

A MANTLE OF EMOTIONAL INTELLIGENCE AND ITS IMPACT ON CONTEMPORARY BUSINESS MANAGEMENT

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ABSTRACT

The expansion and success of any organization highly depend on the ability, efficiency, and effectiveness of the employees working in the same. The manpower component happens to be one of the most powerful and essential constituents and pillar for any organization. The present-day organizations are highly dynamic and volatile. In order to be in pace with the competitive world around them, they demand employees who are flexible and easily adaptable to the changes happening around them and also should be able to equip themselves with the latest developments so as to survive and sustain themselves. The flexibility of employees happens to be the core of the success of any organization. The higher complexities in the job role, higher will the impact on employee performance and outcome. Further, the organization also gets equally affected. Henceforth the management should consider emotional intelligence as one key requirement to be successful and balanced ensuring the success of the organizations as well.

INTRODUCTION

The volatile and competitive nature of contemporary organizations highly demands employees who are balanced and flexible to be capable of adapting to the different and difficult situations coming up their way in such organizations daily. The notion of emotional intelligence has gathered great importance and has been noticed by most of the HR practitioners, researchers, and academicians. The existing concept of intelligence quotient has been overshadowed by the latest versions of emotional intelligence when it was noticed that employees in spite of having high levels of IQ fail to contribute towards the organizational objectives as it is expected them. Emotions play a crucial role in affecting one's feelings and further reflecting on their performance. Salovey and Mayer (1990) proposed that emotional intelligence allows people to better understand and manage emotions. Mishra and Mohapatra (2010) researched the relationship between

emotional intelligence and job performance of 90 executives employed in different To understand the concept of emotional intelligence.

1. To equip the organizations with the required knowledge on emotional intelligence.
2. To make the organization understand the benefits of emotional intelligence.
3. To suggest measures to organizations on how to implement the concept of emotional intelligence to deal with the emotions of the employees.
4. To understand the role of emotional intelligence in organizational effectiveness.

REVIEW OF LITERATURE

The concept of emotional intelligence has gained a lot of importance and acceptance over the last few years. Though by name and relevance it may seem to be a concept associated with psychology it has a lot to do with the success of the organization. Due to the stiff competition amongst the firm, it is resulting in heavy work pressure and stress amongst the employees. In order to cope up with the situation, it has become essential for employers to incorporate and focus on emotional intelligence. Emotional intelligence has become an important and crucial criterion for all organizations around the world. And several models, theories and definitions have come with explaining the concept of emotional intelligence. The lack of agreement by these experts on the concepts regarding a proper definition of emotional intelligence has become the reason for the development of several measures to assess the same. Experts from the different parts of the world have defined it in a different manner. Therefore the controversy on the definitions of emotional intelligence continues without getting any answers for the questions as to how emotional intelligence is ability, personality trait or a mixed set of skills and competencies (Feidner, M, Mathew G and Robert R. 2002)

Studies have ended with a comparison between the individuals having emotional intelligence and those who do not have emotional intelligence. It states that individuals with lower emotional intelligence are troubled with life stressful situations, face difficulty in adopting to different situations ending up being affected by depression, disappointment, and more negative consequences while on the contrary individuals with high level of emotional intelligence manage their life style in such a way that they happen to face less negative results. Also are good at creating and maintaining qualitative relationships (Chiva R & Alegre, 2008)

In a research conducted at the United States treatment center on 105 employees showed that emotional intelligence acts as like a pitch, a variable to understand the relationship between organizational commitment and emotional adoption ability and the research conducted that there is a direct relationship between emotional intelligence and adoption ability that is employees with high level of emotional

intelligence have accordingly high adoption ability so are more inclined and committed towards the organization (Humphreys, Brunson, and Davis 2005, 120-129).

When a study was conducted on the IT employees of Bangalore city, both male and female to assess the relationship between emotional intelligence and work balance in IT sector. The data analysis results showed the facts that there is a positive relationship between emotional intelligence and work life balance. It further suggested that the IT sector must take up initiatives that enhance and improve the emotional intelligence level in their employees. Those who are emotionally strong find it easy and smooth is to create a proper balance between work and personal life. They can meet their targets both at work and on the personal life front as well. The study proves that both emotional intelligence and work life balance together create and are responsible for the organizational success and develop a competitive edge for the IT firms (Deepak D Rangreji 2010)

The present competitive world. But productive and outshining ones are those have the strong qualities of emotional intelligence. In the present market situation the rules assessing your position and the yardstick measuring your position has totally changed. It is no longer your IQ guarantees you a top position or makes you a top person. More does your smartness or academic qualification decides your ability but the way you handle yourself and others is actually what decides your true ability (Dalipsingh, 2006)

The origin of the concept of emotional intelligence dates back to the 1979, when John Gottmann in his book "Raising an emotionally intelligent child" mentioned about the differences in the attitude and the approaches of the children towards the various issues. He observed that the children of the 1970's and 1980's had become more depressed, irritable, nervous and lonely. With the need for both the parent to work and remain out for most of their time for meeting their financial needs and desires children were deprived of social needs. Instead of spending time with friends and relatives they allotted most of the time to television and computers for entertainment. After 15 years the problems has got even worse. Hence the concept of driving for emotions holds for a better future ahead.

