



Daniel Goleman

Handling Curveballs From All Corners

In hindsight, the questions only become more nagging. Why didn't Kodak jump into digital photography? Couldn't BlackBerry, with such a hold on the corporate market, have adjusted better to the iPhone? And then there is Sears, probably the granddaddy of the never-saw-it-coming firms.

We call the missing skill set here adaptability. Companies (and the executives who run them) continually need to balance exploring new possibilities with exploiting what works. Adaptability takes many forms, from simple flexibility in handling change and juggling multiple demands to coming up with innovative approaches and openness to fresh ideas. You stay focused on your goals, but adjust how you get there.

Certainly, corporate leaders have always needed to adapt—just ask the folks at some of the companies that failed, or their competitors who put them out of business. But you can make a good case that in an age when innovation and technology move at such hyper speeds, this frame of mind is especially critical. We know and probably admire the type: the leader who doesn't focus on the causes of a problem, but who, with a

remarkable ease, goes straight past “Go” to look for solutions.

Here a particular neural circuit comes into play, the brain's superhighway between the pre-frontal cortex and the amygdala—the interaction between the executive center and the emotional circuitry for rising to an emergency. To the brain's danger radar, any radical change looks like a threat, and so this circuitry mobilizes us into a state of readiness for action—and sometimes overdoes the anger, panic or such that result.

Cognitive neuroscience defines “resilience” as the time it takes to recover from this emergency arousal to a state of calm and clarity. While we are in high alert, our responses tend to be rigid; as we recover we can be more flexible in our thinking—even strategic. All of which is exactly what makes adaptability so critical in dealing with today's



state of constant change. No leader, company or sector is immune. Largely paced by the drive of technological innovation, every aspect of business faces disruption of one kind or another.

C-suite strategies, of course, need to revolve around managing and leveraging these changes. But what about upgrading the people who will execute those strategies? Successful strategic implementation, no matter the particulars, depends in large part on how well the people who execute them can adapt.

At a meeting of 100 CEOs from legacy companies (17 sectors, \$2 trillion total) there was consensus that a huge opportunity lies in the next phase of product development, where the historic expertise of these organizations will give them big advantages as they combine with tech. The one problem they face is not in technology, the CEOs agreed, but in their people. They need a culture, as one report put it, that “can embrace and adapt to technological change.” And that culture needs leaders who can thrive on change.

The power of adaptability may explain a paradox about IQ and leadership: While there’s a

The power of adaptability may explain a paradox between IQ and leadership.

correlation between intelligence and leadership performance for leaders up to an IQ of around 120, there’s none at all for an IQ above 120—and actually a negative impact for a leader’s effectiveness for an IQ above 128. (An IQ of 100 is the average.) Researchers at the University of Lausanne who conducted this study surmise the super-high-IQ leaders may not know how to tune

into how other people think about a given issue or challenge. For example, they couch what remarks they think are motivating in ways that people cannot understand, let alone find resonating.

But whether executives have a high IQ or not, other research finds that their adaptability links to better revenue and sales growth, employee effectiveness and team performance. And it doesn’t stop there: My colleague Richard Boyatzis at Case Western Reserve’s Weatherhead School of Management followed MBA graduates up to 19 years later and found adaptability predicts career success and satisfaction. Another not-so-small plus? This adeptness at handling curve balls leads to a satisfied life. ●

Goleman is author of the international best-seller “Emotional Intelligence.” See keystepmedia.com for his new series of primers, “Building Blocks of Emotional Intelligence.”