

The Role of Emotional Intelligence in Leadership:

Insights from SFNet Members

BY MICHELE OCEJO

Learn from inspiring women executives who prove that empathy, active listening, and relationship-building aren't just soft skills—they're powerful strategies for business success, driving profitability, retention, and meaningful connections.

In today's dynamic business landscape, emotional intelligence, also known as emotional quotient (EQ), has emerged as a crucial factor in effective leadership, especially in secured finance which relies on strong relationships and trust. The definition of EQ is: a measure of a person's ability to understand, manage, and use their emotions. The COVID pandemic brought these qualities into the limelight as the importance of compassion and support in the workplace became clear. And the statistics back this up: Studies show that leaders with high EQ are 25-30% more likely to outperform their peers in key business metrics. Women, who often score higher in empathy and social skills, are well-positioned to leverage these EQ strengths. This article explores how prominent women leaders in secured finance, including Jennifer Palmer, CEO of JPalmer Collective, Bobbi Acord Noland, partner, Parker, Hudson, Rainer & Dobbs LLP, and Angela Fiorentino, CEO of AmeriFactors Financial Group, harness EQ to navigate challenges, build relationships, and drive success in their organizations.

Emotional intelligence has been shown to have a significant impact on various aspects of organizational performance, including the bottom line. Consider these statistics:

- A study by Daniel Goleman found that companies that prioritize emotional intelligence in their culture and leadership have a 21% higher profitability than those that do not.
- Salespeople with high EQ are 39% more likely to hit their targets than those with lower EQ. According to a study by TalentSmart, 90% of top performers in sales possess high EQ.
- Another study by the Hay Group found that sales teams with emotionally intelligent leaders increased sales by 20%.
- A *Harvard Business Review* study revealed that companies with employees scoring high on EQ had a 90% employee retention rate, compared to only 67% for companies with lower EQ scores. This translates to significant cost savings and a more talented, engaged workforce.
- Employees with high EQ are also up to 4x more likely to be promoted than those with lower EQ, highlighting the role of emotional intelligence in career development and retention.
- Companies with high emotional intelligence culture experience a 30% decrease in workplace conflicts, as reported by the National Center for Biotechnology Information.
- According to a *Harvard Business Review* study, companies that prioritize emotional intelligence in their customer service teams see a 50% improvement in customer retention.

These statistics demonstrate that EQ is not just a "soft skill," but a critical driver of measurable business outcomes. Investing in developing emotional intelligence can lead to improvements in everything from sales and productivity to employee retention and customer satisfaction, directly impacting the bottom line.

Jennifer Palmer: Leading with Empathy in Challenging Times

Jennifer Palmer's leadership style was significantly shaped by

emotional intelligence, particularly empathy, way before the pandemic made it "trendy." "In 2020, almost overnight, it seemed everyone was talking about the importance of leading with compassion and empathy as individuals struggled with unprecedented personal and professional situations. I remember feeling surprised that this needed to be taught or emphasized because it seemed like the obvious was being pointed out," Palmer said.

Reflecting on her team's seamless transition while the world embraced working from home out of necessity, she explained that building relationships had always been a cornerstone of her career. "In my early days, creating strong interpersonal bonds with my colleagues led to higher morale, and I realized I just enjoyed my job more as a result. However, as I matured as a leader, I noticed that it was also good business to have an environment with consistent communication, empathy, and support. During the pandemic, we experienced significant business growth during a period when our competition was not experiencing the same. I have no doubt that our success during that time was due to the bonds that had been developed long before COVID-19 as a result of having an environment that focused on empathy," she said.

Palmer pointed out that an important part of a team with high EQ is the ability to disagree in a healthy manner.



■ **JENNIFER PALMER**
JPalmer Collective



■ **BOBBI ACORD NOLAND**
Parker, Hudson, Rainer & Dobbs LLP



■ **ANGELA FIORENTINO**
AmeriFactors Financial Group

“The first step to success is ensuring our colleagues are happy so our clients can be. This is where creating a strong culture that works for the team is key. I was recently asked if I had ever argued with my colleagues, and the person who asked me the question was shocked that I had said ‘all the time.’ I have always encouraged my colleagues, including direct reports, to come and challenge me on decisions made by myself or others. Having that environment of open communication most certainly led to passionate discussions. Still, it always included psychological safety, allowing team members or peers to express ideas and concerns without fear of dismissal or judgment. While we wouldn’t always agree on the outcome, open communication led to communication flourishing.”

Just as statistics show possessing and utilizing EQ can boost the bottom line, sometimes hard decisions must be made when encountering someone who doesn’t put the same emphasis on EQ as you do. Palmer said, “On the client side, the relationship always plays a key role in my decision-making. I recently told a prospect we would not be the right fit for them as I didn’t think the relationship would be healthy based on their communication style during our initial underwriting process. Businesses don’t pay you back, people do. It returns to the three Cs of credit: character is key for me.”

Palmer explained that actively listening to what your client wants is especially critical when a problem arises. “If clients trust you, they will tell you what they are struggling with. If you don’t know their problems, you cannot help them, so it is important to build that trust early so you can help them navigate difficult times successfully.”

She went on to emphasize how a high EQ can help mitigate risk. “Risk comes with doing business, and while we cannot minimize all risks, we can manage how we react. We all handle challenges differently, and learning to control our emotions is vital before managing a difficult situation. This is where emotional intelligence helps alleviate a knee-jerk reaction based on fear, but translates to anger. Seeing a leader normalize a risky situation benefits a team, calms nerves, and builds long-term trust with colleagues and partners.”

