

Emotional Intelligence and Its Direct and Indirect Effects on Personal and Organisational Effectiveness

Manpreet Kaur Kohli

Department of Computer Science and Engineering, Jamia Hamdard,
New Delhi, India

Abstract –

This literature review examined the relationship between emotional intelligence and organisational and personal effectiveness. And, various factors which intermediate the relation between the two i.e. factors like improved organisational culture, high goal attainment, high client satisfaction, high performance, job satisfaction and employee creativity. This study revealed that there is a strong positive relation between EI and above mentioned factors, hence, EI should be considered as an important element in any organisational or personal effectiveness in any given situation.

Key Words - Emotional Intelligence, organisational culture, high goal attainment, high client satisfaction, high performance, job satisfaction and employee creativity.

I. EMOTIONAL INTELLIGENCE- INTRODUCTION

The term Emotional Intelligence came into existence when psychologist Salovey and Mayer defined it as intelligence connected to understanding and managing one's own and others emotions as well and how that understanding helps in guiding one's thoughts and actions [1]. Later Daniel Goleman made this concept popular by his book Emotional Intelligence where he explained the concepts of Emotional intelligence by categorizing into self awareness of emotions, managing and motivating oneself, empathising and managing relationships [2].

In this book, Daniel Goleman discussed behaviours like social awkwardness, rude behaviours and criminal propensities which were occurring due to lack of Emotional intelligence. He also mentioned that even teens who are just in senior grades of schools suffer from lack of understanding and controlling their emotions.

The genesis of 'other intelligences' is as early as in 1920's, when American psychologist Edward Lee Thorndike mentioned 3 types of intelligences in this Thorndike's Intelligence Theory. Abstract intelligence, mechanical intelligence and social intelligence. As per him the ability to interact with people and perform social obligations is Social intelligence. Even Howard Gardner's book *Frames of Mind* [3] challenged the traditional method of IQ test to check someone's ability to excel in their professional life. He advocated the fact that IQ should not be the sole measure to predict someone's success. There is a spectrum of intelligences which play important role in making a person smart, adaptable and likeable in any given situation. Intelligences which architects have (spatial intelligences), what musicians have (like that of Mozart), kinaesthetic intelligences, Personal intelligences. 'Personal Intelligences' by Gardner is the one which we can relate to Emotional Intelligence. Personal intelligence can be further divided into Interpersonal and Intrapersonal intelligences. Interpersonal intelligence is understanding the thinking of other individual and reacting to it accordingly. What motivates them, who to work with them as a team, what works for them? Whereas Intrapersonal is knowing and understanding one's feelings, and making them as your guide to your behaviour.

Since then, several researches have been done to prove the importance of EI in professional work environment.

II. OBJECTIVE

The role of emotions in an organisation was always important. But earlier it was ignored, as business should not be mixed with emotions. But gradually it was realised that in an organic environment, emotional intelligence play an important role in managing the work performance of individual and success of organisation. Earlier, IQ (Intelligence Quotient) was believed to be one sole factor which makes a person successful or unsuccessful in his professional life. Later it was argued by Daniel Goleman that IQ can help you to get a job, but to stay successful and excel in your career your Emotional Intelligence (EI) should be high. To support this claim, psychologists Stein and Book (2006), proved through EQ test that a Harvard Business Graduate received a lot of job offers from companies, but she failed to keep these jobs because of Low Emotional Quotient.

Emotional Intelligence has been an area of interest among Organisational Scientists since last two decades. But, a very less work has been done which talks about application of EI in Corporate for hiring, training and appraising the employees to improve organisational culture and climate.

In this review, I propose to study the importance of EI in individual performance, emotion regulation, creativity and innovation, entrepreneurial intent and ethical behaviour and their further effects on organisational effectiveness such as improving the organisation culture and climate, organisational politics, organisational commitment and organisational citizenship behaviour. Does EI helps in work life balance of an individual and if an emotionally stable employee works as an asset to an organisation in terms of doing his work more efficiently.



Fig 1 Indirect Relationship between EI and Organisational and Personal Effectiveness.

2.1 Emotional Intelligence and Emotion Regulation

Emotion regulation refers to the ability through which individuals decide which emotion to have, and when to express them [4]. James J Gross suggested through process model of emotion regulation, that, emotions can be regulated by: selecting the situation, modifying the situation, deployment of attention, change of cognitions, and modulating the responses. [4]. According to Gross, emotions regulation can happen by manipulating the input to our psychological systems or outputs.