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Goleman (1998) in his study “working with emotional intelligence” had conducted a competency research in over 200 companies and organizations worldwide and the results stated that the level of competency varies from one employee to another, the reason behind this variation happens to be technical skills and cognitive ability which constitutes only one third while two third of the variation is due to emotional competence.

Carmeli and Joseman (2006) in his paper the relationship between emotional intelligence, task performance and organizational citizenship behaviors tried to come up with the connections and the links between the variables of emotional intelligence and positive performance at the workplace. Researchers have pointed out that though the study suggested that there is a association between emotional intelligence and positive performance at work place it is actually based on the self analyzed report and it ignores the fact that work performance is multidimensional. Authors pointed out that taking care of task performance alone doesn't accomplish or complete the role of a leader. Other things like Other things like civil relationships and helping subordinates with their issues at work would also influence their work performance. Researchers considered two important requirements of a leader that is altruism and general compliance which are and could be the actual reasons for subordinates to have respect for their leaders and are motivated to perform consistently for their leaders. Researchers have performed a study on 215 employees in 66 different organizations in Israel to study the relationship between altruistic and compliant behavior and emotional intelligence. The data was collected from the employees and the supervisors and the findings suggested that both types of behavior that is altruistic and compliance were connected with task performance.

Emotional intelligence and its presence in the organization is of utmost importance to the present day managers. Organizations not just deal with materials alone they also deal with people and with people come their most important part that is their emotions. Emotional intelligence gives the person the ability and spirit of competitiveness. Even though the organizations invest lakhs of money to train their employees to be smart enough and face any sort of challenges that come up in their way in the present competitive world. But the productive and outshining ones are those who have strong qualities of emotional intelligence. In the present market, situation rules deciding your position and the yardstick measuring your capacity have completely changed. It is no longer the IQ that guarantees the top position or makes one a top person. Nor can the smartness or academic qualification decide the ability but it's the manner in which one can handle himself and others are actually what determine the true ability. (Dalip Singh,2006)

The supervisors of manufacturing plant were trained in emotional competence. As a result the count of accidents that took place earlier was reduced by 50% also formal grievances came down from an average of 15 per year to 3 per year also productivity goal of the plant by \$50000(Pesuric and Byham,1996). Similar training to supervisors in another manufacturing plant delivered the same result like the production increased by 17%. While the group of supervisors who were not trained did not show any such increments in the business (Porrvas & Anderson,1981)

Coctzer.W.C.(2013) conducted a study among the lecturers from Westcol. On their study the researcher measured the relationship between emotional intelligence and job satisfaction. And the result found that there was a statistically significant and the predominant relationship between emotional intelligence and job satisfaction.

MODELS ON EMOTIONAL INTELLIGENCE

Peter Salovey and John Mayer were the first to coin the term “emotional intelligence” in 1990 and since they have been continued their research on the same, they took Gardner Ability based emotional intelligence model as the basement to construct their models. Model entails five broad areas: Knowing one’s own emotions, managing one’s own emotions, self motivation, understanding emotions of others and handling relationship with others.

Salovey and Mayer modified and fragmented the above 5 areas into 4 branches

- Emotional perception: to be able to perceive emotion being self aware of emotions and express the same accurately to others. The ability to distinguish between accurate and inaccurate emotional expressions
- Emotional assimilation: ability to grab the information that influences the thought process of others enabling them to facilitate thinking, problem solving, reasoning and focus.
- Emotional understanding: Understanding and defining transitions ranging from one emotions blend to another like from anger to satisfaction or from anger to shame.
- Emotion Management: to be open and accept both pleasant and unpleasant feelings and further manage emotions appropriately and successfully.

Mayer and Salovey began testing the validity of their model with multi branch emotional intelligence scale. It being a lengthy test (402 items) and several other limitations the scale failed to provide satisfactory evidence for the integration branch of the four branch model. Hence they decided to design a new measure of emotional intelligence. The current measure being the Mayer- Salovey – Caruso intelligence test (MSCETT) normed on a sample of 5000 men and women.

