

IMPACT OF EMOTIONAL INTELLIGENCE ON MANAGERIAL PERFORMANCE

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ABSTARCT

In this complex scenario organizations both public and private sector have to manage change in an effective way. Emotional Intelligence plays an important role in helping the managers to cope with this dynamic change in the business environment where they have to take crucial decisions. The application of emotional intelligence supports the managers to recognize and understand emotions and using emotional intelligence to manage oneself and his/her relationship with others. The organizations must coach their managers in developing their interpersonal skills and help them to perform effectively on the job with the employees in the organization. Managers need to enhance their emotional intelligence skills, apart from technical skills, which in turn will enhance their productivity quality of service customer loyalty, sales client outcomes etc. Organization's to be successful, need to develop manager's emotional intelligence skills to work effectively in the organization.

This research article has been done to reveal the efficacy of EI construct in organizational studies. This study focuses on the impact of EI on employee performance at managerial level in corporate sector. In this study paper four dimensions of mixed model developed by Goelman that is self-awareness, self-management, and social awareness and relationship management were taken to measure EI of managers. Data was collected from five corporate companies by using questionnaire. For the study 400 questionnaires were administered to the selected respondents resulting of 154 questionnaires were returned the results revealed that a positive relationship exist between EI and job performance of managers. Corporate needs to consider meaningful features of EI as a strong predictor for efficient performance of managers.

Key Words : Edmotional Intelligence, Managerial Performance

1.Introduction

In an era of shifting paradigms, one of the world's fastest growing emerging economies, such as India, should be able to develop its human resources as a source of competitive advantage. In order to develop and enhance workforce capabilities and to successfully compete in the 21st century, organizations have to embark on future managers. It could be argued that the managerial competencies in any organization would determine its overall success. This success, among other things, may be attributed to the socio-behavioral characteristics and adjustments these individuals have to make in their job-role and position- power to gain common ground in any organizational setting. Therefore the concept of Emotional Intelligence (EI) is playing a vital role in every organization which describes the ability, capacity, skill or, in the case of the trait EI model, a self-perceived ability, to identify, assess, and manage the emotions of one's self, of others, and of groups. Emotional Intelligence (EI) refers to the ability to perceive, control, and evaluate emotions

2. Research of EI and job performance

A positive relation has been found in some of the studies, in others there was no relation or an inconsistent one. This led researchers Cote and Miners (2006) to offer a compensatory model between EQ and IQ that posits that the association between EQ and job performance becomes more positive as cognitive intelligence decreases, an idea first proposed in the context of academic performance. Brief History and Definitions 1930s – Edward Thorndike describes the concept of “social intelligence” as the ability to get along with other people. 1940s – David Wechsler suggests that affective components of intelligence may be essential to success in life. 1950s – Humanistic psychologists such as Abraham Maslow describe how people can build emotional strength. 1975 - Howard Gardner publishes *The Shattered Mind*, which introduces the concept of multiple intelligences. 1985 -Wayne Payne introduces the term emotional intelligence in his doctoral dissertation entitled “A study of emotion: developing emotional intelligence; self-integration; relating to fear, pain and desire (theory, structure of reality, problem-solving, contraction/expansion, and tuning in/coming out/letting go).”The study of emotional intelligence evolved from works by such theorists as Gardner (1983) and Williams and Sternberg (1988), who proposed broader approaches to understanding intelligence. Salovey and Mayer (1990) coined the term “emotional intelligence” and included Gardner’s Intrapersonal and interpersonal components in the construct. Goleman (1998) popularized emotional intelligence in the business realm by describing its importance as an ingredient for successful business careers and as a crucial component for effective group performance.

1. “The ability to monitor one’s own and others’ feelings and emotions, to discriminate among them, and to use the information to guide one’s thinking and action” (Mayer & Salovey,1993).
2. “The intelligent use of emotions: you intentionally make your emotions work for you by using them to help guide your behaviour and thinking in ways that enhance your results”(Weisinger, 1998).
3. “The ability to recognize and respond to the emotions and feelings of others, as well as the skill to help others manage their emotions” (Schmidt, 1997).

3. Understanding Emotional Intelligence (EI):

It is the ability to identify, assess, and control the emotions of oneself, of others, and of groups. Various models and definitions have been proposed of which the ability and trait EI models are the most widely accepted in the scientific literature. Criticisms have centered on whether the construct is a real intelligence and whether it has incremental validity over IQ and the Big Five personality dimensions.

