

WHITE PAPER

The Leader, Communication & High Performance

Emotionally intelligent leaders communicate differently

The Leader, Communication & High Performance

Emotionally intelligent leaders
communicate differently

Introduction

For a very long time, managers have been educated and encouraged to be distant and aloof. Traditional management training instructed managers and leaders they cannot be the workers' friend. To some degree this tutelage is reasonable. It is difficult to make tough decisions or implement discipline with a group of friends. However, does this mean contemporary leaders should be emotionally disconnected from the workforce they lead?

Many organisational cultures and leaders still subscribe to the myth that if we sever the heart (vulnerability and other emotions) from our work, we'll be more productive, efficient, and (don't forget) easier to manage.¹

Since the establishment of management at the turn of 20th Century, change has evolved faster and more deeply in society and work. Henry Ford and Frederick Taylor perfected the physical and emotional separation of managers and workers in the development of the assembly line technique of mass production.

In the decades since Ford and Taylor, with the rise and rise of service industries, the revolution of products as a service, compulsory education, advancement of human rights, the changing education, expectations, and demands of generations of workforces; the distant, aloof role of managers is changing, albeit that some continue to experience this disconnected, command and control environment. NSC Group's recent surveying of over 600 employees indicates that that emotionally disconnected, aloof managers is a real world, lived experience for far too many employees. Is it acceptable in the 21st Century for managers and leaders to direct workers without any recognition of the workers' or manager's emotional state? Does emotionally disconnected management achieve corporate stakeholders' performance outcomes?

What, if anything, about the way people are leading today needs to change in order for leaders to be successful in a complex, rapidly changing environment where we're faced with seemingly intractable challenges and an insatiable demand for innovation?

We need braver leaders and more courageous cultures.¹



In this Whitepaper, we will gather and review contemporary research from a range of sources to better understand leader communication and its influence on employees and organisational performance. It is our hypothesis that leadership has a substantial and enduring impact on employee engagement and performance by directly influencing deep human emotive states of vulnerability, whole-heartedness, and trust through the leader's ability to resonant with employees.

In our 2021 whitepaper on High Performance,² we noted that the achievement of organisational high performance is not a single process. It is a system of multiple processes that work in harmony to create an environment in which engaged employees deliver excellence in human performance and drive exceptional organisational outcomes. In creating high performance environments, it is best to take a systems view to organisational and human performance. A systems view considers that all organisations are a system and that it is possible to model the interaction of the processes in the system to produce a level of performance.³

We have adopted systems thinking philosophy to our work when considering the operationalisation of high performance. Consequently, to understand the achievement of high performance fully, we approach the role of the leader and communication from a systems thinking perspective with the intention of understanding what impact does leader communication have on the achievement of organisational high performance.

Word, Deed & Emotion

For many of us, throughout our formative years, we heard the phrase “Do what I say!” It probably also implied “*not what I do*”. The instructive phrase speaks to the power and influence of the leader’s word. The word of a leader is very influential on the behaviour of followers. Daniel Goldman, et al in their work *Primal Leadership*³ spoke to the primordial role of leaders through communication to provide assurance and clarity to the group when faced with uncertainty or threat. However, the word of a leader does not operate in isolation, it is directly connected to leader emotions and subsequently the word is often a transmission mechanism of the emotion (along with non-verbal communication). The influence of the leader’s word and emotion on a group is due to the open-loop character of the human limbic system, the emotional and behavioural response centre of our brain. The limbic system operates as an open-loop meaning it relies on interpersonal regulation, that is, external sources of emotion to regulate itself. Our emotions are influenced by other’s emotions, and in work particularly, the leader’s emotions inform us on how to respond to a given circumstance. This system is automated and unless we concentrate, we will not notice its operation.

A clear example of the limbic system in operation is a conversation between two people where within 15 minutes, their cardiovascular systems align, that is breathing and heart rate *mirror* each other^{4,5}. Emotionally, we do the same as the conversation develops, we smile or laugh at the same time, and we copy each other’s physical body positioning. Researchers have noted the power of the open-loop limbic system mirroring in experiments with a group of strangers sitting facing each other in silence where the most emotionally expressive individual transmits their mood to the others within minutes.

The impact of the limbic system on the transmission of the leader word, deed and emotion is substantial. Leaders do more than communicate content. They communicate how we should understand, feel about, and act upon the information we have been given. An emotionally expressive leader does not need to speak to transmit emotion to the follower group. Just being in proximity is enough.

