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Being too intelligent in business: an advantage or a curse?

When intelligence becomes a limitation

In business, intelligence is considered one of the most precious qualities. The ability to analyse complex situations, anticipate problems, identify opportunities, make decisions quickly and find solutions where others see only obstacles undoubtedly represents a competitive advantage. Many businesses were born and grew precisely through the vision, intuition and extraordinary abilities of people who could see what others could not yet imagine. It would therefore be natural to think that, given equal intelligence and entrepreneurial ability, the results achieved should also be relatively similar. Yet that is not necessarily the case.

Some extremely bright entrepreneurs, with deep knowledge of their sector and years of experience, struggle to develop their organisations. Others, with entirely comparable abilities and skills, manage to build dynamic, solid companies capable of growing even in particularly difficult circumstances. The paradox is interesting precisely because we are not comparing competent people with incompetent ones, or intelligent entrepreneurs with less intelligent ones. We are talking about people who, despite similar intellectual resources, can lead their companies towards profoundly different results. It would seem, then, that being intelligent and brilliant is not enough.

But what ingredient really makes the difference?

When ego takes command

Imagine a company led by a brilliant, capable entrepreneur who deeply believes in their own abilities. They know the market, understand the product, have built important relationships and have made decisions in the past that proved successful. Their confidence does not necessarily come from nowhere: it is often supported by real results. This is precisely where one of the hardest traps to recognise may lie. Every success strengthens the conviction of knowing what is best. Every correct decision confirms one's judgement. Gradually, experience ceases to be a tool for assessing situations and risks becoming a reason to stop questioning one's conclusions.

Ego enters the picture. The problem emerges when that confidence becomes a need to be right all the time. A different observation, an alternative proposal or constructive criticism is no longer assessed exclusively on its substance, but may be perceived as questioning one's competence and authority. At that point, even an extremely intelligent entrepreneur risks using their abilities to defend a belief rather than test its validity.

It is a subtle difference, but one with enormous consequences. The priority gradually shifts from finding the best solution to demonstrating that the one already chosen is correct. The more skilled the entrepreneur is at reasoning, arguing and convincing others, the harder it can become to recognise when they are justifying a decision rather than assessing it objectively.

This attitude inevitably influences the people working in the organisation. A manager stops insisting on a problem because they already know the owner's reaction. A proposal is rejected without examination, perhaps merely because it comes from someone considered less experienced. Even an employee with operational duties, who observes problems and inefficiencies unknown to management every day, may eventually stop sharing what they notice. Initially, these episodes may seem insignificant. Over time, however, people learn to adapt. Information is filtered before reaching decision-makers, problems are communicated only when they can no longer be hidden, and meetings tend to confirm senior leaders' opinions rather than help test them.

Someone with critical judgement risks being seen as difficult to manage, while someone who systematically agrees with the owner's beliefs appears more reliable.

A paradox is thus created: an entrepreneur who insists on having everything under control may end up being the least informed person about what actually happens in their own company.

This poses a concrete risk to the business's future. Decisions continue to be made, perhaps with the same confidence as ever, but on progressively less complete information. Errors become harder to identify, opportunities are overlooked and the organisation slowly loses its ability to correct course.

The intelligence and experience that contributed to initial success can thus, paradoxically, become a limitation on growth. The entrepreneur has not lost their abilities, but has built an environment around themselves where those abilities are no longer tested. Sooner or later, they will suffer the consequences.

When the problem reaches the customer

The consequences of this way of leading a business do not remain confined to internal relationships. Sooner or later, they begin to affect operations, financial results and service quality. Decisions concentrate in the hands of a few people, problems accumulate and inefficiencies become part of everyday life. People work more and more, often feeling there is never enough time, staff or resources, without seriously questioning why the organisation keeps encountering the same difficulties. Meanwhile, the customer begins to perceive what the company refuses to acknowledge internally.

Replies arrive late, commitments are not always honoured, problems recur and service quality becomes inconsistent. Those working with customers often know these issues well, but lack the autonomy to resolve them or have stopped reporting them after discovering that their observations are ignored. The customer, however, is not interested in who made a particular decision or which organisational difficulties lie behind poor service. They judge what they receive, compare alternatives and, when trust is lost, may simply choose another supplier.