The earliest roots of emotional intelligence can be traced to Charles Darwin's work on the importance of emotional expression for survival and, second, adaptation. In the 1900s, even though traditional definitions of intelligence emphasized cognitive aspects such as memory and problem-solving, several influential researchers in the intelligence field of study had begun to recognize the importance of the non-cognitive aspects. For instance, as early as 1920, E.L. Thorndike used the term social intelligence to describe the skill of understanding and managing other people.

Similarly, in 1940 David Wechsler described the influence of non-intellective factors on intelligent behavior, and further argued that our models of intelligence would not be complete until we could adequately describe these factors. In 1983, Howard Gardner's *Frames of Mind: The Theory of Multiple Intelligences* introduced the idea of multiple intelligences which included both interpersonal intelligence (the capacity to understand the intentions, motivations and desires of other people) and intrapersonal intelligence (the capacity to understand oneself, to appreciate one's feelings, fears and motivations). In Gardner's view, traditional types of intelligence, such as IQ, fail to fully explain cognitive ability. Thus, even though the

names given to the concept varied, there was a common belief that traditional definitions of intelligence were lacking in ability to fully explain performance outcomes. The first use of the term "emotional intelligence" is usually attributed to Wayne Payne's doctoral thesis, *A Study of Emotion: Developing Emotional Intelligence* from 1985. However, prior to this, the term "emotional intelligence" had appeared in Leuner (1966). Greenspan (1989) also put forward an EI model, followed by Salovey and Mayer (1990), and Daniel Goleman (1995).

Currently, there are three main models of EI:

- Ability EI model
- Mixed models of EI (usually subsumed under trait EI)
- Trait EI model

Different models of EI have led to the development of various instruments for the assessment of the construct. While some of these measures may overlap, most researchers agree that they tap different constructs.

4. Ability Model

Salovey and Mayer's conception of EI strives to define EI within the confines of the standard criteria for a new intelligence. Following their continuing research, their initial definition of EI was revised to "The ability to perceive emotion, integrate emotion to facilitate thought, understand emotions and to regulate emotions to promote personal growth."

The ability-based model views emotions as useful sources of information that help one to make sense of and navigate the social environment. The model proposes that individuals vary in their ability to process information of an emotional nature and in their ability to relate emotional processing to a wider cognition. This ability is seen to manifest itself in certain adaptive behaviors. The model claims that EI includes four types of abilities:

1. Perceiving emotions – the ability to detect and decipher emotions in faces, pictures, voices, and cultural artifacts—including the ability to identify one's own emotions. Perceiving emotions represents a basic aspect of emotional intelligence, as it makes all other processing of emotional information possible.
2. Using emotions – the ability to harness emotions to facilitate various cognitive activities, such as thinking and problem solving. The emotionally intelligent person can capitalize fully upon his or her changing moods in order to best fit the task at hand.
3. Understanding emotions – the ability to comprehend emotion language and to appreciate complicated relationships among emotions. For example, understanding emotions encompasses the ability to be sensitive to slight variations between emotions, and the ability to recognize and describe how emotions evolve over time.
4. Managing emotions – the ability to regulate emotions in both ourselves and in others. Therefore, the emotionally intelligent person can harness emotions, even negative ones, and manage them to achieve intended goals.

5. Mixed Models

The model introduced by Daniel Goleman focuses on EI as a wide array of competencies and skills that drive leadership performance. Goleman's model outlines four main EI constructs:

1. Self-awareness – the ability to read one's emotions and recognize their impact while using gut feelings to guide decisions.
2. Self-management – involves controlling one's emotions and impulses and adapting to changing circumstances.
3. Social awareness – the ability to sense, understand, and react to others' emotions while comprehending social networks.
4. Relationship management – the ability to inspire, influence, and develop others while managing conflict.

Goleman includes a set of emotional competencies within each construct of EI. Emotional competencies are not innate talents, but rather learned capabilities that must be worked on and can be developed to achieve outstanding performance. Goleman posits that individuals are born with a general emotional intelligence that determines their potential for learning emotional competencies. Goleman's model of EI has been criticized in the research literature as mere "pop psychology" (Mayer, Roberts, & Barsade, 2008).

6.Bar-On model of Emotional-Social Intelligence (ESI)

Bar-On defines emotional intelligence as being concerned with effectively understanding oneself and others, relating well to people, and adapting to and coping with the immediate surroundings to be more successful in dealing with environmental demands. Bar-On posits that EI develops over time and that it can be improved through training, programming, and therapy. Bar-On hypothesizes that those individuals with higher than average EQs are in general more successful in meeting environmental demands and pressures. He also notes that a deficiency in EI can mean a lack of success and the existence of emotional problems. Problems in coping with one's environment are thought, by Bar-On, to be especially common among those individuals lacking in the subscales of reality testing, problem solving, stress tolerance, and impulse control. In general, Bar-On considers emotional intelligence and cognitive intelligence to contribute equally to a person's general intelligence, which then offers an indication of one's potential to succeed in life. However, doubts have been expressed about this model in the research literature (in particular about the validity of self-report as an index of emotional intelligence) and in scientific settings it is being replaced by the trait emotional intelligence (trait EI) model discussed below.