Consequently, leaders speaking enthusiastically about organisational change in a clear, open, and transparent manner will reduce employee anxiety and resistance to the change, and positively influence early adoption of the new processes. The reverse is also true. Leaders have the ability to do significant good or damage by the transmission of their emotions.

It is important to state, that humans are very good at detecting fakes. Hence the importance of the clear, open, and transparent communication.

Large corporations in Australia have recognised the value of emotionally connected leaders being skilled in emotional intelligence with significant results including Telstra, Carlton & United Breweries, Woodside Petroleum, and ANZ Banking Group. Over a ten year period, Telstra invested heavily in emotional intelligence education of its leaders to improve customer experience and project management outcomes.



Vulnerability , Wholeheartedness & Trust

In the NSC Group High Performance Model^{©2} which demonstrates how the critical elements of the Model interact to deliver high performance, we defined Enterprise Leadership as authentic people-centred leadership which fosters enterprise-wide collaboration and communication through sound, respectful relationships. Enterprise Leadership Principles are critical behaviours that nurture and enhance high performance. Principle 4 is *Authentic, People-centred Leadership in which leaders are expected to genuinely care about, and develop their people. Authentic, People-centred Leaders are inspirational role models who encourage their people to actively and emotionally engage with the organisation. They promote teamwork, personal responsibility, learning and growth, achievement, and commitment to the organisation.*

We think that you will agree that it is rather difficult to deliver on all these expectations and remain emotionally disconnected, distant, and aloof.

To truly care for their people, an authentic people-centred leader must be emotionally connected to their people, but there must be boundaries. We are not advocating that leaders need to be weak, wishy-washy, and emotive. Emotional connection does not diminish the leaders responsibility to achieve strategic outcomes, be decisive, and lead by example.

To be emotionally connected, brave leaders, we must deal with vulnerability. It is a word that most people would prefer to avoid. An old friend and client, Jim Atteridge whose career included being the CEO of several local government organisations in Queensland and Victoria had a powerful adage, in my vulnerability is my strength. He was referring to making himself vulnerable as a leader to build authentic, strong, transparent relationships with his people that delivered higher performance. Jim certainly lived by this adage and I witnessed him on many occasions be exceedingly brave to make himself vulnerable with powerful people.

However, being vulnerable is a waste of time without wholeheartedness. Being vulnerable, positions the leader to have open, transparent, and at times difficult conversations with their people. To enable a benefit to come from the honest, vulnerable conversation, the leader needs to remove the self-interest protection that we use to stop ourselves being hurt. Put aside the armour (a Brené Brown term), and allow the whole person, our whole humanity – not just the distant and aloof manager, to join the conversation. Be aware, it is not only the leader who is being vulnerable in this situation. The employee is making themselves extremely vulnerable in delivering difficult, constructive criticism. They have fears as well that the feedback will not be received well; being so open may damage their chances at promotion or development; and that the leader may now isolate and ostracized them.

Vulnerability and wholeheartedness are tough but the personal and organisational benefits are substantial.

We need trust to be vulnerable, and we need to be vulnerable in order to build trust.¹

In Brené Brown's work, the participants of the research described trust as slow-building, iterative, a layered process that occurred over time. Building trust and being vulnerable involve risk.¹ The cumulative results of Brown's study indicated that trust is built in the small moments in conversation with another person through paying attention, listening, and gestures of genuine care and connection.¹

In my book *Never Before* (2021), I wrote about the in-between moments being *short periods of time between the big, important stuff we do. Often considered insignificant and unimportant moments but could they be influential and even seminal in the forming of culture?*

The in-between moments not only inform an observer about the microculture, but they are the building blocks of the microculture. In these in-between moments allegiances and friendships are formed; it is the in-between moments that encourage or discipline a new team member, and it is from the in-between moments that the microculture takes on intent and purpose.¹⁴

It is during the in-between moments that opportunities for trust to be formed and grow or to be depleted depending on the behaviour of the individuals. Leaders during their in-between moment conversations have a significant opportunity to build and grow trust through vulnerability and wholeheartedness.



Resonance

In many ways, the traditional, command and control management style is easier. However, unfortunately, a substantial volume of leadership research indicates that it is decidedly ineffective.

