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THE IMPORTANCE OF EI IN MANAGEMENT

Abhipsa Pati

When people talk about management, the conversation almost always leans on numbers. Strategy, efficiency, quarterly targets; the parts you can measure and present. But anyone who has actually led a team knows the work is never just about spreadsheets. It is about people. And people bring more than skill to a job. They bring ambition, doubt, exhaustion, pride. Managing all of that well is what makes the difference between a team that survives and one that thrives. That is where emotional intelligence sits.

Emotional intelligence, or EI, is often defined as the ability to recognize and manage emotions in yourself and others. That description makes it sound soft and abstract. In reality, it is one of the hardest skills a manager can develop, and it shapes every part of leadership.

WHY EMOTIONAL INTELLIGENCE MATTERS

There are always two layers to management. One is technical: plans, systems, results you can quantify. The other is human: motivation, trust, the way a team responds under pressure. The technical side gets most of the attention because it is easy to track. The human side is harder to see but far more decisive. Satya Nadella understood this when he took over at Microsoft. The company was technically strong but internally divided. His first move was not a new product or a cost-cutting plan. It was a cultural reset built on empathy. He made listening a leadership expectation, encouraged vulnerability in management, and shifted the tone from internal competition to shared purpose. That shift in emotional climate unlocked the innovation that turned Microsoft around. The lesson was simple: emotional intelligence is not a “nice extra.” It is the ground everything else stands on.

DECISION-MAKING WITH PEOPLE IN MIND

We like to imagine decisions are made on logic and data alone. In practice, every big decision also runs through the emotional reality of the people who have to carry it out. Think of a major restructuring. On paper, the data may prove it is the right move. But if the team is burned out or fearful, the plan will fail in execution. A manager with high EI notices that undercurrent.

They do not avoid the hard call, but they frame it in a way that acknowledges what the team is feeling. They create room for questions. They adjust the pace so execution does not collapse the people executing it.

Paul O'Neill's tenure at Alcoa is a classic example. When he became CEO, his first priority was worker safety, not profits. At first, investors were baffled. But O'Neill understood something deeper: if workers saw that leadership valued their lives, it would build trust and discipline across the company. That trust became the foundation for massive operational improvement and, in the end, record profits. The strategy worked because it was emotionally intelligent.

CONFLICT AS A LEADERSHIP TEST

Every team has conflict. The question is whether it becomes corrosive or constructive. Managers without EI often rush to shut disagreements down, thinking they are preserving harmony. What they are really doing is burying the problem until it resurfaces bigger. Managers with high EI handle conflict differently. They listen for what is beneath the argument. Often, the real issue is not the stated disagreement but something unspoken: someone feels unheard, undervalued, or insecure. Address that layer and you do more than end the argument. You build trust. That trust becomes the glue that holds a team together in harder moments.

BUILDING EMOTIONAL INTELLIGENCE

The best part about EI is that it is not fixed. It is not a talent you are born with or without. It is a skill you can build deliberately. Managers who are strong in EI tend to share a few habits. They pause before reacting under stress. They listen for tone and silence as much as for words. They separate mistakes from intent and look for the why before they assign blame. They create a climate where people can speak honestly without fear of punishment. These are not abstract leadership theories. They are small, daily choices. Over time, they create a manager who feels steady to a team. That steadiness is what people lean on when the work gets hard.

COMPLIANCE VS. COMMITMENT

It is possible to get compliance without emotional intelligence. Authority and deadlines can push people to meet minimum requirements. But compliance has a ceiling. People will do what they must and nothing more. EI is what unlocks commitment. Commitment is when people care enough to bring their best ideas, to push through setbacks, and to stay engaged when the pressure is heavy. The gap between compliance and commitment is the gap between a manager who delivers numbers and a leader who builds something lasting.

THE IMPACT YOU CANNOT MEASURE ON A DASHBOARD

One reason EI gets overlooked is because it is hard to quantify. You will not see it in a P&L statement. But you can see its absence in disengagement, burnout, and silent turnover. And you can see its presence in teams that hold together under pressure, that adapt quickly, that grow stronger after setbacks. Bridgewater Associates, the hedge fund known for radical transparency, is a good example. Its culture of direct, open feedback only works because leaders at every level have the emotional intelligence to hold tension without breaking trust. The system looks like it runs on data and logic. In reality, it runs on EI.

CONCLUSION

Management is not only about systems and strategy. It is about people. Emotional intelligence is the skill that connects the two. Without it, you can hit targets in the short term, but you will burn through people to do it. With it, you build teams that adapt, recover, and sustain performance over the long term. Satya Nadella's Microsoft and Paul O'Neill's Alcoa prove it at scale, but the truth is simpler and more universal. Emotional intelligence is not a bonus trait for "people-oriented" managers. It is the foundation of leadership itself. Ask anyone who has worked under a leader with high EI and one without it. The difference is not subtle. One gets compliance. The other earns commitment. And in the end, that difference decides everything.