligence is crucial for financial success, as it enables leaders to drive productivity, reduce turnover, foster innovation, and outperform competitors, ultimately leading to greater profit growth and long-term stability.

Conclusion

For organisations, investing in Business EQ is crucial for enhancing leadership effectiveness, boosting team performance, fostering a positive and ethical culture, driving customer satisfaction, and improving financial performance.

If you are a leader or a manager, developing Business EQ is key to personal and professional growth. Whether in a leadership role or as a team member, the ability to recognise and manage key emotional behaviours – both your own and those of others—will significantly enhance your effectiveness in your role.

By building your Business EQ, you will make better decisions, build stronger relationships, increase your resilience, and contribute more meaningfully to your organisation's success. Ultimately, Business EQ will serve you as a powerful tool for achieving greater satisfaction and success in your career.

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