WHY EMOTIONAL INTELLIGENCE COULD BE CRUCIAL IN BUSINESS NEGOTIATIONS

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Emotional intelligence is an increasingly desirable skill in the **workplace**, but not often is taken into account when working in **m&a transactions**. In this scenario there are different strategies to provide client assistance. One could be to merely focus on the objective, having client's wishes as a guiding light. Conversely, others lawyers try to **act as counselors**, evaluating the impact of different decisions and considering multiple factors. There are no a good or bad methodology between these two perspectives, but it's probably the approach that makes the difference, even at an efficiency level. In the first case emotional intelligence is not considered, whereas it becomes crucial in the second method.

The most common definition of Emotional Intelligence (Eq) comes from **John Mayer** and **Peter Salovey** (Yale university) and refers to a set of abilities related to accurately perceiving one's own and others' emotions and to using them in appropriate ways to achieve specific goals. In legal field, emotional intelligence **is intended to be used both with the client and inside the team**, as it smooths the process and shows crew's overall cohesion. In particular, it involves four specific skills: **self-awareness**, **self-management**, **social awareness** and **social skills**. Only understanding one's emotions and how they're expressed (self-awareness), one can take responsibility for one's behavior and regulate one's emotions when it's the case (self-management). Afterwards, it comes the ability to empathize with different perspectives (social awareness) and use social skills to enhance positive interactions within the team.

This attitude could be crucial at each stage of the process assisting sellers or buyers: when leading

up to a deal, during negotiation and after the deal. As **Frank Williamson** – the founder of <u>Oaklyn Consulting</u>, a consulting firm that helps investor groups and private businesses – <u>points out</u>, especially at the core of the negotiation some Eq practices can be incorporated. Getting through difficult conversations without conflict or keeping both parties at the table, for example. This would help to maintain an open communication, and a comprehensive atmosphere from which both sides can benefit. Eq isn't so much about expressing emotions, but about reading between the lines, knowing when to compromise and when to stay quiet.

More concretely, at an early stage when assisting a **seller** could be very important to advise the company toward a potential partner who seems more likely to be consistent with the workplace's atmosphere and/or values. On the other hand, a **buyer** would need to be advised on how an influx of new people might affect the team's current dynamics. During the transaction, for instance, being a respectful listener can keep the tension away or leaving the door open to further discussions can demonstrate respectful manners which will allow both parties to be careful and tackle each angle of the deal. However, the real challenge comes with **post-merger integration** when it's time to integrate teams, putting new leaders in place and creating new workflows. That's why by advising the client on the importance of emotional intelligence in the workplace, you will give a great help to achieve future goals.

The Swiss answer

To this regard, there are some scientific tests on emotional intelligence, but none had been precisely designed for the workplace until **Marcello Mortillaro**, a University of Geneva scientist, developed the **Geneva Emotional Competency Test** with some colleagues. The objective was having a tool scientifically credible and, at the same time, useful for workplaces. It is an online-only performance-based test to measure individual differences in Emotional Intelligence. The test comprises 110 items and requires about 50 minutes to complete. **Sébastien Simonet**, who worked with Mortillaro, works in the human resources consulting firm Nanty, told Swissinfo about the situation in Switzerland, where "do quite well when it comes to emotional regulation, where controlling feelings under difficult circumstances is important".