Goleman ended up stating that the emotional competencies discussed in his study are not built in talents rather are learned capabilities that must be worked on and developed to achieve outstanding performances further.

Bar-on

Bar-On's model of emotional intelligence relates to the potential for performance and success rather than performance or success itself and is accordingly considered process – oriented rather than outcome – oriented. This model details 5 constitutes of emotional intelligence: as 5 Emotional Intelligence scales : Self perception, Self expression, interpersonal, decision making and stress management and 15 sub scales as self regard, self actualization, emotional self awareness, emotional expression, assertiveness, independence, interpersonal relationship, empathy, social responsibility, problem solving, reality testing, impulse control, flexibility, stress tolerance and optimism, driving human behavior and relationships.

Mixed model

Inspired by the findings of Salovey and Mayer on Emotional Intelligence, Daniel Golemann a psychologist and science writer conducted his research on the same and ended up writing his landmark book Emotional Intelligence in 1995 which brought into focus both the private and public sectors which the idea of emotional intelligence. This model outlines the four constructs of emotional intelligence. Self awareness is the capacity to be able to understand one's own emotions and analyze their impact on the further decision taken up. Self management focuses on controlling one's emotions and impulses and accordingly adjusting to the changing circumstances. Social awareness can be taken as the ability to sense and respond to others emotions while using social networks. And last but not the least to end up is relationship management that includes the ability to inspire, influence and develop others while handling conflicts.

METHODOLOGY

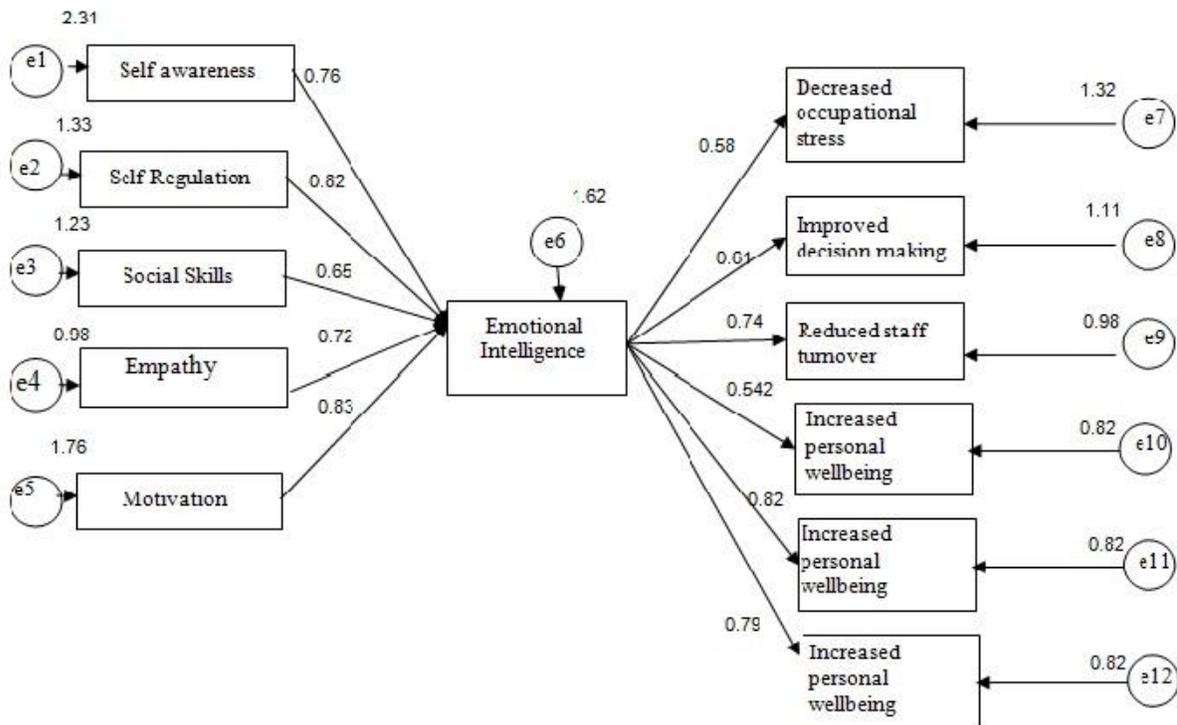
Both primary and secondary data used for the study. Primary data was collected by means of questionnaire. Secondary data was taken from published sources like journals, internet, books and articles; analysis has been made on the basis of response received from the respondents

The research type involves Descriptive. 783 respondents were selected at 95% confidence level and 0.035% of margin of error. The data have been collected by using the structured questionnaire with a probability resign of simple random sampling.