In general, the more emotionally demanding the work, [such as nursing, policing, or aged care] the more empathic and supportive the leader needs to be. Leaders drive the service climate and thus the predisposition of employees to satisfy customers.⁶

We now understand that leaders communicate substantially more than content when they speak. Indeed, because the workforce watch their leaders carefully, the leader is communicating by their mood, and behaviour, as well as speech. Additionally, we know for a leader to be truly authentic and people-centred they must be emotionally connected to their people which requires vulnerability and wholeheartedness. This is a significant amount of behaviour of which the leader must be self-aware and deliberate. How do the Enterprise Leaders deal with these demands?

Enterprise Leaders understand the value of developing a set of skills and making them habitual, so they don't need to be focusing on the process rather than focusing on the person. Good leaders resonate with their people.

We mentioned earlier the Enterprise Leadership Principles. Principle 5 states *Enterprise leaders are emotionally intelligent leaders who are in touch with those around them, interpersonally connected in thought and emotion. Acting with emotional clarity, emotionally intelligent leaders understand and regulate their emotions to build strong, authentic relationships based on trust.*

To resonant with others, is to be aware of your emotions and the emotions of others. To actively choose to behave and communicate in a manner which is likely to be well received by others because it is matched to their emotions. And to consciously attune to their needs in an effort to also meet your needs. It does not mean we are sacrificing all else to meet the needs of others. It means we are choosing to deliberately act and communicate in a manner which validates others and in doing so our communication efforts are likely to be interpreted as collaboration than command and control.

When Enterprise Leaders resonate with their people, they do so through emotional intelligence, to influence themselves and others in specific ways. They:

- Manage their emotions.
- Read the emotions of individuals and groups accurately.
- Consciously attune to people.
- Choose to validate others regardless of their behaviour.
- Focus on the common cause.
- Build a sense of community.
- Create a climate which enables people to be passionate.
- Craft a common cause.
- Optimistic and realistic simultaneously^{7,8}.

Leaders create workplace climates, the work team precursor to organisational culture. The positivity or negativity of the climate depends on the leader.⁹ Enterprise Leaders create positive climates which frame a potential, attractive future. They do this through the behaviours listed above. They understand the basis of human motivation and organisation. We choose organisation above working independently because we understand the principle of synergy. That is, we are capable of achieving more together than the sum of our individual efforts. Additionally, we are motivated to do a good job because we want to be part of an organisational effort that achieves greatly. Enterprise Leaders utilise emotional intelligence to focus on these attributes of humanity because they want these outcomes too and they are motivated to help others to achieve collectively.

Performance

Ultimately, organisations want to and need to achieve higher levels of performance. The competitive nature of private industry requires continual growth in performance for sustainability and success. However, similar demands for higher performance are experienced in public organisations, as well as not for profit and for purpose enterprises. The need to contain costs, maximise own-source revenue, stretch public revenue, and deliver profits or surpluses for a rainy day are ubiquitous experiences of all forms of organisation. So too is the determination to improve the performance that can be delivered through a limited source of resources. The media and social media have an insatiable appetite for stories of organisations' quest for higher performance and the methodologies that they applied to achieve this result.

As we know from the 2021 whitepaper on High Performance,² there is a recipe to achieve higher performance, but it will be instructive to look at the contribution leadership makes directly to this cause.



From our exploration in this paper, we are now aware of the contribution of leadership to workplace climate through word, deed, and emotion.

Workplaces have a mood. The mood generated in an organisation comes from the top. The leader's set the organisation's tone.⁹

The contribution of vulnerability, wholeheartedness, and resonance creates a positive, future-focused climate which is motivating and inspiring. However, it is not wishful or sugar-coated. Emotionally intelligent leaders, Enterprise Leaders, understand how to achieve higher performance which delivers on the positive, future-focused vision. These leaders make themselves vulnerable however with boundaries. They are not directly focused on employee satisfaction, it is not their aim to make everybody happy, because they understand there is no correlation between satisfaction and high performance. Building a country club, a nice place to work but nothing ever gets done, is a fools errand. Enterprise Leaders communicate clearly that this endeavour is about hard, rewarding work; it is a collective, but it is psychologically safe; respectful; and acknowledges experience and knowledge.

Now we have results from a range of industries that link leadership to climate and to business performance.⁶

Applied research is providing significant results supporting the links between leadership behaviour, workplace climate, and organisational performance. A study in a global food and beverage company indicated positive increases in workplace climate predicted annual revenue growth in major divisions of the company. Research on the predictive capacity of climate to determine business performance was undertaken in nineteen insurance companies across USA. In 75% of the subject businesses, climate was accurately used to determine the position of the companies' ranking highest to lowest on dependent variables of profit and growth.