Wong and Law in 2002, following the gross's model of **emotion regulation** [4], felt the need to explore how **emotionally intelligent leaders are more effective in making their followers more satisfied towards their jobs and make them perform better** [5]. Similarly there was a study on impact of Emotional intelligence on ethical behaviour of Chinese employees, which proved that **emotionally regulating one's behaviour also makes them more ethically strong**. And employees, who are more ethically strong, tend to be more **committed towards organisation** [6]. The two dimensions of EI i.e. regulation and utilization of emotion, has also been proven to be positively connected with **Entrepreneurial intent** mediated by a person's self efficacy. [7]. People who are strong emotionally have high level of entrepreneurial self efficacy and tend to be more confident to start their own venture.

2.2 Emotional Intelligence at Workplace- Job satisfaction and performance

Neal M. Ashkanasy and Alana D. Dorris [8], have recently studied the importance of **emotions at workplace** at 5 levels i.e within a person, between personality and attitude, perceiving and communicating emotions, at the leadership and team level and at organisation culture and climate level and how it is connected with Affective Events theory [9].

Studies have been done on **how EI predicts job performance** [10]. In recent study in [11] mainly focussed on effect of EI levels on **Organisational Citizenship Behaviour (OCB) and Counterproductive work behaviour (CWB)**. In this research it was found that EI was positively related to OCB but negatively related to CWB. Also, levels of EI were found to be more with employees belonging to healthcare and service industries rather than in industries where emotional labour is less required. Also there have been studies which have proved the EI is related to job performance and affects the attitude at work. In this research, it was proved that emotionally intelligent workers received higher appraisals and held higher positions than their counterparts [12].

2.3 Emotional Intelligence and Leadership Effectiveness

Leadership plays an important role in making an environment positive for employees, to challenge their boundaries and think out of the box. With supportive leadership, the performance of employees can shoot up to higher levels. But what makes a leader a good leader?

Leadership involves continuous interaction with other individuals. Once there is a presence of social interaction, the relevance of emotional expression and emotion regulation increases. As House and Aditya (1997) explained, that leadership is engrained on social context and hence the social intelligence works as a powerful leadership trait [13]. Sternberg (1997) also supported House and Aditya's research by providing various examples supporting the fact that social intelligence of managers is more important factor in their job success [14]. This idea was also echoed by Boal and Hooijberg (2000) stating that leaders play different roles at different times. And, good leaders had an understanding of selecting right role and the right time [15]. [16] Day also reinstated the importance of EI in leadership performance. He

emphasised on giving specific instances which are connected with interpersonal competence and leadership initiatives such as self worthiness, adaptability, commitment, initiative, optimism etc. As discussed in the above section, self awareness, self regulation and self-motivation are the major components of emotional intelligence. So EI can be considered as the major variable in leadership effectiveness.

There have been relevant researches related to EI which are connected to improved leadership skills in managers, and how those managers than prove to be better bosses and hence directly or indirectly contributes in job satisfaction of their employees. In the book *Primal leadership- learning to lead with emotional intelligence*, discussed, how emotionally intelligent leadership drives resonance, and leads to managing people better, better followership and smoother processes. [17]. Also discussed by Amy Zipkin, in an organisational study on 2 million people at 700 companies found that the employee's productivity and tenure in a company is determined by his/her relationship with the immediate boss. So it was well proven that people having amicable relationship with their boss are 4 times less likely to leave their jobs. [18]. Here again Wong and Law's study can be mentioned where it was studied the positive effect of emotional intelligence of leaders on the performance and job satisfaction of their employees [5].

2.4 Role of EI in Creativity

Amabile in 1988, defined creativity, as creation of fresh and useful ideas by a group or an individual working together [19]. Creativity is one trait which helps the organisations to sore greater heights. So, organisations always look out to hire professionals who are creative and out of the box thinkers. But, creativity needs the right environment to flourish. The right environment created by the right leadership. So, here I have discussed the factors which encourage more creativity among employees.

One such factor which fosters creativity in employees is leadership. Numerous studies have shown that improving the creative performance enhances the organisation's performance and hence helps the organisations to achieve their targets well in time. Given in today's scenario of heightened competition, targets and unprecedented technological changes, creativity is one factor which can bring all the difference and managers have recognised the importance of creativity. They are the best people who know which employee work should be creative and have considerable influence over the environment within which employee creativity is at its best [20]. Studies have been done which proves positive relationship between creativity and leadership [21]. Xiaomeng Zhang and Kathryn M. Bartol also suggested that if leaders are empowered, it positively affects the psychological empowerment and hence results in increased motivation and creative processes initiatives [22].

