



CEO Newsletter

Insights. Informative. Thought Leadership.

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Leading for the Future with EI

Written by Mareike Walter-Paschkowski
Regional Manager Middle East & Africa, Logistics Executive Group

Various trends and developments force companies and organizations to rethink and refocus on how to attract and develop talent for the future. Below I would like to highlight 2 trends that will have an impact on most organizations and one fascinating way to approach this.

Industry 4.0 seems to be the current buzzword in the economic world, I mention this as it was a regular theme that was discussed when the top management of the 350 biggest companies around the globe were interviewed by the World Economic Forum in order to analyze the impact of recent developments in industrial automation. This as yet unpublished study predicts that due to increasing use of automation and the proceeding digitization of the working environment and processes the industrialized countries will lose 5 million jobs within the next 5 years. This will mainly affect jobs in offices or administrative positions with highly standardized duties, indicated by the fact that automation changes have already taken place in most factories and manufacturing plants. In contrast the study predicts that only 2 million new jobs will be created and the majority of these will require specialists in the areas of I.T. and technology. What we also see is that many companies still underestimate the importance of certain skills (i.e. change management, project management, communication and conflict management) it is essential to utilize this development in the best possible way. Businesses that are able to meet individual employee expectations will win the battle for talent in the future.

CHALLENGE NUMBER 1

Support current and future employees to gain the hard and soft skills needed to face the changes coming with the Industry 4.0.

CHALLENGE NUMBER 2

Create a comprehensive, forward looking HR strategy that respects the values and strength of individuals in their organization.

A **sustainable footprint** is more than ever on the agenda for organizations, companies and individuals. Faced with developments such as climate change, shortage of natural resources and a shifted awareness of clients and employees to more sustainable products & services, making a transition to a sustainable business presents significant opportunities. Companies that are ahead of the game, leading the way to embedded sustainability into the very core of their strategy and operations, are the ones most

NEWS

ALA MasterClass Malaysia

Commencing from October 2016. This 6 module Masterclass for ALA Diploma for Supply Chain Management & Operations will kick off in KL, Malaysia. HRDF certified. You number one pathway to a Diploma in Supply Chain with any 6 MasterClass! Slots are limited and registrations now open.

www.logisym.com/events/masterclasses/

Logisym Dubai 2016 Early Bird Tickets Now on Sale

Early bird tickets for Logisym Dubai 2016 Supply Chain Conference have now gone on sale. The event being held 22-23rd November 2016 is expected to attract 300+ delegates along with more than 50 local and international speakers and will tackle a number of key issues in the GCC region and look beyond 2020. Tickets can be purchase online at: www.logisym.com/events/logisym-dubai-2016/pricing-discounts/

Logistics Executive LinkedIn Group Tops 38,000

Logistics Executive's industry networking group on LinkedIn recorded another milestone in April by becoming one of top specialist groups with its membership exceed to 38,000 members. The Logistics Executive LinkedIn Group is quickly becoming the hub for global supply chain and logistics experts and is free to join.

www.linkedin.com/company/logistics-recruitment

likely to succeed in the face of current and future challenges. In 2005 the World Summit on Social Development identified 3 areas to focus on, including economic and social development as well as environmental protection. What we actually see today is that most companies and organizations still focus more on the economic and environmental aspect of sustainability. The social aspect is largely ignored and the impact widely underestimated. To get the most out of sustainability activities, companies will have to take all 3 areas of sustainability into account, as they are interrelated and as such influence each other.

CHALLENGE NUMBER 3

Implement and integrate a comprehensive sustainability strategy that generates a shift from “nice to have” to “business as usual”.

CHALLENGE NUMBER 4

Focus on the people aspect of sustainability even if its more difficult to calculate the business case behind these activities.

Taking all of the above into account, it can be safely assumed that the 21st century is an era of rapid modernization and change and this pertains to politics, the economy and increasingly towards social systems. Stability and predictability are factors we can no longer rely on in today's world. From a human resource perspective these developments create the need for urgent and fundamental change in the way we attract, manage and develop people.