75% of the subject businesses, climate was accurately used to determine the position of the companies' ranking highest to lowest on dependent variables of profit and growth.

Due to the systems nature of organisations, there are many variables which influence high performance. Consequently, workplace climate is one of those variables. Research has indicated that climate does account for 20% – 30% of organisational performance.⁶

Furthermore, approximately 50% – 70% of climate's influence on business performance is the result of leadership communication and behaviour.¹²

Leaders' emotional states and actions do affect how the people they lead will feel and therefore perform. How well leaders manage their moods and affect everyone else's moods, then, becomes not just a private matter, but a factor in how well a business will do.¹³

The attractiveness of performance improvements that are available to Enterprise Leaders who positively influence workplace climate is clear. What can leaders who aspire to be contemporary Enterprise Leaders do to achieve these outcomes?

Successful Enterprise Leaders understand a number of truths and critical behaviours which deliver high performance:

- Enterprise leaders understand that all behaviour happens for a reason, and their response to behaviour must always be validating even though the behaviour may be unreasonable. Emotional control and patient listening is a must.
- Enterprise leaders are emotionally intelligent leaders who are in touch with those around them, interpersonally connected in thought and emotion. Acting with emotional clarity, leaders understand and regulate their emotions to build strong, authentic relationships based on trust. Emotional intelligence skills can be learnt.
- The continuous building of trust is critical to high performance. Trust must be respected.
- Without vulnerability there is no trust. Enterprise Leaders acknowledge the need to make themselves vulnerable through open, honest, transparent communication which does not break established confidences, and which is not focused on self-preservation. Vulnerability is a skill, it is learnt by having a go.
- Vulnerability must have reasonable boundaries. Enterprise Leaders know that conversations without boundaries which are ego-enhancing, or self-preserving are not vulnerable conversations, they are selfish. Putting my needs aside and tapping into the other person will help.
- Vulnerability without listening wholeheartedly is a waste. Truly vulnerable conversations may be tough. They may include constructive criticisms that the leader needs to hear. It requires us to be wholehearted, accept the criticism, and act upon it. Lack of wholeheartedness is self-preservation. We are not perfect, attempting to preserve this myth is a waste of time.
- Finally, Enterprise Leaders are humble, and they possess recovery skills. They know when they have failed to live up to the Enterprise Leadership Principles. They are capable of a wholehearted apology and recovery of the lost trust. Apologies are difficult but putting our ego aside and sincerely apologising will go a long way to recovering the lost trust.



Conclusion

Our aim in writing this Whitepaper was to gather and review contemporary research from a range of sources to better understand leader communication and its influence on employees and organisational performance. The amassed research and studies through the references have supported the hypothesis. Vulnerability, wholeheartedness, and trust are directly influenced by leadership through communication. Enterprise Leaders through their ability to resonant with employees establish trust which establishes substantial and enduring positive impact on employee engagement and performance.

Some of the teachings of traditional management have not been lost. Authentic, people-centred leaders are not going to become the workers' best buddy. A new focus on vulnerability and wholeheartedness does not mean leaders will become weak, wishy-washy, and emotive. They are still required to achieve strategic outcomes, be decisive, act promptly on inappropriate conduct, and to deliver bad news. With the understanding of the substantial gains on offer by being emotionally connected to the workforce, contemporary Enterprise Leaders will not return to the traditional management era of emotional disconnectedness.

The authentic, people-centred Enterprise Leader that we established as critical to the achievement of high performance in our 2021 whitepaper on High Performance,² has been given deeper meaning through the exploration of leader communication. We have learnt that it is more important how a leader communicates than what they communicate. Our understanding of how Enterprise Leaders communicate and build trust with their people reinforces the importance of contemporary, quality leadership to the achievement of employee engagement, and organisational culture and performance.

Nicholson Sheehan Consulting

We are management consultants specialising in high performance organisational systems, strategic branding and marketing, research and analytics, and business planning and advice. We have advanced skills in enterprise leadership and agility, disruption, change management, mergers and acquisitions, work health & safety, organisational reviews, remuneration, and human capital management consulting.

Our consulting experience includes working with a range of industries including Local, State and Federal Government; Finance & Banking; Health (private & public); Aviation & Airlines; Community Care enterprises; Mining & Resources; and Hospitality. We have worked with significant organisations in Australia, Asia, the Pacific, Middle East, and Europe to create better outcomes.

