Role of emotional intelligence in corporate management: A case study with reference organizational effectiveness in IT companies

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Abstract

This study reports is the findings from a survey of employees' of IT organization with reference to Karnataka. A questionnaire was administered to 25 Employees' of the IT organization in the study area. The analysis of the findings states that T value of -1.91 is found to be significant at 5%(-1.71) level of significance. Thus, Null hypothesis has to be rejected. It is inferred that these groups i.e. Companies polices to bring healthy relation among employees' and Company polices towards self control, adaptability and innovation differ i.e. there is a significant relationship between Companies polices to bring healthy relation among employees' and Company polices towards self control, adaptability and innovation.

Keywords: EI, IT, HS.

Introduction

 People who rise to the top of their field whether it is Management, Psychology, Law, Medicine, Engineering or Banking are not just good at their jobs. They are easy-going, flexible and optimistic. In other words, it takes more than traditional cognitive intelligence to be successful at work. It also takes 'emotional intelligence,' the ability to restrain negative feelings such as anger, self-doubt, stress, anxiety and instead focus on positive ones such as confidence, empathy and congeniality. In an era of shifting paradigms, one 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 oriented human resources strategies. It could be argued that the individual competencies of the workforce 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.

Over the last decade Emotional Intelligence (EI) has drawn significant interest from academics and HR practitioners throughout the world. The development of emotional intelligence skills is important because it is an area that is generally overlooked when skills development programs are designed. And yet research shows that emotions, properly managed, can drive trust, loyalty, and commitment. Many of the greatest productivity gains, innovations, and accomplishments of individuals, teams, and organizations have occurred within such a framework

Objectives of the study;

The central purpose of the present study is to measure and assess role of emotional intelligence in corporate management. The following are the major purposes of the research:
1. To Know the role of emotional intelligence in IT sectors
2. To know the importance of emotional intelligence in IT sectors

3. To identify whether company gives importance for emotions of the employees

4. To identify whither company treats employees like human being or like a machine

Significance of the study;

The significance of the study lies in the detonation of the IT industry in the recent years. Where on one hand the sector is growing with leaps and bounds, on the other the employee turnover has been alarmingly high, thus costing a lot to the IT Company. The study is an attempt to assess the patterns of emotional intelligence and analyze the relationship among employee motivation, job satisfaction and employee working environment, so as to utilize employee motivation to retain employees in an organization. Thus, not only is it significant for academicians but also for professionals who can exploit it to control the employee turnover

Review of Literature:

According to Salovey and Mayer (1990), emotional intelligence includes an "ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions". A related definition adds the "ability to adaptively recognize emotion, express emotion, regulate emotion and harness emotions" (Schutte et al., 1998). Personal or emotional intelligence has been found to vary by age or developmental level and gender (Gardner, 1999).

Emotional intelligence may be defined as the ability to use your awareness and sensitivity to discern the feelings underlying interpersonal communication, and to resist the temptation to respond impulsively and thoughtlessly, but instead to act from receptivity, authenticity and candour (Ryback, 1998). At its best, emotional intelligence is about influence without manipulation or abuse of authority. It is about perceiving, learning, relating, innovating, prioritizing and acting in ways that take into account and legitimize emotions, rather than relying on logic or intellect or technical analysis alone (Ryback, 1998).

Emotional Intelligence is now being considered to be important in organizational factors such as: organizational change (Ferres & Connell, 2004; Singh, 2003); leadership (Ashkanasy, 2002; Dearborn, 2002; Gardner & Stough, 2002; Weymes, 2002); management performance (Slaski & Cartwright, 2002); perceiving occupational stress (Nicklaou & Tsaousis, 2002; Oginska-Bulik, 2005); and life satisfaction (Palmer, Donaldson & Stough, 2002). To meet organizational ends (Lord, Klimiski, & Kanfer 2002), it is not uncommon to use emotions and emotion related thoughts and behavior as the ingredients in an institutionalized recipe of emotional culture.