RESULTS AND INTERPRETATION

The respondents were asked to explicit their opinion on a 5-factor Likert scale. The scores had been assigned as strongly agree (5 point) to strongly disagree (1 point). The preliminary evaluation changed into made using descriptive evaluation.

Figure 1: Structural model - standardized regression weight of factor loadings



The assessment estimates the standardized loadings of the various exogenous variables and endogenous variables as indicators of the constructs.

Covariance relationship estimate		Beta estimate	C.R.	P
Self awareness	--->	Emotional Intelligence	0.761	5.988 .033
Self regulation	--->	Emotional Intelligence	0.819	8.927 ***
Social skills	--->	Emotional Intelligence	0.653	6.916 .021

Covariance relationship estimate			Beta estimate	C.R.	P
Empathy	--->	Emotional Intelligence	0.723	5.348	***
Motivation	--->	Emotional Intelligence	0.834	4.564	.043
Emotional Intelligence	--->	Decreased occupational stress	0.586	5.399	***
Emotional Intelligence	--->	Improved decision making	0.611	6.377	***
Emotional Intelligence	--->	Reduced staff turnover	0.743	7.625	.032
Emotional Intelligence	--->	Increased personal wellbeing	0.542	5.114	***
Emotional Intelligence	--->	Increased leadership ability	0.823	5.675	***
Emotional Intelligence	--->	Increased team performance	0.791	6.375	***

Structural diagram of the analysis presented in Figure 1, depicts the standardized model based on the five variables, self awareness, Self regulation, Social skills, Empathy and motivation shows the relationship between the emotional intelligence and the impact on the contemporary business management. Table 1 represents the results of the Covariance relationship estimate among the latent variables, dependent variable and mediating variable. The critical value, which is more than 1.96, is considered to be significant (David Garson, 2016).

The critical value of self awareness (5.988), self regulation (8.927), Social skills (6.916), empathy (5.348) and motivation (5.348) have a positive impact with Emotional Intelligence, Emotional Intelligence have a positive impact with Decreased occupational stress (5.399), Improved decision making (6.377), Reduced staff turnover (7.625), Increased personal wellbeing (5.114) , Increased leadership ability (5.675) and increased team performance (6.375).

SUGGESTIONS

As it is understood from the study that there is a direct relation between emotional intelligence and organization effectiveness. Henceforth the implication of the following suggestions is necessary for the success of the organization

1. While hiring the employees the manager has to keep in mind to hire employees who are emotionally strong and those who can understand the emotions of others as well.

2. Most of the employees are unaware of emotional intelligence henceforth provide employees with education, training, coaching and emotional quotient assessment.
3. Open communication needs to be encouraged and practiced.
4. Proper presence of emotional intelligence develops the traits of leadership in employers. So even they need to be properly equipped with knowledge on the same.
5. Teamwork must be emphasized.
6. Mutual respect among the employees and supervisors.

IMPACT OF EMOTIONAL INTELLIGENCE ON ORGANIZATIONAL EFFECTIVENESS

Teamwork is the main mantra for the success of any organization in the present day competitive world. And teamwork can easily be achieved through emotional intelligence. The areas in which emotional intelligence has a key role to play keep the organization bonded together and effective are:

1. **Leadership:** the traits of a good leader are created by the presence of emotional intelligence in them. And there is a direct connection between good leadership and organizational effectiveness and its success.
2. **Performance appraisal:** nowadays emotional quotient tools like EQi & MSCEIT have become the primary criteria to evaluate the employee's performance. Companies even outsource employees if the present employees don't possess such qualities in them.
3. **Training and development:** training and development with emotional quotient can avoid problems of reduced cost, absenteeism and low performance.

CONCLUSION:

The success and failure of any organization depends upon its employees. Employees that are human beings are the most complex of all the beings in the world. It is very important for any organization to understand and deal with its employees to be successful and effective. Ordinarily, workers showcase nice as well as bad feelings at offices and those have a splendid impact at the resultant results as effective or bad respectively. Having deep information and control over one's very own emotions and understanding others' feelings may be very vital for a hit work relationship and growing conducive paintings surroundings. Emotional Intelligence helps employees to focus on their goals unwaveringly, whereas unmanaged emotions will create spontaneous excitement inside the employees which may mar their attention and commitment. Enterprises ought to understand and accept that Emotional Intelligence is a key contributing factor to successful overall

performance and strategize on inculcating Emotional Intelligence amongst their personnel to create a powerful and green workplace.

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