Jennifer, a hardworking business analyst, is having difficulty in getting her three-year-old daughter picked up from preschool. She has an important report to finish and has contacted a number of people, but they are all unable to help her. As a last resort she conveys her difficulty to her boss who responds: “I appreciate that you’re having a difficult time, but I really need you to get that report done.”

It often happens that business leaders are unable fully to appreciate employees’ needs. In Jennifer’s case, this response will inevitably lead to resentment. How much time is she going to spend on thinking about work for the rest of the day? Instead, she will be too distracted to finish the report accurately, which may cause further distress down the line. This is why developing social intelligence is so important for leaders.

The recent global economic recession rattled many South African businesses to the core. It has forced leaders into taking a position and reinforcing the basic underlying values of companies.

The bottom line used to be the only thing that truly mattered. However, a re-evaluation of the needs of the remaining pillar of organisations – the people who have borne the brunt of the turmoil – is making a fast come-back.

More specifically, it has become imperative for business leaders to possess competencies other than those related to looking after the balance sheet. Leaders need to understand the complex beings they employ.

Basil Leonard, associate professor extraordinaire of the University of Stellenbosch Business School (USB), believes today’s leaders need more than a good intelligence quotient (IQ) and emotional intelligence (EQ).

“People are far more than just their IQ score. They are complex beings.”

Professor Leonard, who is the academic head at USB Executive Development (USB-ED), maintains that in South Africa, IQ scoring only served to increase the rifts between racial groups. Work on emotional intelligence has been well-documented, but Leonard suggested adding a few more aspects to the evaluation of people. “These are social intelligence, physical intelligence and spiritual intelligence,” he says.

According to Leonard, social intelligence is the ability to get along with people in general, knowledge of social matters and sensitivity to stimuli from other members of a group. “Meanwhile physical intelligence concerns the ability to listen to our bodily needs and to make the physical dimension of our lives as comfortable as possible,” he says. “If a member of staff is feeling physically ill, it is important to recognise that person’s need at the time, as it will affect his or her performance in some way.”

He further argues that spiritual intelligence, dubbed the ‘ultimate’ intelligence, is even more important. “It is the intelligence with which we balance meaning and value and place our lives in a wider context,” he says.

Kevin Henderson, a clinical psychologist, says it is imperative for business leaders to have these additional intelligences because of the nature of the world of work. “These intelligences can be seen as a function of emotional intelligence. As business leaders move into more strategic positions, an understanding of what is right and wrong and being able to act appropriately is tantamount to being effective,” he says.

Earlier this year, court papers revealed that South African Airways (SAA) had suffered a loss of R27.4 million at the hands of its former chief executive Khaya Ngqula because of wasteful expenditure. The airline would reclaim a sum of R30.8 million from Ngqula, who was fired by the SAA board in March 2009 for allegedly transgressing the company’s policies. This is just one example of how business leaders compromise themselves, and it calls for reassessment of the tenets of basic leadership.
“Moral intelligence is another kind of intelligence required by a business leader,” Leonard says. He believes moral intelligence links very strongly with absolute values. In the simplest terms, moral intelligence is the ability to differentiate between right and wrong. “In the SAA case, it appears there was a lack of moral intelligence.”

Simon Motsoeneng, an employee at life assurer Metropolitan, says there is a greater need for moral intelligence in the South African business landscape: “People’s notion of right and wrong forms over a period of time, and may differ from one society to the next. But being morally aware in a diverse work environment helped me to maintain my personal integrity and has also helped to build valuable interpersonal trust,” he says.

Leonard says there is also a need for cultural intelligence in the workplace: “In South Africa, in particular, we have seen different interpretations of moral and ethical issues where the only differences to be detected were cultural in nature.”

Tamra Velely, co-founder of public relations company Corporate Image, says cultural appreciation and moral certainty are two essential ingredients for long-term success: “By culture, I mean understanding individuals’ different cultures, but also building one within your own company which defines it and makes it a place people feel they belong.

Our cultural milieu means that our Muslim staff decorate Christmas trees, while our Anglican staff eat Eid delicacies. Understanding cultural difference means taking an interest and being both curious and respectful at the same time,” she says.

Henderson believes it would be detrimental for a business leader not to develop or test for these intelligences, given the diversity of the country’s population. “A lack of these intelligences can result in a negative impact on our success in business.”

But how can one test for these intelligences? “Most of these intelligences can be measured. Since they can be described as functions of EQ, most EQ assessments measure these constructs as well. To develop these intelligences, we have to start with the cornerstone EQ which is self-awareness,” Henderson says. “I have seen the benefit of these intelligences by observing how leaders who become mindful of their impact on people begin to choose different ways of being and behaving.”

Prof Basil Leonard facilitates the Emotional Intelligence elective on the USB’s MBA programme, as well as Leadership and related areas for USB Executive Development (USB-ED).