Bobbi Acord Noland: Empathy as a Foundation for Collaboration

For Bobbi Acord Noland, emotional intelligence has been key in fostering a collaborative and effective team environment. Drawing on her extensive experience in the finance industry, she explains that understanding the perspectives of colleagues and clients is crucial in creating mutually beneficial relationships. She emphasized intentionality as a key part of building relationships and displaying the qualities that go along with emotional intelligence: “I have been the recipient, over the years, of intentional relationship-building from my mentors, team colleagues, other industry members and clients. I especially have appreciated and learned from the empathy shown to me over the years and the long-term personal investment that others made in me. I think that it has helped me navigate industry, market and generational changes and appreciate more the human aspect of what we do.”

Like Palmer, Noland stresses the importance of active listening in building trust within teams. She believes that strong relationships

Tips for Improving EQ

- 1 Active listening:** Fully engage with the speaker, paying attention to their words and body language, and avoid interrupting to demonstrate you’re truly listening.
- 2 Observe non-verbal cues:** Notice facial expressions, posture, and tone of voice to understand the underlying emotions behind the words.
- 3 Ask clarifying questions:** When unsure about something, ask open-ended questions to gain deeper understanding and encourage further elaboration.
- 4 Reflect feelings:** Paraphrase the speaker’s emotions to show empathy and confirm you’re understanding their perspective.
- 5 Manage your own emotions:** Be aware of your own reactions while listening and actively work to remain neutral to avoid projecting your feelings onto the speaker.

are built on understanding and empathy, and she encourages her colleagues to engage in open communication. “If we listen to what others are really saying, or if in the office, witness their expressions and body language, then we tend to perform better as a team and give each other more grace. Building a foundation of trust takes time, is fluid and is based on others witnessing how you act, not what you necessarily say. There will be ups and downs in professional relationships, but people need to genuinely believe that you have their best interests at the forefront of every decision and that you desire a relationship, not a transaction with them. I have practiced at Parker, Hudson, Rainer & Dobbs for over 30 years because I believe this of my mentors and colleagues,” she said.

Noland also highlights the role of emotional intelligence in managing personal and professional challenges. People who possess a high emotional intelligence tend to be able to read others and empathize with their emotions, which is helpful when faced with negativity and problems. Bobbi explained, “As we returned to the office post-COVID, I became more keenly aware of challenges that people were experiencing by witnessing their body language or expressions in person. We sometimes assume the negative from a work perspective when we have tight deadlines or are trying to solve a complex problem. If a team member is not on the same sheet as we are, then we may become impatient or cannot figure out how to address the issue. We can expect and demand excellence from a team while still using our emotional intelligence to help navigate situations and solve them in a more constructive and proactive way.”

Angela Fiorentino: Leading with Emotional Intelligence for Client Success

Angela Fiorentino, who leads AmeriFactors, underscores the pivotal role of emotional intelligence in leadership. Fiorentino’s approach to leadership is rooted in the belief that every individual—whether employee or client—deserves to be treated with empathy and respect. Recognizing that employees have lives outside of work, she has cultivated an environment where understanding and support are prioritized. “I believe that even a small amount of

empathy and understanding can significantly contribute to employee satisfaction and morale. Rather than fixating on the minor requests or inconveniences, I prioritize overall well-being of the workforce, because fostering a supportive environment leads to happier and more productive employees,” said Fiorentino.

Fiorentino extends this empathetic approach to client relationships, particularly in the context of working with businesses and individuals who may face financial challenges. “AmeriFactors’ business, accounts receivable financing, is a part of the financial industry that can assist clients who have poor credit ratings. Unfortunately, poor credit can lead to negative treatment in some financial situations. We prioritize empathy and believe that a credit score should not define an individual or the quality of their treatment. Our goal is to create a welcoming environment for individuals and businesses when they engage with us. Throughout the process, we ensure that leadership is exercised in a professional, courteous manner that focuses on addressing risk, along with the client’s needs and helping them create success with us as their partner.”

Active listening also plays a crucial role in Fiorentino’s leadership approach. By conducting one-on-one meetings with her entire team, she gains valuable insights into their thoughts, ideas, and concerns. “Although finding the time for relationship-building activities can be challenging, the long-term benefits are often significant. For example, during many of my one-on-ones, employees expressed a desire to learn about other departments. Additionally, I noticed a strain among some departments. To address both issues, we are implementing a Lunch and Learn program, during which team members will gather over a company-provided lunch to learn about the functions, challenges, and successes of different departments. Each session will feature presentations from department representatives, fostering interdepartmental understanding, collaboration, and engagement,” she explained.

As CEO and counsel, Fiorentino’s approach to managing risk is rooted in empathy and active listening. She recalls a situation where a client in the construction industry, which is inherently risky to finance, was facing challenges: “We had a client who faced

challenges obtaining financing. By listening to the client discuss their business processes and funding concerns, my team and I were able to quickly identify strategies that we felt helped mitigate our risk. By using creativity and active listening skills while empathizing with the client’s need for funding, we were able to get the client the funding they needed. Later, when unforeseen challenges to payment arose, I spent time really digging into our client’s position as well as that of the adverse party. Although tensions were high between our client and the third party, I was able to diffuse the situation by identifying

common goals. I was able to develop a rapport with both sides, effectively convey the position of our client, and obtain the information necessary to find and develop a solution that kept the client on the job, kept us funding, and kept the project moving forward.”

The Lasting Impact of Emotional Intelligence

The experiences shared by Palmer, Noland, and Fiorentino illustrate the transformative power of emotional intelligence in leadership. Empathy, active listening, and relationship-building are not just “soft skills”—they are essential tools for fostering trust, managing risk, and achieving long-term success. In an industry that demands quick decisions

and complex problem-solving, leaders who prioritize emotional intelligence are better equipped to navigate challenges, build resilient teams, and create lasting, meaningful relationships with clients and colleagues alike. ▣

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