Historically, IQ was the most important factor for a successful career. But today people and especially leaders need to develop many additional qualities which will enable them to effectively deal with stress, ever changing work processes and a lack of job security. In this new viral world, personal impressions make a difference, emotions and personal values have increasingly made their way into our professional and business lives.

That's why it's even more important to understand the dynamics of how and why some people handle change and challenges more successfully than others.

Many concepts have been evolved to explain what enables certain people to be more successful than others, and today's understanding is that **Emotional Intelligence (EI)** is one factor in this. Certainly this is not a new insight as the impact and processes behind EI have been widely examined over the last 20 years but facing Industry 4.0 as well as the trend into a sustainable business it might be the perfect time to have another look at what is really driving successful people.

WHAT IS EI?

Following Travis Bradberry and his book “Emotional Intelligence 2.0” (2009) there are 3 factors that make a person “tick”. IQ, EI and Personality. According to his findings there is no known connection between IQ and EI and it's not possible to predict emotional intelligence based on how smart someone is or what kind of personality he has. Another finding is that IQ and personality (for adults) stay stable over a lifetime and doesn't change. Interestingly for EI there is a uniform understanding that the related skills build up on each other and – independent of age – can be enhanced with suitable training.

A famous theoretical model created by Daniel Goleman includes **4 main aspects of Emotional Intelligence**: Self-Awareness, Social-Awareness, Self-Management and Relationship-Management.

He defined EI as “the ability to recognize, understand and manage our own emotions and to recognize, understand and influence the emotions of others. In practical terms, this means being aware that emotions can drive our behavior and impact people (positively and negatively), and learning how to manage those emotions – both our own and others – especially when we are under pressure.”

Logistics Executive Group's Certified Logistics Professional Accreditation program

Logistics Executive Group with the Logistics and Supply Chain Management Society (LSCMS) brings you the Certified Logistics Professional Accreditation program. The CLP and CLE programs certified by LSCMS and in partnership with Logistics Executive Group is the benchmark of excellence for measuring capability and proficiency within the profession of Logistics and Supply Chain Management. As a professional certification, the CLP enables employees in the logistics industry to develop their capability more effectively, and in doing so assist in defining the logistics profession. The emphasis on continual improvement of knowledge and skills is timely for an industry that requires skilled personnel to reflect and underpin its importance to our global economy. To discover more about the Certified Logistics Professional standard and how to qualify, please refer to the link below:

www.logisticsexecutive.com/academy/certified-logistics-professional-certification/

UPCOMING EVENTS

Ti Future of Logistics
7 – 8 June 2016,
London, United Kingdom

The subject of innovation forms a core part of Ti's Future of Logistics conference series, the first to be held in Singapore, October 2015 and will be continued at the second in London, June 2016. Ti have now successfully run over 10 conferences in Europe, Dubai and Singapore and in 2016 will be bringing the conference series to London for the first time.

www.ticonferences.com/london/2016

IS THERE A LINK BETWEEN LEADERSHIP STYLES AND EI?

Furthermore his consulting firm Hay/McBer analyzed the relationship between EI and leadership styles. They found 6 distinct leadership styles, each springing from different components of emotional intelligence. The research summarized the styles, their origin, when they work best and their impact on an organizations climate.

The Six Leadership Styles (Goleman)

	COMMANDING	VISIONARY	AFFLIATIVE	DEMOCRATIC	PACESETTING	COACHING
The leader's modus operandi	Demands immediate compliance	Mobilize people toward a vision	Creates harmony and builds emotional bonds	Forges consensus through participation	Sets high standards for performance	Develops people for the future
The style in a phrase	"Do what I tell you."	"Come with me."	"People come first."	"What do you think?"	"Do as I do, now"	"Try this."
Underlying emotional intelligence competencies	Drive to achieve, initiative, self-control	Self-confidence, empathy, change catalyst	Empathy, building relationships, communication	Collaboration, team leadership, communication	Conscientiousness, drive to achieve, initiative	Developing others, empathy, self-awareness
When the style works best	In a crisis, to kickstart a turnaround, or with problem employees	When changes require a new vision, or when a clear direction is needed	To heal rifts in a team or to motivate people during stressful circumstances	To build buy-in or consensus, or to get input from valuable employees	To get quick results from a highly motivated and competent team	To help an employee improve performance or develop long-term strengths
Overall impact on climate	Negative	Most strongly positive	Positive	Positive	Negative	Positive

Goleman, Daniel, "Leadership that Gets Results" *Harvard Business Review*, March-April 2000 p.82-93.

