


Chapter 14

Emotional and Cultural Intelligence in Strategic Management: Navigating Future Trends in the 21st Century

Arzu Giriskan

 <https://orcid.org/0000-0003-0295-7976>

Final International University, Cyprus

ABSTRACT

Today's workplace is undergoing rapid transformation fueled by digital innovation, cultural diversity, and heightened expectations for emotional awareness. Strategic management is shifting from traditional models to human-centered approaches that emphasize cultural intelligence (CQ) and emotional intelligence (EQ). This chapter explores how these capacities enable leaders to adapt, make inclusive decisions, and collaborate across cultural boundaries. Informed by behavioral science, interdisciplinary research, and case studies, it demonstrates how CQ and EQ help organizations navigate uncertainty and pursue sustainable outcomes. Rather than treating them separately, the chapter highlights their integration as essential for building trust, guiding change, and meeting the needs of diverse teams. It concludes with recommendations for scholars and practitioners seeking to embed human-focused intelligence in strategic decision-making.

INTRODUCTION

Strategic leadership in today's globalized and rapidly changing environment requires far more than analytical ability or a high IQ. As organizations expand across borders and interact with increasingly diverse cultural and emotional contexts, it has become evident that cognitive intelligence alone is insufficient. To navigate diversity effectively, foster innovation, and lead with empathy, leaders must be able to recognize emotional cues and understand cultural contexts.

DOI: 10.4018/979-8-3373-6466-7.ch014

These capabilities are encapsulated in emotional intelligence (EQ) and cultural intelligence (CQ) (Goleman, 1995; Rockstuhl et al., 2011).

This chapter argues that integrating EQ and CQ offers a powerful, human-centered lens for addressing some of the most pressing challenges of the modern world, including the rise of remote work, accelerated digitalization, climate instability, and growing demands for social equity. In advancing this perspective, we highlight the pivotal role of organizational climate and culture as the “containers” in which these intelligences are either strengthened or diminished.

When an organization’s underlying culture, shared norms, and emotional climate are aligned with EQ, CQ, and cognitive intelligence (IQ), strategic decision making becomes not only more accurate but also more humane and inclusive. Drawing on behavioral research and strategic management literature, this chapter explores how leaders who are both emotionally attuned and culturally perceptive can design strategies that are effective, sustainable, and aligned with emerging global imperatives.

THE INTEGRATED FRAMEWORK OF EQ AND CQ IN STRATEGIC MANAGEMENT

As organizations confront unprecedented levels of complexity, volatility, and cultural diversity, emotional intelligence (EQ) and cultural intelligence (CQ) have emerged as two of the most critical leadership capabilities for modern strategy execution. EQ enables leaders to perceive and regulate emotions, foster trust, create psychological safety, and manage interpersonal dynamics (Salovey & Mayer, 1990; Edmondson, 1999). CQ, in turn, equips leaders to adapt across cultural norms, interpret culturally embedded behaviors, and build inclusive global relationships (Rockstuhl et al., 2011; Thomas et al., 2008).

Although these constructs emphasize different domains, EQ and CQ are deeply interconnected. Together, they shape how leaders interpret social cues, regulate responses, and make strategic decisions in environments defined by ambiguity and cultural complexity (Chua et al., 2012).

Table 1 presents the EQ CQ Matrix, which serves as the central analytical framework guiding this chapter. Each subsequent section, including emotional intelligence, cultural intelligence, organizational agility, psychological safety, digital transformation, and strategic change, builds on and reinforces one or more dimensions of the matrix. By introducing the EQ CQ Matrix at the outset, the chapter offers readers a clear conceptual and visual reference point for understanding how emotional and cultural competencies interact to shape strategic decision making and organizational outcomes.

Table 1. EQ – CQ Matrix

EQ Level	CQ Level	Strategic Outcome
Low EQ	Low CQ	Disengaged, disconnected leadership; poor collaboration; high conflict; limited adaptability
Low EQ	High CQ	Technocratic but culturally aware; strong analytical capacity and cultural adjustment but weak relational trust and internal cohesion
High EQ	Low CQ	Empathetic but culturally naïve; strong team trust but ineffective global or cross-cultural interaction
High EQ	High CQ	Inclusive, emotionally grounded, culturally fluent leadership; high agility; effective global strategy; sustainable performance

36 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/chapter/emotional-and-cultural-intelligence-in-strategic-management/401444

Related Content

A Common Methodology: Using Cluster Analysis to Identify Organizational Culture across Two Workforce Datasets

Sunny L. Munn (2017). *Organizational Culture and Behavior: Concepts, Methodologies, Tools, and Applications* (pp. 439-453).

www.irma-international.org/chapter/a-common-methodology/177586

How Can Accessibility for Deaf and Hearing-Impaired Players be Improved in Video Games?

Robert Costello, Murray Lambert and Florian Kern (2019). *International Journal of R&D Innovation Strategy* (pp. 16-32).

www.irma-international.org/article/how-can-accessibility-for-deaf-and-hearing-impaired-players-be-improved-in-video-games/234351

Dynamic Content in Future Internet Opportunities Grad Course

Jan Frick and Jens Myrup Pedersen (2018). *Evaluating Media Richness in Organizational Learning* (pp. 99-114).

www.irma-international.org/chapter/dynamic-content-in-future-internet-opportunities-grad-course/188318

Digital Skill Evolution in an Industrial Relationship: Professional Figure in Online Communities

Lucia Aiello (2019). *International Journal of R&D Innovation Strategy* (pp. 1-15).

www.irma-international.org/article/digital-skill-evolution-in-an-industrial-relationship/234350

IT Strategy Follows Digitalization

Thomas Ochs and Ute Anna Riemann (2019). *Advanced Methodologies and Technologies in Business Operations and Management* (pp. 491-507).

www.irma-international.org/chapter/it-strategy-follows-digitalization/212133