

<u>"EFFECT OF EMOTIONAL INTELLIGENCE ON</u> <u>EMPLOYEE PERFORMANCE</u>"

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ABSTRACT

With the emergent development of globalization of the business world, organizations must adopt various sorts of strategies and additional procedures in comprehensive and pioneering way in order to achieve well-organized and effective work. Employees are the back bone of any organization and to make them work effectively, many strategies are being followed. Though, employees' performance and effectiveness in the workplace depends on a number of factors such as financial support, educational background, job position and attitude etc. But, now leaders have also started giving consideration to Emotional Intelligence (EI) as one of the key element in organization's success. EI is one of must-have skills and capabilities which are required by leaders and followers at workplace to encounter the environment changes and do as possible as they could to gain the organization commitments that could lead to organization's success. Previous research exhibited that EI is also one of the important factor in organizational commitment and there is a strong relationship between emotional intelligence and job satisfaction and Employee performance with leads to organizational commitment. Hence, the higher employees' EI scores, higher will be employee performance and his commitment towards organization. Employees with high developed Emotional Intelligence (EI) are proven to be more successful at workplace, because of the understanding of their emotions and why they behave in a particular situation in that way.

In this study effect of emotional intelligence (EI) on employee performance in an organization has been investigated and the gap in the existing literature of Emotional intelligence has been identified. Assessing the reviews and analyses presented in this paper, it is expected that this review can be further referred in the new studies for the understanding of effect of emotional intelligence on organizational commitment. This study may also be



beneficial for managers/ leaders to recognize diverse factors which influence the performance of employee.

Key words: Emotional intelligence, Employee Performance

1. INTRODUCTION:

The Human being is the one that can express feelings and thoughts, which result in behaviour verbally. Emotions have effect, which can influence all of one's behaviour at each stage of his life. For long time, it is seen that within the studies concerning intelligence, emotions have not been taken into consideration. However, the impact of emotions upon intelligence and behaviour is begun to be discussed with emerge of the term emotional intelligence.

Emotional intelligence is the "something" in each of us that is a bit intangible. It affects how we manage behaviour, navigate social complexities, and make personal decisions that achieve positive results. Emotional intelligence is made up of four core skills that pair up fewer than two primary competencies: personal competence and social competence.

Personal competence is made up of your self-awareness and self-management skills, which focus more on you individually than on your interactions with other people. Personal competence is your ability to stay aware of your emotions and manage your behaviour and tendencies. The communication between your emotional and rational "brains" is the physical source of emotional intelligence.

As defined by Orpinas, 2010, Social competence is the ability to handle social interactions effectively. In other words, social competence refers to getting along well with others, being able to form and maintain close relationships, and responding in adaptive ways in social settings. Given the complexity of social interactions, social competence is the product of a wide range of cognitive abilities, emotional processes, behavioural skills, social awareness, and personal and cultural values related to interpersonal relationships.

This study focus on the relationship between emotional Intelligence and job performance of an employee.



2. **RESEARCH METHODOLOGY**

The current study presents the results of various academic papers selected from the large pool of database Emotional Intelligence. Articles have been selected based on their impact factor and number of citation. A structural approach has been used to establish the source of material for review. The peer reviewed literature; dissertation and conference preceding were the main source of information. The Google Scholar and research gate search engine has also been used to conduct more general searches. All searches have been limited to examine with Emotional Intelligence published in English. Keywords namely, Emotional Intelligence, Employee performance, Impact of emotional intelligence on employee performance has been used to do search on Google and Research Gate.

3. REVIEW OF LITERATURE

Emotional intelligence (EI) can play a significant role in the work environment (Wong, & Song, 2004; Law, Sy & Cote, 2004; Goleman et al., 2002; Wong & Law, 2002). Various researchers emphasize that employees' EI can predict work related outcomes, such as job satisfaction and job performance (Prati et al., 2003; Wong & Law, 2002; Bachman et al., 2000). Furthermore, theorists hypothesize that managers' EI can significantly impact these work outcomes (Goleman et al., 2002; George, 2000). As such, the goals of this study are to examine the impact of employees' EI on job performance.

It has been widely hypothesised that individuals who have a high level of Emotional Intelligence (EI) are expected to accomplish higher levels of achievements both in their personal life and their work place (Bar-on et al., 2006; Goleman 1995, 1998;) and that they contribute significantly to the performance of the organizations within which they work (Carmeli & Josman, 2006; Sala, 2006). The purpose of this review of the literature is to demonstrate that many researchers have empirically supported the claims that emotional intelligence effects both individual work performance and individual advancement.

