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## THE IMPORTANCE OF EMOTIONAL INTELLIGENCE IN BUSINESS LEADERSHIP AND DECISION MAKING

*(Semon Kaur)*

Let's be real — running a company or even working in one isn't just about deadlines, targets, or fancy titles. It's about people. And people come with emotions, stress, pressure, egos, and expectations. That's where Emotional Intelligence (EQ) comes in — not as a buzzword, but as a real, everyday survival skill.

Emotional intelligence (EQ) refers to the management of emotions which means conscious control over emotions, and it plays the key role towards the organisation as in employee, manager, departmental head, board of directors or CEO of the company.

To run a company or an organisation it requires a lot of patience, emotional stability, financial stability and hard work to meet the organisational goals. Also to understand the team, for the better outcome, EQ and communication works together as delegation of work which increases the firm's efficiency and effectiveness, it happens with the strong emotional intelligence. At its core, emotional intelligence is about managing your emotions and understanding others'. It means being aware of how you feel, controlling your reactions, and knowing how to respond — especially when things aren't going smoothly.

Whether you're an intern, a manager, the head of a department, or even the CEO — EQ is your backbone. You could be a genius on paper, but if you can't stay calm during chaos or deal with people respectfully, things start to fall apart.

Running a business (or just surviving in one) takes more than just intelligence or strategy. It takes:

- Patience
- Emotional stability
- Financial discipline
- And a hell lot of resilience

And when you're leading a team, it gets deeper. You need to listen, communicate clearly, and make people feel seen. Delegating tasks, resolving conflicts, or boosting productivity — all of it hinges on strong emotional intelligence.

Think about it:

- How do you make tough decisions without letting stress cloud your judgment?
- How do you motivate a tired team?
- How do you handle criticism without snapping?

EQ isn't soft — it's smart.

It builds better conversations, stronger relationships, healthier workplaces, and sharper leadership. It's what helps you make human decisions in a system that often forgets the human side.

At the end of the day, businesses are built by people — and people run on emotions. So the better we understand them, the better we lead.

Let's face it — leadership isn't just about calling the shots. It's about taking responsibility for people, outcomes, and even failures. And EQ shapes how you carry that weight. Sometimes, there are situations when the decision maker has some issue outside the organisation and is not able to make decisions. So, rather than taking stupid or quick decisions the matter of fact they try to avoid it by postponing it, or by taking more time. So the organization doesn't need to face the consequences.

**THE SILENT STRENGTH OF VULNERABILITY IN EFFECTIVE LEADERSHIP**

When the pressure hits — deadlines looming, clients snapping, investors breathing down your neck — it's EQ that stops a leader from exploding or panicking. It is actually the most powerful thing to stay resilient to work effectively and take a move forward towards the smart decision. Leaders with high EQ don't just rely on cold logics— they read the room first. They do listen and observe each and every person's perspective, emotion, and logic behind the problem, which reflects the pause before any decision. An emotionally intelligent leader holds the team together when things are falling apart.

They lead with calm, not chaos. They inspire trust not by being perfect, but by being emotionally available and mentally composed. Also a leader with a strong EQ reflects he doesn't lead with EGO, they lead with empathy. Which motivates the organisational team. When a leader understands and communicates with its team properly and shows a step forward towards them then they also work ten times better towards the organisation. They check in on their team, not just by asking “what's the report?” but “how are they holding up?” they recognise the burnout before showing up in their performance. It is their key aspect to holding back to motivate their team to keep them alive for the deadlines, so the leader have to stay clam, and to show some joyful nature so that only he could not understand its team but also to motivates them to be the support through appreciation or being honest for their work, so that the employees could enhance their outcome. EQ leaders shape the emotionally safe spaces, where employees have free will to speak up without being scared, to give their opinions, where they all grow, vulnerability, and do real conversations. And guess what? That kind of culture doesn't just feel good— it performs better. It reduces turnover, increases engagements, and attracts the kind of talent that doesn't just work— they care, like they are the owners of the organisation.

We have some people like Ratan Tata (Chairman Emeritus, Tata Group), Indra Nooyi<sup>1</sup> (Former CEO, PepsiCo), Satya Nadella<sup>2</sup> (CEO, Microsoft) and many more.

Ratan Tata<sup>3</sup> is known not just for business brilliance, but for deep compassion and empathy. During the 26/11 Mumbai attacks, he personally visited families of affected employees — no media, no PR stunt. Just humanity. That's EQ at work — in its purest form.

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1 Indra Nooyi

2 Satya Nadella

3 Ratan Tata

Indra Nooyi's leadership style was deeply rooted in EQ — she personally wrote thank-you letters to the families of her leadership team, acknowledging the role their families played in their success. That personal touch wasn't a PR move — it was authentic. Her emotional intelligence earned loyalty, trust, and long-term respect.

When Nadella took over as CEO, Microsoft wasn't just struggling with innovation — it was struggling with culture. Nadella focused on empathy-driven leadership, encouraging collaboration, emotional openness, and personal growth. He even made “empathy” a leadership KPI. Today, Microsoft is not just financially stronger — it's culturally healthier.

## **CONCLUSION**

People like Ratan Tata, Indra Nooyi, Satya Nadella are the great examples of the EQ like how they have made the culture in their organisations which shows the great impact on the world, through their products and emotions, EQ plays a vital role that we have understood above, not even in the organization, but also in human behaviour it brings acceptance in every situation and to control over emotions in every aspect of life. We see high EQ in our leaders just because we are mostly surrounded by them which impacts us the most example, teacher of students, TL of a team, Manager of a Department or CEO of an organization or firm etc etc, we all are surrounded by someone who commands us, and from whom we learn to behave, this is how it impacts us the most and teaches us at the first place about EQ. so, we always look over our surrounding people, with whom we are, and how they behave.