The main findings were summarized as following:

- The 6 styles, taken individually, appear to have a direct and unique impact on the working atmosphere of a company (climate), division or team, and in turn, on its financial performance.
- The research indicates that leaders with the best results do not rely on one leadership style, they use most of them in a given week – seamlessly and in different measure – depending on the business situation.
- According to report, the visionary leadership style has the most positive effect on working atmosphere of a company, but 3 others Affiliate, Democratic and Coaching, follow close behind. That said, the research indicates that no style should be relied on exclusively and all have at least short term uses.

HOW TO MEASURE YOUR EI?

There are various tools and platforms available that support individuals and organizations to measure and understand Emotional Intelligence. The EQ-I (Bar-On) is a self-report instrument to assess those personal qualities that enable some people to possess better emotional well-being than others. The Emotional Competence Inventory (Goleman) is a 360 degree instrument, where people evaluate the individuals within an organization (Individual Feedback Reports), or the organization as a whole (Work Force Audits). These audits can provide an organizational profile for any size group within the company. In addition there are various training and certification programs available which enable leaders or people in HR related functions to broaden and professionalize their EI skills and expertise. Finally for all employees coaching and mentoring programs can add an incredible value to understand and develop Emotional Intelligence.

WHAT ARE THE PROS AND CONS?

When EI found its way into the corporate world various studies and reports have analyzed the impact and significance of EI. Especially in the beginning most research illustrated highly positive outcome for organizations if they focus on EI in their Talent Acquisition and Development programs. Recent examples such as the Global Empathy Index (2015) from the Lady Geek advocacy agency shows that businesses are more profitable and productive when they act ethically, treat their staff well, and communicate better with their customers. The top 10 companies in the Global Empathy Index 2015 increased in value more than twice as much as the bottom 10 and generated 50% more earnings. (For more details go to <https://hbr.org/2015/11/2015-empathy-index>).

Trans4

24 - 26 May 2016

Doha, Qatar

Trans4 exhibition is a major marketplace for transport services, attracting leading professionals from Qatar, the Middle East and the world. Issues concerning the development of the Qatari transport system are discussed, and new information systems are developed for interaction between different modes of transport, aimed at successfully addressing logistics issues in the global market for transportation and logistics services. Being focused primarily on Rail, Cargo and Airline transportation services, the Trans4 exhibition demonstrates the full range of industry solutions – from transport and forwarding services to software and equipment for cargo handling.

www.trans4qatar.com

GLCS LogiSYM Malaysia 2016

12 – 13 October 2016

Kuala Lumpur, Malaysia

GLCS LogiSYM Malaysia 2016 promises to be a highly unique event. Building on the success of the past 4 years, the 2016 Fifth Annual Global Logistics and Supply Chain Symposium will focus this year on providing a platform for mid to senior level shippers to discuss and explore innovation, excellence and what changes we can expect to see in the Asian supply chains of tomorrow. We will hear from leading solutions providers in the industry and explore best practice collaboration case studies. The structure of the symposium is such that delegates will have more interactivity with supply chain peers, allowing the development of ideas and for delegates to acquire actionable take-aways to present back at the office.

www.logisym.com/events/logisym-malaysia-2016/

Another example is the EI Consortium that publishes various points that build a case for how emotional intelligence contributes to the bottom line in any work organization. In addition they publish latest research findings that support the positive outcome of EI in the business world. One example: For 515 senior executives analyzed by the search firm Egon Zehnder International, those who were primarily strong in emotional intelligence were more likely to succeed than those who were strongest in either relevant previous experience or IQ. In other words, emotional intelligence was a better predictor of success than either relevant previous experience or high IQ. More specifically, the executive was high in emotional intelligence in 74 percent of the successes and only in 24 percent of the failures. For the full details go to http://www.eiconsortium.org/reports/business_case_for_ei.html.