Studies conducted by Montes-Berges et al., (2007) with nursing students have shown that emotional intelligence is a skill that minimizes the negative stress consequences. They examined the role of perceived emotional intelligence (PEI) measured by the Trait Meta-Mood Scale, in the use of stress-coping strategies, in the quantity and quality of social support and in the mental health of nursing students. The results indicated positive correlations between clarity and social support, social support and repair, and social support and mental health. Hierarchy regression analysis pointed out that clarity and emotional repair are predictors of social support, and emotional repair is the main predictor of mental health. These results show the importance of PEI in stress coping within the nursing framework. Naidoo et al., (2008) has conducted a survey to gain some understanding of the explanatory factors for stress and an evaluation of the role that emotional intelligence (EI) plays in the experience of perceived stress (PS). It also aimed to compare EI and PS and explore the association between academic background, satisfaction with career choice and EI, and PS in first year dental students. The Survey was conducted on 43 male and 55 female students, Results of Correlation analysis between EI and PS indicated a statistically significant inverse relationship between EI and PS. Stepwise regression analysis identified significant predictors of PS as gender, previous higher education qualification, satisfaction with decision to study dentistry and EI. The t statistic indicates

that EI is relatively the most important predictor of PS. The finding revealed that low EI is associated the stress.

Methodology:

This study was descriptive and analytical in nature. The study mainly depended upon the primary data to develop this article. However, same secondary sources of data were consulted for the purpose of gathering background information supporting the study. Relevant primary data were collected using the combination quantitative (sample survey) and qualitative (interview) methods. Primary data were collected through questionnaire method. A Questionnaire was administered to 25 residents of the IT companies in the study area. Appropriate and relevant statistical tools and techniques will be used such as Descriptive Statistics (Mean and S.D) and T test. Tools used for the study is shown in the Table – 1

Table – 1 Criteria used for the Research Study

Class	0 - 25	25 - 50	50 - 75	75 -100
Perception of employee	Strongly disagree	Disagree	Agree	Strongly agree

Source: Likert scale

Findings of the Study

PERCEPTION TOWARDS   TWO COMPONENTS OF EMOTIOONAL INTELEGENCE

Hypothesis testing -1

A test on employment towards respective of emotional intelligence principle adopted in IT Companies and emotional feeling of the employee. There is no significant difference between emotional intelligence principle adopted in IT Companies and emotional feeling of the employee.

Table-4.4
Exhibits Employees' Perception Towards Two Components of emotional intelligence

Component	Number	Mean	SD	T value
1. Emotional intelligence principle adopted in IT Companies	**25**	**1.88**	**.82**	-1.322
2. Emotional feeling of the employees of It companies	25	2.22	.75	

Source: Survey data

The obtained T value of -1.322 is found to not be significant at 5%(-1.71) level of significance. Thus, Null hypothesis has to be accepted. It is inferred that these groups i.e. emotional intelligence principle adopted in IT Companies and emotional feeling of the employee does not differ i.e. there is no significant relationship between emotional intelligence principle adopted in IT Companies and emotional feeling of the employee which means there is no value for emotion feeling of the employees of the IT organization.

Hypothesis testing -2

A test on employment towards respective of companies polices to bring healthy relation among employees' and a company polices towards self control, adaptability and innovation. There is no significant difference between companies polices to bring healthy relation among employees' and a company polices towards self control, adaptability and innovation.

Table-4.4
Exhibits Employees' Perception Towards Two Components of emotional intelligence

Component	Number	Mean	SD	T value
1. Companies polices to bring healthy relation among employees'	**25**	**2.36**	**.84**	-1.91
2. Company polices towards self control, adaptability and innovation	25	2.84	..67	

Source: Survey data

The obtained T value of -1.91 is found to be significant at 5%(-1.71) level of significance. Thus, Null hypothesis has to be rejected. It is inferred that these groups i.e. Companies polices to bring healthy relation among employees' and . Company polices towards self control, adaptability and innovation differ i.e. there is a significant relationship between Companies polices to bring healthy relation among employees' and Company polices towards self control, adaptability and innovation which means there is   value for healthy relation and adaptability and innovation among the employees.

