

### **EQ + IQ: The Power Source of Top Leaders**

- Marcia Hughes and James Terrell

Harvard Business Review has just published more research that powerful leaders practice holistic thinking.

“This is an important meeting; I want you all to leave your emotions at the door.  
We must make good decisions today.”

Ever heard that one or something close? Not only is it impossible – it’s terrible advice! Recent research published by HBR points to an incorrect separation many make by acting like there’s a big difference between strategy and execution. They attribute much of this mistake to people viewing “strategic reasoning as a high-level executive function of the brain and tactical thought as a discrete, lower-level activity.” However, they explain that the two kinds of thinking are linked in an important way because “*both draw considerably on social-emotional reasoning*, particularly in the brains of the most adept strategic thinkers. Indeed, strategic thought entails at least as much emotional intelligence as it does IQ.”

Let us repeat this key point:

*Strategic thought entails at least as much emotional intelligence as it does IQ.*

That’s the reason the heart of our work is in building emotional intelligence in teams and leaders so they can make effective strategic decisions.

In their article published by HBR <http://hbr.org/2010/09/when-emotional-reasoning-trumps-iq/ar/pr> “When Emotional Reasoning Trumps IQ” Roderick Gilkey, Ricardo Caceda, and Clinton Kilts describe insightful research that strongly supports the recognition we emphasize: holistic thinking – IQ + EQ = the most effective strategic thinking and execution processes. Good managers integrate their thinking to be powerful strategists. Their research summary is compelling so we’ll quote it:

In a recent study we conducted with Diana Robertson and Andrew Bate of the Wharton School, we asked managers in an executive MBA program to react to fictional strategic and tactical management dilemmas and measured their brain activity using functional magnetic resonance imaging, or fMRI. Instead of simply identifying which parts of the brain “lit up” in response to particular tasks, we looked at how the brain regions were interacting.

The area of the brain people tend to associate with strategic thought is the prefrontal cortex, known for its role in executive function. It allows humans to engage in anticipation, pattern recognition, probability assessment, risk appraisal, and abstract thinking. Those abilities do help managers solve problems. However, when we examined the best strategic performers in our sample, we found significantly less neural activity in the prefrontal cortex than in the areas associated with “gut” responses, empathy, and emotional intelligence (that is, the insula, the anterior cingulate cortex, and the superior temporal sulcus). In other words, the conscious executive function was downplayed—while regions associated with unconscious emotion processing operated more freely.

What’s more, the strongest performers’ tactical reasoning relied not only on the insula (associated with emotional processing) and the anterior cingulate cortex (crucial for making new choices based on the assessment of past outcomes). It also engaged the part of the brain (the superior temporal sulcus) associated with parsing sensory stimuli and anticipating other people’s thoughts and emotions—for instance, understanding how action plans would be received by the workers charged with implementing them.

There are several medical terms in their explanation, and that is a very good thing. We need to be able to understand why a shift is required in the way business schools and organizations train and expect good decision-makers to act.