But as it is with all tools and methods: "Poison is in everything, and no thing is without poison. The dosage makes it either a poison or a remedy" (quote Paracelsus). Said that, critical voices have come up and new studies show the potential downside of EI. Review finds that, in many studies, poor research methodology has exaggerated the significance of EI. A group of Austrian psychologists for example, reported a correlation between EI and narcissism, raising the possibility that narcissists with high EI might use their "charming, interesting, and even seductive" qualities for "malicious purposes," such as deceiving others. Another study with college students shows, that people with high EI might be more over-credulous due to overconfidence in their ability to read others.

WHAT TO TAKE AWAY?

- Creating Awareness around Emotional intelligence has never been easier. There is no lack of information and no shortage of partners who can help you to develop, implement and audit a business model that will support you in getting it right. There are various tools and services (training programs, mentoring & coaching) available that help individuals and organization to measure EI and to develop and increase required skills such as Self-Awareness, Social-Awareness, Self-Management and Relationship-Management.
- To be effective, individuals and especially leaders will need more than ever to be able to influence others through gaining their respect and enlisting their passions. And the more EI skills a leader has at his disposal, the more flexible and seamless he can switch styles depending on the situation and in turn the better the outcome will be. A leadership coaching style is the least utilized but it's also maybe the most effective style to add to your soft skills portfolio.
- Higher emotional intelligence translates into better performance. Especially in jobs that require extensive attention to emotions (this counts for all jobs with social interaction such as sales, marketing, project management and all leadership or management roles).
- There's a fine line between motivation and manipulation in relation to EI. People could use emotional intelligence for nefarious ends, but more often, emotional skills will be simply instrumental tools for goal accomplishment.



**MAREIKE
WALTER-PASCHKOWSKI**
Regional Manager Middle East & Africa
Logistics Executive Group
mareikew@logisticsexecutive.com

Mareike is a dynamic and engaging Supply Chain project management professional with more than 12 years professional experience in managing complex logistics and supply chain projects. As Practice Leader of Logistics Executive Group in the Middle East, she delivers whole-of-lifecycle talent management including Corporate Advisory Services, Executive Search and Executive Coaching across the supply chain, logistics, FMCG, retail, resources, industrial, disaster relief and humanitarian sectors. A hands-on Consultant working in a team in Dubai together with their offices in Sydney, Melbourne, Singapore, Hong Kong, Shanghai, Chennai, Mumbai, Delhi and London, Mareike holds a PRINCE2 (Projects IN Controlled Environments) foundation and practitioner certification of APMG International.

Logisym Dubai: Beyond 2020– Connecting Supply Chains, Creating the Future

22 – 23 November 2016
Dubai, UAE

LogiSYM Dubai 2016 is a unique two-day conference set in Dubai, United Arab Emirates from 22 to 23 November 2016. A premier event for Logistics & Supply Chain professionals, educators, Information Architects and Usability Practitioners, LogiSYM Dubai 2016 will bring together 300 professionals from around the region. With EXPO 2020 just around the corner and the UAE forging ahead as the regional's leading supply chain hubs, this year's theme: 'Beyond 2020 – Connecting Supply Chains, Creating the Future' looks at the opportunities, supply chain and consumer mobility and sustainability.

www.logisym.com/events/logisym-dubai-2016/

ABOUT US

Logistics Executive Group is the acknowledged industry leader providing a suite of whole-of-lifecycle business services including Corporate Advisory, Executive Search and specialist Supply Chain and Logistics Training.

CONTACT US

Sydney: +61 282629800
Melbourne: +61 396078263
Perth: +61 892881774
Singapore: +65 66929202
Hong Kong: +852 39582313
Shanghai: +86 2161037078
Dubai: +971 43616275
Mumbai: +91 2266089532
New Delhi: +91 1244696680
Chennai: +91 444202 4819
London: +44 2032397624
Bangalore: +91 9940059232