Hypothesis testing -3

A test on employment towards employees promotion on the basis of intelligence in IT Companies and Employees perception towards emotional attachment with company. There is no significant difference between employees promotion on the basis of intelligence in IT Companies and Employees perception towards emotional attachment with company.

Table-4.4
Exhibits Employees' Perception Towards Two Components of emotional intelligence

Component	Number	Mean	SD	T value
1 employees promotion on the basis of intelligence in IT Companies	**25**	**2.4**	**.80**	1.418
2 Employees perception towards emotional attachment with company	25	2.00	.80	

Source: Survey data

The obtained T value of 1.418 is found not to be significant at 5%(1.71) level of significance. Thus, Null hypothesis has to be accepted. It is inferred that these groups i.e. employees promotion on the basis of intelligence in IT Companies   and Employees perception towards emotional attachment with company does not differ i.e. there is no significant relationship between employees promotion on the basis of intelligence in IT Companies   and Employees perception towards emotional attachment with company which means there is no value for intelligence and emotional attachment towards companies.

Table-Exhibits Employees Perception about 11Components of Emotional intelligence of IT companies

(--) Indicate Percentage

Component	Strongly agree	Agree	Disagree	Strongly disagree	Mean & SD	Percentage Mean
1. Employees' feel that company follows the principle of emotional intelligence	0 (0)	7(28)	8 (32)	10 (40)	1.88±0..82	47
2 Employees' feel that company gives importance for emotional feeling of the employees'	1 (4)	7 (28)	13 (52)	4 (16)	2. 2±0.75	55
3. Employees' feel that company give importance for educating by offering training workshop etc.	6 (24)	17 (68)	2 (8)	0 (0)	3. 16±0.54	79
4. Employees feel that company creates good belongingness to achieve organizational goals	2 (8)	9 (36)	10 (40)	4 (16)	2.36±0.84	59
5. Employees' feel that company gives importance for self control, trust worthiness, adaptability and innovation.	3 (12)	16 (64)	5 (20)	1 (4)	2.84±0.67	71
6. Employees' feel that belongingness helps each other to achieve organizational goals	3 (12)	10 (40)	9 (36)	3 (12)	2.52±0.85	63
7. Employees' feel that most of the employees of organization are service oriented	3 (12)	9 (36)	11 (44)	2 (8)	2.52±0.81	63

8. . Employees' feel that company promotes each and every employees according to intelligence	2 (8)	9 (36)	11 (44)	3 (12)	2.40±0.80	60
9. Employees' feel the company gives importance for ability to build social skills like , create net work with people and rapport with various sections of society	2 (8)	9 (36)	14 (56)	0 (0)	2.52±0.61	63
10. Employees' feel that company motivates each and every employees according to their needs and feeling	13(52)	9(36)	3(12)	0(0)	3.4±.70	85
11. Employees' feel that each and every employee having emotional attachment with company	1(4)	5(20)	12(48)	7(28)	2±.80	50

1. Employees' feel that company follows the principle of emotional intelligence
0% of the respondents strongly agree, 28% of the respondents agree, 32% of the respondents dis-agree, 40% of them strongly dis-agree that the company follows the principle of emotional intelligence. The percentage Mean is 47% (Mean and SD is 1.88 ± 0.82 which shows that company follows the principle of emotional intelligence as it falls in the category of 25% to50%

2. Employees' feel that company gives importance for emotional feeling of the employees':
4% of respondents strongly agree, 28% of them agree, 52. % of them dis-agree, 4% of them strongly dis-agree that company gives importance for emotional feeling of the employees' with Mean and SD $2.22 \pm 0..75$. The percentage Mean 55%, which shows that company gives importance for emotional feeling of the employees' as 55% fall in the category of 50% to75%