For businesses rooted in their local community, the consequences can run even deeper. Reputation is built over years through personal relationships, reliability and word of mouth, but can deteriorate very quickly. A dissatisfied customer tells others, a supplier begins reconsidering commercial terms, a capable professional may no longer wish to work with that company. Gradually, internal difficulties risk becoming a credibility problem across the entire economic community in which the business operates. And when results start deteriorating, the situation can become particularly delicate. Lost customers, higher operating costs, waste and shrinking margins can put pressure on cash.

Some investments begin to be postponed, new payment deadlines negotiated with suppliers, or financing sought to cover immediate needs. Credit, of course, can be a valuable tool for a business. It becomes dangerous when used to cover structural problems that remain unresolved. In these cases, financing does not eliminate the cause of the difficulties. It only provides temporary respite while adding new financial commitments to an organisation already struggling to meet its existing ones. The entrepreneur may find themselves working even harder, taking further personal risks and desperately seeking new resources to keep a business afloat while it continues losing efficiency and competitiveness.

The most paradoxical part is that the expertise needed to start reversing this trend is often not even far away. It may be among employees who observe the same waste every day, among managers who know the weaknesses of processes, or outside, through professionals capable of analysing the situation more dispassionately and proposing concrete action. But recognising the value of these contributions would first require admitting that something in one's own way of leading the company might not be working. And this is precisely where ego risks presenting its heaviest bill.

Seeking new financial resources is preferred to revisiting established decisions. Difficulties continue to be attributed to the market, competition, employees or a lack of cash, without seriously considering how much management itself may have contributed to creating them. Not every company facing financial difficulties is a victim of inadequate leadership, of course. Crises can have very different origins, even entirely independent of leaders' abilities. But when the signals are clear and every attempt to question senior leaders' decisions is rejected, even initially solvable problems can become far more serious situations.

At that point, it is no longer merely a matter of personal pride. Jobs, families, suppliers, investments and a business heritage potentially built through decades of sacrifice are at stake.

Those who continue defending their beliefs at any cost risk losing precisely what they wanted to protect: the company.

The same intelligence, completely different results

Now consider an entrepreneur with equally strong analytical abilities, experience and ambitions, but a profoundly different attitude. They know their strengths but also recognise that they cannot possess every skill needed to handle every situation. They do not interpret a different opinion as a challenge to their authority. They can distinguish between the duty to take ultimate responsibility for a decision and the need to make that decision alone. This does not mean being indecisive, pleasing everyone or abandoning one's vision. It means creating conditions in which relevant information can emerge, even when uncomfortable.

It means choosing colleagues who can compensate for one's gaps rather than people who continually confirm one's beliefs. It means being able to change one's mind when better evidence emerges, without experiencing that change as a personal defeat. In an organisation of this kind, expertise does not have to compete with the leader's ego. It can help build superior results.

A purchasing manager may identify a saving the owner had not considered. A production worker may suggest a change that reduces waste and processing time. A new hire may notice an inconsistency that someone who has worked in the company for twenty years no longer sees, simply because they have grown used to it. None of these contributions diminishes the entrepreneur's value. On the contrary, making good use of them demonstrates the ability to build an organisation that produces results through other people's intelligence too.

The difference emerges above all in everyday work. A problem reported in time can prevent weeks of inefficiency. A proposal assessed without prejudice can reduce costs, improve service quality or speed up a process. An employee who knows they are heard will also be more willing to share information, acknowledge a mistake and take responsibility. The benefits do not stop inside the organisation. They affect the ability to honour commitments, customer satisfaction, the strength of business relationships and the company's reputation. The entrepreneur continues leading and taking responsibility for decisions, but no longer needs to be the sole person on whom every solution depends.

New generations, new expectations

Meanwhile, something is also changing in the expectations of people entering and progressing in the world of work. Younger generations have grown up in a context where access to information, the ability to compare alternatives and the speed of communication are profoundly different from the past. Many young professionals attach great importance to the quality of relationships, consistency between what a company says and what it actually practises, opportunities to learn and the ability to contribute meaningfully. This does not mean all young people have the same expectations, or that earlier generations lacked critical judgement or a desire for autonomy.

It simply means that some organisational models, once accepted almost automatically, are now questioned more readily. Formal authority still has a role. But merely occupying a hierarchical position no longer guarantees, on its own, credibility in colleagues' eyes.