Various researches have suggested that some people are more successful in their careers than others even when they have had Equal educational and experiential opportunities (Stuller, 1997). There are two main concepts, intellectual intelligence (IQ) and emotional intelligence (EI) that have been hypothesized to explain this inconsistency, each of them having some



degree of influence on exactly how successful an individual is going to be at their job and in their career. Bar-On (1997) describes IQ as a measure of academic competencies or one's ability to use knowledge in making decisions and adapting to new situations. Bar-On (2000) 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 hypotesized that EI develops over time and that it can be improved through training, programming, and therapy. Bar-On theorizes that 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.

Emotional intelligence (EI) is a measure of social and emotional competencies and can be defined as "the ability to monitor one's own and other's feelings and emotions, to discriminate among them, and use this information to guide one's thinking and actions" (Mayer & Salovey, 2002).

It is through Goleman's work that EI has been popularised as a learned skill that is a better predictor of life success than intellectual attainment or technical ability (Goleman, 1995). This has sparked the belief that EI may also be a better predictor of work and career success and although both IQ and EI have a role to play in influencing individual performance Goleman has asserted the extraordinary claim that 80% of superior performance can be attributed to EI and not IQ in top line leaders (Goleman, 1998).

Such claims, even though not empirically supported, have led to much speculation in the evolving worlds of business and research about the degree to which these factors influence individual job performance and career progression. In the past it was believed that IQ and technical ability contributed the most to performance at work and career success but now it is the emerging construct of emotional intelligence which is causing the most excitement in relation to this conjecture.

Human beings are a complex species of emotion and reason. While reasoning enables them to judge things with mathematical precision, emotions help them to understand and empathize which make them "human". Traditionally it was believed and accepted that people



with high reasoning skills and a sound logical bend of mind were more intelligent. The IQ tests that were designed to ascertain a person's intelligence and competency tested only the reasoning and the logical aptitude of the person.

It is now widely accepted in business that the only sustainable competitive advantage in the modern economic world is the effective use of human resources and the ability to harness talent to deliver results.

Researchers hypothesize to uncover a deeper understanding of the construct of EI and what implications this may have for developing a more robust theory, one that is reliable and valid in the never ending scientific search for truth and knowledge. And so, for differing purposes, both organisations and researchers are searching for something similar; what is it exactly that makes a person an occupational success? In order to answer this question researchers are trying to explaim EI as one of the influential factors which go beyond what cannot be explained by cognitive intelligence and personality traits (Zeidner et al.; 2004).

Emotional Intelligence -The roots of emotional intelligence can be traced back to the work of Charles Darwin & his belief that emotional expression has a vital role to play in survival and adaptation (Darwin 1998). Throughout the 1900's several intelligence researchers theorised that non cognitive aspects were hugely important in constructing a comprehensive model of intelligence. Gardner (1975) has introduced the idea of multiple intelligences, including Interpersonal Intelligence, the ability to understand other people's desires, intentions and motivations and Intrapersonal Intelligence, the ability to understand one's own feelings, motivations and fears.

Mayer & Salovey (1990) defined emotional intelligence as "the ability to monitor one's own and other's feelings and emotions, to discriminate among them, and use this information to guide one's thinking and actions". The framework developed by them is built around emotion related cognitive abilities and their ability model divides the skills and abilities of emotional intelligence in to four branches, which are 1.Perceive emotions 2. Use emotions to facilitate thought 3. Understand emotions and 4. Manage emotions.

Job performance- Some researchers (e.g., George & Brief, 1996) have theorized that job performance is influenced by employees' ability to use emotions to facilitate performance,



one of the four defining dimensions of EI. Employees could use both positive and negative emotions to their advantage to improve performance. For example, positive emotions, such as excitement or enthusiasm, could stimulate employees to provide better customer service, complete their work assignments, or contribute to the organization. Conversely, negative emotions, such as anxiety, could facilitate employees' ability to focus on their work tasks.

Employees with high emotional intelligence should be more proficient at regulating their own emotions and managing others' emotions to foster more positive interactions, which could lead to more organizational citizenship behaviours that contribute to performance (Wong & Law, 2002).

The effects of Emotional Intelligence on Employee Performance - Organizations are the best settings that require interpersonal interaction. Most of these interactions are related to the performance of job duties, for example, serving customers, receiving instructions and reporting to supervisors, or cooperating and coordinating with colleagues etc., Employees with high levels of EI are those who can make use of the predecessor- and response-focused emotional regulation effectively, and master their interactions with others in a more effective manner.

Emotional intelligence is a set of competencies where personal competence and social competence plays a vital role in directing and controlling one's feelings towards work and efficiency at work. These competencies are the major factors and his ability to control and manage his moods and impulses on the job. To understand one's emotions and feelings as they occur, and tuning one's self to the changed situation, requires the emotional competency, emotional maturity and emotional sensitivity that are demanded on the job.