3. Employees' feel that company give importance for educating by offering training workshop etc
24%of them strongly agree, 68% of them agree,8% of them disagree, 0% of them strongly disagree that company give importance for educating by offering training workshop etc with Mean and SD $3.16 \pm 0..54$. The percentage Mean is 79, which shows that employees' feel that company give importance for educating by offering training workshop etc which fall in the category of 75% to100%

4. Employees feel that company creates good belongingness to achieve organizational goals
8%of them strongly agree, 36% of them agree, 40% of them disagree,16% of them strongly disagree that company creates good belongingness to achieve organizational goals with Mean and SD 2.36 ± 0.84 percentage Mean 59% which shows that company creates good belongingness to achieve organizational goals which fall in the category of 50% to75%

5. Employees' feel that company gives importance for self control, trust worthiness, adaptability and innovation.

12%of the Respondent strongly agree, 64% of the Respondent agree, 20% of the Respondent disagree,4% of the Respondent strongly disagree that company gives importance for self control, trust worthiness, adaptability and innovation.. The percentage mean 71(with Mean and SD 2.84±0.67), which shows that company gives importance for self control, trust worthiness, adaptability and innovation. as it fall in the category of 50% to75%

6. Employees' feel that belongingness helps each other to achieve organizational goals

12%of the Respondent strongly agree, 40% of the Respondent agree, 36% of the Respondent disagree,12% of the Respondent strongly disagree that belongingness helps each other to achieve organizational goals with Mean and SD 2.52±0.85 percentage Mean 63%, which shows that belongingness helps each other to achieve organizational goals as 63% fall in the category of 50% to75%

7. Employees' feel that most of the employees of organization are service oriented

12% of the Respondent strongly agree, 36% of the Respondent agree, 44% of the Respondent disagree, 8% of the Respondent strongly disagree that most of the employees of organization are service oriented with Mean and SD 2.52±0.81. The percentage Mean 63%, which shows that most of the employees of organization are service oriented as it fall in the category of 50% to 75%

8. . Employees' feel that company promotes each and every employees according to intelligence

8 %of the Respondent strongly agree, 36% of the Respondent agree, 44% of the Respondent disagree, 12% of the Respondent strongly disagree that .company promotes each and every employees according to intelligence with Mean and SD 2.4±0..80. The percentage Mean 60, which shows that company promotes each and every employees according to intelligence as it fall in the category of 50% to75%

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9. Employees' feel the company gives importance for ability to build social skills like , create net work with people and rapport with various sections of society

8% of the respondents strongly agree, 36% of the respondents agree, 56% of the respondents dis-agree, 0% of them strongly dis-agree that company gives importance for ability to build social skills like , create net work with people and rapport with various sections of society . The percentage Mean is 63% (Mean and SD is 2.52±0.61 which shows that company gives importance for ability to build social skills like , create net work with people and rapport with various sections of society as it falls in the category of 50% to75%

10. Employees' feel quality of work life in BPO is good

520% of the respondents strongly agree, 36% of the respondents agree, 12% of the respondents dis-agree, 0% of them strongly dis-agree that company motivates each and every employees according to their needs and feeling. The percentage Mean is 85% (Mean and SD is 3.4±0.70 which shows that company motivates each and every employees according to their needs and feeling as it falls in the category of 75% to100%

11. Employees' feel that each and every employee having emotional attachment with company:

4% of the respondents strongly agree, 20% of the respondents agree, 48% of the resspondents dis-agree, 28% of them strongly dis-agree each and every employee having emotional attachment with company. The percentage Mean is 50% (Mean and SD is 2.00±0.80 which shows that each and every employee having emotional attachment with company as it falls in the category of 25% to50%

Conclusion

The present investigation was conducted to find out the role of emotional intelligence in managing IT companies. After analyzing the results, it can be said that the hypotheses of the present study i.e., the emotional intelligence will correlate negatively with all the components of Emotional intelligence will be predicted through levels of Stress and Anxiety, is partially conformed. The findings of the present study indicates that the low and high level of Emotional Intelligence establish relationship to some extent with stress and other components. Negative correlation of emotional intelligence with stress and other components highlights that emotional intelligence will prove helpful in managing IT companies.

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