

Emotional Intelligence & Risk Taking: An Executive Group Case Study

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An executive group, interested in their levels of emotional intelligence and their levels of risk tolerance, completed the Emotional Quotient Inventory 2.0 (EQ-i 2.0; a measure of emotional intelligence) and the Risk Type Compass (RTC; a measure of risk personality).

During analysis of the group's results, connections between risk tolerance and emotional intelligence were found:

- Individuals with a higher risk tolerance tend to work independently, as well as tolerate stress more effectively
- Individuals with a higher risk tolerance may also be more easily able to control impulsive behaviour
- The team lacked Excitable and Intense members (characterised by passion and expression). In parallel with this finding, it was noted that the group's lowest EI score is in Emotional Expression

Strengths of the Team

- Very resilient towards stress, optimistic and finds fulfilment in their activities
- Perspectives and expectations are grounded in reality
- Uses an evidence-based approach to overcome issues
- Fairly diverse mix of different comfort levels with risk

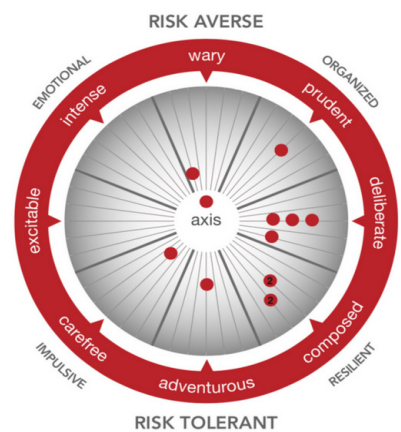
Areas for Improvement

- Risk tolerant members (those in the bottom half of the Compass) outnumber the risk averse members (those in the top half of the Compass). Contingency planning that often provides comfort to the Wary or Prudent executives may be overlooked
- As a result of missing Excitable and Intense executives, the team may not have overtly strong passion or emotions that are needed to rally others towards a common goal or decision
- May be unable to express their true opinion, especially if it contradicts what others feel

Suggestions for Improvement

- As one's approach to risk does not change over time, the lack of Excitable and Intense team members can be offset by having the existing members improve their Emotional Expression scores
- Before their next meeting, each executive should write down their thoughts and associated emotions about the decision at hand. For example, a Wary executive may feel that data suggests it would be better to delay a project, but feels nervous about the impact of the delay on the current sales forecast
- At the meeting, the team should hold each other accountable for expressing both pros and cons
- The variety of opinions may allow the group to consider perspectives which have been previously unexplored (such as those held by the small group of Wary and Prudent executives), and can lead to a decision that suits each leader and the organisation as a whole

**Risk Type Compass
Group Results (13)**



Note: A dot with the number "2" means that two executives overlap in their risk preferences.

EQ-i 2.0 Group Results (13)