In a work situation, performance of the employees depends on working with group of people with different ideas, suggestions, and opinions. Effective use of emotional intelligence gives better team harmony. Leaders, in particular, need high emotional intelligence, because they represent the organization to the customers, they interact with the highest number of people within and outside the organization and they set the tone for employee morale. Leaders with high emotional intelligence are able to understand their employee's needs and provide them with constructive feedback.



Emotional intelligence represents a set of competencies that perceive, understand and regulate emotions in one-selves and in others. These emotional competencies are learned capabilities based on the level of emotional intelligence that lead to superior efficiency in performance.

A suggested by Ahangar, various results of studies shows that as elements of emotional intelligence, others' emotion appraisal, use of emotion, and self-emotion appraisal significantly affected counterproductive work behaviours, whereas self-emotion appraisal and use of emotion affected organizational citizen behaviors. Focusing on these literature reviews, we can find that there is relation between Emotional Intelligence with job performance of executives or any person that has a responsibility in a company, organization, or society, and EI may improve the manager performance in work and increases organizational success, therefore the findings of this research will show this matter.



4. <u>identified from various research papers</u>

S. no.	Author	Variables	Title	Sample size	Where data collected	Statistical approach	Major findings
1.	Reza Gharoie Ahangar	Emotional Intelligence, Employee Performance	Emotional Intelligence: The Most Potent Factor of Job Performance Among Executives	218	Iran	T-tests, ANOVA, and Regression.	 A significant positive correlation was expected between EI and performance The result that EI has a predictive effect on job performance concurs with the findings of the previous researchers (Goleman, 1995).
2.	Fredrick M. Nafukho, 2009	emotional intelligence, workplace performance, HRD	Emotional Intelligence and Performance: Need for Additional Empirical Evidence	-	USA	Review of Literature	 Issue of low correlations between EI and performance or leadership effectiveness has been established by empirical studies. In addition, several researchers argue that there is no statistical significance between EI and performance, because EI lacks psychometric measurement properties (Conte, 2005; Matthews et al., 2002; Van Rooy & Viswesvaran, 2004). This finding brings us to a very important discussion of statistical significance versus practical significance, which researchers on EI must be willing to address





S. no.	Author	Variables	Title	Sample size	Where data collected	Statistica approac	<i>j j s</i>
3.	Muhammad Naim Bin Jurit, Mahmoud Khalid Almsafir, 2013	Self- Emotional Appraisal, Other Emotional Appraisal, Regulation Of Emotion, Use Of Emotion, Job Performance.	The Relationship Between Emotional Intelligence And Job Performance In Fibrecomm Network (M) Sdn. Bhd.	100	Malaysia		 Increasing in emotional intelligence will motivate employee on doing their job more thoroughly and efficiently. This study found that respondents in selected organisation have high job performance when they have a good management on their emotional intelligence. The finding of this study confirms that emotional intelligence have a stronger relationship with job performance. This means that the emotional intelligence as the independent variables help to increase the level of job performance when level of emotional intelligence is in high level.
4.	Kannaiah & Shanthi, 2013	Emotional Intelligence, Productivity, Efficiency, Organizational	A Study on Emotional Intelligence At Work Place	150	Singapore	SPSS	• Handling emotions is an important requirement for a HR for himself and among the employees as well. This with help to increase organizational commitment, improve productivity,





S. no.	Author	Variables	Title	Sample size	Where data collected	Statistical approach	Major findings
	Gunu &	commitment	Impact of Emotional	120	Nigeria	regression	 efficiency, retain best talent and motivate the employees to give their best Most of the organizations are nowadays taking those employees who are emotionally intelligent, so that they can face the workplace problems easily and they can become more productive for the organization. Emotionally intelligent organization can be made through organizational strategies, leadership skills, development programs, self-awareness and self-management tools There is a significant relationship.
5.	Oladepo, 2014	Intelligence, Organizational Commitment, Employees' Performance, Interpersonal relations.	Intelligence on Employees' Performance and Organizational Commitment: A Case Study of Dangote Flour Mills Workers			and correlation analysis	 between employees' emotional intelligence and organizational commitment. Employees' performance can be achieve through their intelligence, and als through empowerment of the employees. The application of managers' emotional intelligence will increase employees performance through an organized self.

managed development scheme.