A capable young person may accept very demanding instructions, rules and responsibilities. But they may find fewer and fewer reasons to remain in an environment where their ideas are systematically ignored, mistakes become occasions for humiliation and obedience is considered more important than contribution. For businesses, this transformation is both a challenge and an opportunity.

Those who continue interpreting every request for discussion as disrespect risk losing good people or retaining them only formally, without their genuine engagement.

Those who instead combine clear expectations, responsibility, listening and opportunities for growth can build an environment where different generations contribute complementary experiences, perspectives and skills. This is not about adapting the company to every individual preference. It is about understanding that leadership quality increasingly directly influences the ability to attract, develop and retain expertise.

Innovation and simplification also require the courage to listen

Never before have businesses had access to tools capable of simplifying processes, automating repetitive tasks, providing real-time information and reducing dependence on manual procedures. But technology alone does not change an organisation's culture. A company can introduce a digital platform to manage requests, approvals and responsibilities while still insisting every decision pass through the owner's desk. It can create sophisticated dashboards and then ignore indicators contradicting its beliefs. It can automate information collection without being willing to use that information to reconsider its way of working.

In these cases, the problem is not necessarily technological. It is cultural. Simplifying also means being willing to recognise that some activities are no longer needed, that certain controls can be rethought, that a procedure introduced years earlier may have lost its usefulness and that a solution proposed by an employee might work better than the one management imagined.

It therefore requires something that does not come with a software licence: a willingness to question one's habits.

An entrepreneur who can listen can use technology to distribute responsibilities better, reduce decision-making time and free up capacity within the organisation. One who considers their intervention indispensable at every step risks turning even the most advanced tools into simple digital versions of old inefficiencies.

A company's speed does not depend only on the speed of its systems. It also depends on people's ability to decide, collaborate and act without unnecessary obstacles.

Emotional intelligence is not an optional quality

It is precisely in this context that emotional intelligence takes on particular importance. In business, it does not simply mean being kind, helpful or understanding. It does not mean an absence of conflict, nor require avoiding difficult decisions. It means, first and foremost, recognising and managing one's emotional reactions, understanding how they influence judgement and recognising the effect behaviours, words and decisions have on people. An entrepreneur can possess extraordinary analytical ability while reacting disproportionately when someone questions a decision. They may immediately identify a technical error but fail to notice that the way they communicate it is undermining an employee's trust.

They may demand initiative and autonomy without recognising that their reactions have taught people to avoid any risk. Emotional intelligence makes it possible to interrupt these dynamics.

It allows professional criticism to be distinguished from a personal attack, a mistake from a lack of commitment, a difference of opinion from a loyalty problem. It helps manage conflicts without turning them into power struggles and make even unpopular decisions without unnecessarily compromising the dignity of those involved. Above all, it enables understanding of a fundamental distinction: exercising authority does not necessarily generate trust, just as obtaining obedience does not mean obtaining collaboration. In an economic context where speed, adaptability, expertise and relationship quality are becoming increasingly important, this ability is not merely a human advantage; it is a concrete component of business competitiveness.

The real limitation is not what we do not know

No entrepreneur can know everything. No manager has all the answers. No experience, however long and successful, guarantees that a solution effective yesterday will remain so tomorrow. And that is fine.

The problem arises when the need to appear competent becomes more important than the opportunity to learn. When admitting a limitation is perceived as weakness. When the company stops seeking the best solution and begins, consciously or not, seeking the one that confirms the beliefs of those in charge. At that point, individual intelligence can become a cage for the entire organisation. A business can grow through one person's extraordinary abilities. But to continue evolving, it must also benefit from other people's abilities. This requires personal confidence, judgement, responsibility and a form of maturity not measured through titles, revenue or years of experience.

Perhaps, then, the initial question deserves to be reframed.

Is being too intelligent in business really an advantage or a curse?

It depends.

If one's intelligence serves to understand reality better, recognise opportunities, value expertise and build something that can grow beyond one's own limitations, it is an extraordinary resource. If instead

it becomes a tool for continually defending one's beliefs, controlling every decision and proving oneself always right, it risks becoming one of the hardest obstacles to overcome.

An intelligent entrepreneur can build a successful company. But an entrepreneur who needs always to be the most intelligent may prevent their company from becoming better than they are.

The most uncomfortable question for anyone leading a business is not how many capable people they have around them. It is how many of those people feel genuinely free to show them that, sometimes, they are wrong.

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