NSC offices are located in Brisbane, Sydney, and Darwin Australia. Our directors are available for no obligation discussions to determine how we may assist your organisation.

Book an appointment +61 1300 870 276
www.nsc.com.au



©2023 NSC Group

NSC High Performance Operating Model®, High Impact High Performance: NSC High Performance Operating Model Whitepaper® and The Leader, Communication, and High Performance: Emotionally Intelligent Leaders Communicate Differently Whitepaper® are the intellectual property of Nicholson Sheehan Consulting IP Pty Ltd (NSC Group) protected by copyright laws in Australia and internationally. This property may not be used, copied, or altered in any way without the express written permission of Nicholson Sheehan Consulting IP Pty Ltd.

References

1. Brown, B., 2018. Dare to Lead: Daring greatly and rising strong at work. Penguin Random House: London, UK.

2. NSC Group, 2021. High Impact High Performance: NSC High Performance Operating Model© Whitepaper. Nicholson Sheehan Consulting IP Pty Ltd.

3. Bulinska-Stangrecka, H., & Iddagoda, A., 2020. The relationship between inter-organizational trust and employee engagement and performance. Academy of Management, Vol. 4, No. 1, 8-25.

4. Levenson, R., Personal communication. University of California at Berkeley.

5. Friedman, H., and Riggo, R., 1981. Effect of individual differences in nonverbal expressiveness on transmission of emotion. Journal of Nonverbal Behaviour, 6, p32-58.

6. Goldman, D., Boyatzis, R., and McKee, A., 2002. Primal Leadership: Realizing the Power of Emotional Intelligence. Harvard Business School Publishing: Boston, USA.

7. Boyatzis, R., and McKee, A., 2005. Resonant Leadership. Harvard Business School Publishing: Boston USA.

8. Covey, S.M.R., 2022. Trust & Inspire: How Truly Great Leaders Unleash Greatness in Others. Simon & Schuster: London, UK.

9. Stein, S.J., 2017. The EQ Leader: Instilling Passion, Creating Shared Goals, and Building Meaningful Organizations Through Emotional Intelligence. John Wiley & Sons, Hoboken, USA.

10. Mc Clelland, D., 1998. Identifying competencies with behavior-al-event interviews. Psychological Science. No. 9, 331-339.

11. Williams, D. , 1995. Leadership for the 21st Century: Life insurance leadership study. LOMA/Hay Group: Boston, USA.

12. Klener Jnr, S.P., Rivers, C.A., and O'Connell, K.H., 1996. Managerial Style as a Behavioral Predictor of Organisational Climate. McBer & Company: Boston, USA.

13. Ashkanasy, N.M., and Tse, B., Transformational leadership as management of emotion: A Conceptual Review, in Ashkanasy, N.M., Hartel, C.E., and Zerbe, W.J., 2000. Emotions in the Workplace: Research, Theory and Practice. Quorum Books: Westport, USA.

14. Sheehan, P.S., 2021. Never Before: Surviving Pandemic Impact on Worklife and Business. Christine Robinson Global: Adelaide, Australia.

15. CEB, 2004. Driving performance and retention through employee engagement. CEB Inc.: Arlington, USA.

16. CEB, 2015. Transform leadership: The new model for leader impact. CEB Inc.: Arlington, USA.



17. Insync Surveys, 2013. Seven organizational habits that drive high performance. Insync Surveys: Sydney, Australia.

18. Harter, J., Schmidt, F., & Hayes T., 2002. Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. Journal of Applied Psychology, Vol. 87, No. 2, 268-279.

19. Iddagoda A., Opatha H. H. P., Gunawardana, K. (2015), Employee engagement: conceptual clarification from existing confusion and towards an instrument of measuring it. 12th International Conference on Business Management (ICBM).

20. Kaliprasad, M., 2006. The human factor II: Creating a high performance culture in an organisation. Cost Engineering: Jun 2006.

21. Sorenson, S., 2013. How employee engagement drives growth. Gallup Workplace: Washington, USA.

22. Wolf, J., 2008. Health care, heal thyself! An exploration of what drives (and sustains) high performance in organizations today. Performance Improvement, Vol. 47, Issue 5: Wiley.

23. Addison, R., and Haig, C. The performance architect's essential guide to the performance technology landscape, in Pershing, J.A., 2006. Handbook of Human Performance Technology. Pfeiffer: San Francisco, USA.