S. no.	Author	Variables	Title	Sample size	Where data collected	Statistical approach	Major findings
							 It is established that there is a relationship between emotional intelligence organizational commitment and employees' performance. Employees who are empowered and are involved in innovation become more satisfied with their jobs and therefore more productive.
6.	Lam & Kirby, 2002	Cognitive- based performance, emotional intelligence, general intelligence, Multifactor Emotional Intelligence Scale	Is Emotional Intelligence an Advantage? An Exploration of the Impact of Emotional and General Intelligence on Individual Performance	304	USA	Reliability Statistics	 General intelligence made a significant contribution to the prediction or individual performance of a cognitive task (Gottfredson, 1998). In addition, overall emotionational intelligence, perceiving emotions, and regulating emotions all contributed positively to individual cognitive-based performance. However, understanding emotions did not add to the explanation of variance in individual cognitive-based performance over and above the level attributable to the explanation of the explanation of
7.	Hassan et al., 2010	Emotional intelligence,	Impact of Emotional Intelligence on	155	Iran	Reliability Scale	general intelligence.This study has produced some importar results that have implications for bot





S. no.	Author	Variables	Title	Sample size	Where data collected	Statistical approach	Major findings
		Performance.	Performance of Employees				 research and practice. The study on managers and employeer emotional intelligence and their ability to perform effectively on the job i identified as they are not able to manage their emotional intelligence, which has a direct impact on their job. Further, the level of emotional intelligence and performance level of the managers and employees is moderate to low; these skills are to be developed fo achieving higher employee productivity and to enhance the image of the educational administrations.
8.	Kenneth et al., 2008	Job performance, Emotional Intelligence, General Mental Abilities, Life Satisfaction.	The effects of emotional intelligence on job performance and life satisfaction for the research and development scientists in China	102	Benjing, China	Reliability Scale	 Scientifically rigorous studies for the validation of the construct are still far from satisfactory. In comparison to other areas, such as education and psychology, up until now, there has been a regrettable lack of attention from organizational researchers on the EI construct. This study demonstrates that the effect of EI on job performance is valid for a job





S. no.	Author	Variables	Title	Sample size	Where data collected	Statistical approach	Major findings
9.	Akhtar et al., 2017	Emotional intelligence; Perceived organizational support; Job performance	The Effect of Emotional Intelligence on Employee's Job Performance: the Moderating Role of Perceived Organizational Support	300	Islamabad, Pakisthan	Bi-variate correlation analysis	 position that requires a very high General Mental Ability (GMA) Emotional intelligence has a positive impact on job Performance. Perceived organizational support moderates the relationship between emotional intelligence and job performance, such that the relationship between emotional intelligence and job performance will be stronger/positive when perceived organizational support (POS) is high.

Source: Secondary Data

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5. <u>Conclusions, recommendation Challenges and future scope</u>

The results from the above literature are concerned with the study of emotional intelligence and its impact on employee performance. After analyzing the literature on Emotional Intelligence we can conclude that there is an impact of Emotional Intelligence on Employee performance. From the above studies it can be concluded that Emotional Intelligence is a key analyst for employees to supervise their own emotions as. These studies have shown that employees with high Emotional Intelligence competencies have better job performance than employees with low Emotional Intelligence competencies. It has been commonly notice that in any industry job satisfaction factor enhances the employees'social life and also productivity of organization, due to appreciation and reward. Manager plays a key role for organizational development, must have emotional competences that they manage the employees and their work life.

It is found that high emotional intelligence of employees'leads to better work performance and thereby increasing the organization commitment, which in-turn leads to decrease in turnover intention. The research studies reviewed leads us to believe that employees react positively and take a devoted importance to contribute and ready to search capabilities and efficient learning for personal Emotional Intelligence.

As such, there are many areas for improvement and for further research where the association between various variables with regard to Emotional Intelligence and Job Performance can be analysed with other mediating variables. The findings from the above study have important implications on application of emotional intelligence on employee performance, where remain a number of other functions of Human Resource Management in other sector where the implementation of emotional intelligence could be equally beneficial. Hence in those areas lies the scope of further study.

The subsequent are those other areas in relation to emotional intelligence and employee. Studies on the effects of the emotional intelligence of team leaders may also be of interest to understand the development of effective team in the organization. The application and impact



of emotional intelligence on developing interpersonal skills among the employees and finally, understands employees Work Life Balance through emotional intelligence.

The concept of emotional intelligence undertakes to forecast and improve the life skills of individuals. The proponents of the assumption believe that in understanding, analyzing and managing emotions in themselves and others, lies the key to an improved quality of life.

This paper is completely dependent on the earlier studies, and is more focused on identifying and relating the various factors which has already been discussed. Secondly, the study is presented as a theoretical paper and the articles included are based on European and the US context as maximum studies have been conducted in those countries.

Different aspects of various studies have also been reviewed in this study which is valuable for the future researchers. In addition, the recommendation may inspire new studies that can advance the understanding on Emotional Intelligence.

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