7.Trait EI Model

Soviet-born British psychologist Konstantin Vasily Petrides ("K. V. Petrides") proposed a conceptual distinction between the ability based model and a trait based model of EI and has been developing the latter over many years in numerous scientific publications. Trait EI is "a constellation of emotional self-perceptions located at the lower levels of personality." In lay terms, trait EI refers to an individual's self-perceptions of their emotional abilities. This definition of EI encompasses behavioral dispositions and self perceived abilities and is measured by self report, as opposed to the ability based model which refers to actual abilities, which have proven highly resistant to scientific measurement. Trait EI should be investigated within a personality framework. An alternative label for the same construct is trait emotional self-efficacy.

8. EI, IQ and job performance

Research of EI and job performance shows mixed results: a positive relation has been found in some of the studies, in others there was no relation or an inconsistent one. This led researchers Cote and Miners (2006) to offer a compensatory model between EI and IQ, that posits that the association between EI and job performance becomes more positive as cognitive intelligence decreases, an idea first proposed in the context of academic performance (Petrides, Frederickson, & Furnham, 2004). The results of the former study supported the compensatory model: employees with low IQ get higher task performance and organizational citizenship behavior directed at the organization, the higher their EI.

9.Objectives of the Study

- To examine the different emotions like self-awareness, self management, social awareness, and relationship management of managers which increase their job performance.
- To identify and measure the above mentioned dimensions to know emotional intelligence scores.
- To compare the job performance of managers with high and low level EI and to find out the impact of EI on job performance of managers.
- Understanding the overall effect of high emotional intelligent managers performance in the success and increase in productivity of organisation .

10.Hypothesis of the Study

H1: High emotional intelligence score has significant effect on job performance of managers

H2: Job performance of managers with high EI levels increase organisational effectiveness

11.Research Methodology

Survey was done in five corporate sectors which included Marketing, Production and service sector. This study used questionnaire as an instrument for data collection for measuring emotional intelligence in a study organization. The questionnaire was adopted from mixed model developed by Daniel Goleman with the following constructs.

1. Self-awareness – the ability to read one's emotions and recognize their impact while using gut feelings to guide decisions.
2. Self-management – involves controlling one's emotions and impulses and adapting to changing circumstances.
3. Social awareness – the ability to sense, understand, and react to others' emotions while comprehending social networks.
4. Relationship management – the ability to inspire, influence, and develop others while managing conflict.

12. Data Analysis

The participants included full time employees of five Corporate Sector companies in Hyderabad . A total of 200 participants were targeted for filling questionnaires however 154 participants fully responded to support the study and filled each and every aspect of questionnaire making a response rate of 77%. This shows a sufficient sample size for analyzing results. The EI questionnaire was based on the questionnaire developed by Daniel Goleman mixed model with constructs “the self awareness, Self management, Social awareness and Relationship management” for measuring emotional intelligence in a gender-specific model of organizational variables” and employee’s performance questionnaire was based by researchers for reliability and validity. The data was acquired on a five-point likert scale (ranging from 1 = strongly disagree to 5 = strongly agree). The alpha reliabilities of the scales are 0.82 for Self Awareness scale (07 items), 0.84 for Self Management scale (07 items), 0.81 for Social Awareness scale (07 items), 0.82 for Relationship Management scale (07 items) and 0.73 for employee performance scale (03 items). As all the alpha values are above the conventional standard of 0.7 providing further evidence for external validity of these measures. Descriptive statistics were applied to demonstrate the demographics of participants by frequency distribution as shown in Table 1. Correlation matrix was used to analyze the relationship between all

variables of this study as show in Table 2. Regression analysis was carried out to show the intensity between independent and dependent variable and to measure the impact that an independent variable have on the dependent variable as show in Table 3

Table 1
Demographics (n= 200).

Description		Frequency (percentage)
Age (years)	18-24	32
	25-31	43
	32-38	13
	39 and Above	12
Marital status	Married	33
	Un-married	67
Gender	Male	78
	Female	22
Organizational tenure (years)	1-5	69
	6-10	19
	11-15	7
	16 and Above	5
		200

Table 2
Correlation matrixes

	EP	SA	SM	SOA	RM
Employee performance (EP)	1				
Self awareness (SA)	0.215*	1			
Self management (SM)	0.264**	0.511**	1		
Social awareness (SOA)	0.389**	0.264**	0.395**	1	
Relationship management (RM)	0.341**	0.271**	0.305**	0.242*	1

**p < 0.01; *p < 0.05; N = 200.

Table 3. Regression analyses

Variable	Beta	t-value	p-value
Constant	2.961	5.435	0.000
Self awareness	0.056	0.422	0.674
Self management	0.063	0.441	0.66
Social awareness	0.173	3.004	0.003
Relationship management	0.137	2.484	0.015

N = 100, R2 = 0.221, Adjusted R2= 0.189, F = 6.749, p < 0.000. Dependent variable= Employee's performance.

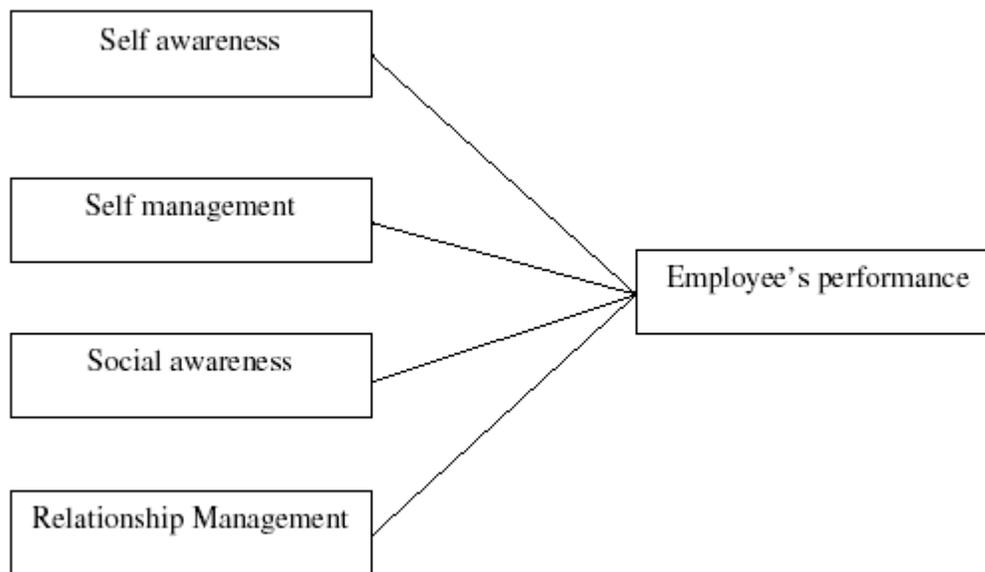


Figure 1. Theoretical framework.

The demographics are not used in this study to find out their relationship with employee's performance. The objective of Table 1 is to show the composition of respondents to have a better understanding about their response for present study. Age and organizational tenure clearly indicates that majority of managers with high EI score are were high in their job performance. Accordingly, emotional handling for better performance is crucial for respondents which support the study for better analysis. Fig 1 summarizes the four aspects of Emotional Intelligence (EI)

13. Results and Discussion

The purpose of this study was to examine the impact of EI on manager's performance among corporate sectors which included marketing, production and services sector in Hyderabad by focusing on four major aspects of EI that is self awareness, self management, Social awareness and Relationship management. The Correlation matrix indicates that self-awareness is significantly correlated with employee performance (0.215^* , $p < 0.05$). Self-management is significantly correlated with employee's performance (0.264^{**} , $p < 0.01$) but is not a strong determinant of employee's performance ($t = 0.441$) in Corporate sector. Correlation matrix indicates significant between social awareness and employee's performance with regression analysis ($t = 3.004$). Relationship management is significantly correlated with employee's performance (0.341^{**} , $p < 0.05$) and it is a strong determinant of employee's performance with regression analysis ($t = 2.484$).

Therefore EI should be a major criterion when it comes to promotion, performance and hiring of individuals (Goleman, 1998). Hence EI should be given high priority when it comes to hiring and development of managers in corporate sectors. Being a developing country India should focus on EI by inculcating it in its corporate sector. This helps in development and prosperity of country's economy as a whole.

14. Suggestions and Conclusions:

This research has shown that EI has positive impact on job performance of managers. The results indicated that performance of respondents with high EI was high compared to respondents with low EI. In the marketing sector sales manager with good communication and emotions are needed to attract customers and increase sales. It could be a motive to

enable training on EI to enhance job performance that lead to increasing employees productivity and success. The research has implications for corporate sectors especially given the importance of understanding subordinates and customers.

So the organizations should consider the importance of EI as a core course for enhancing the employee performance.

More no of employees with high EI score is directly proportional to job performance which led to over all increase in organizational Effectiveness .

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