But then there are studies which show the counter effect of moods over creativity. One such study discusses that negative moods in employees encourages them to be more creative in their work whereas when employees are in positive mood and in status quo situation, the creativity level decreases [23]. George and Zhou have also studied the effect of 2 factors of Big 5 personality model i.e. Openness to experience and Conscientiousness. In this study he proved that Creativity levels are high in the presence of trait of openness to experience. But, on the other side creativity level reduces with high levels of conscientiousness [24].

Researchers have been working on to prove a positive relation between EI and creativity. A recent study by Md. Hassan Jafri, Chimi Dem, and Sonam Choden suggested that an emotionally intelligent professional exhibits the highest creativity levels, when supported by favourable organisational climate [25].

III. CONCLUSION

Emotional Intelligence hence affects the organisational and personal effectiveness in many direct and indirect ways. The better a person regulates his/her emotions, the more ethically strong he is and hence better that organisation functions. Similarly, the more emotionally intelligent a leader is, more satisfied his employees are in their jobs, and better they perform. Similarly higher the emotional intelligence is, higher are the creativity levels. All the factors – high ethics, high job satisfaction, high performance, high creativity are dependent directly or indirectly to their own or their leadership emotional intelligence level. Hence, this makes Emotional intelligence an important topic of research in future.

REFERENCES

- [1] P. & M. J. D. Salovey, "Emotional intelligence.," *Imagination, Cognition and Personality*, pp. 185-211, 1990.
- [2] D. Goleman, *Emotional intelligence*, New York: Bantam Books., 1995.
- [3] H. Gardner, *Frames of Mind*, 1983.
- [4] Gross, James J., "The Emerging Field of Emotion Regulation: An Integrative Review," *Review of General Psychology*, volume 2, pp. 271-299, 1998.
- [5] Chi-Sum Wong, Kenneth S. Law, "The effects of leader and follower emotional intelligence on performance and attitude: an exploratory study," *The Leadership Quarterly* 13, p. 243–274, 2002.
- [6] Fu, Weihui, "The Impact of Emotional Intelligence, Organizational Commitment and Job satisfaction on ethical behaviour of chinese employees," *Journal of business ethics*, 2013.
- [7] Roxana Andreea Mortana, Pilar Ripolla*, Carla Carvalhob, and M. Consuelo Bernala, "Effects of emotional intelligence on entrepreneurial intention and self-efficacy," *Journal of Work and Organizational Psychology*, pp. 97-104, 2014.
- [8] Neal M. Ashkanasy, Alana D. Dorris, "Emotions in the Workplace," *Annu. Rev. Organ. Psychol. Organ. Behav*, 2017.

- [9] Weiss HM, Cropanzano R., "Affective events theory: a theoretical discussion of the structure, causes and consequences at affective experience at work.," *Research in Organizational Behavior: An Annual Series of Analytical Essays and Critical Reviews*, 1996.
- [10] ERNEST H. O'BOYLE JR., RONALD H. HUMPHREY, JEFFREY M. POLLACK, THOMAS H. HAWVER and PAUL A. STORY, "The relation between emotional intelligence and job performance: A meta-analysis," *Journal of Organizational Behavior*, Vol. 32, No. 5 (JULY 2011), pp. 788,818, 2011.
- [11] Miao, C., Humphrey, R. H., & Qian, S., "Are the emotionally intelligent good citizens or counterproductive? A meta-analysis of emotional intelligence and its relationships with organizational citizenship behavior and counterproductive work behavior," *Personality and Individual Differences*, pp. 144-156, 2017.
- [12] Paulo N. Lopes, Daisy Grewal*, Jessica Kadis*, Michelle Gall** and Peter Salovey, "Evidence that emotional intelligence is related to job performance and affect and attitudes at work," *Psicothema* 2006. Vol. 18., pp. 132-138, 2006.
- [13] House, R. J., & Aditya, R. N., "The social scientific study of leadership: quo vadis?," *Journal of Management*, pp. 409-473, 1997.
- [14] Sternberg, R. J., "Managerial Intelligence: why IQ isn't enough," *Journal of Management*, 23 (3), pp. 475-493, 1997.
- [15] Boal, K. B., & Hooijberg, R., "Strategic leadership research: moving on.," *The Leadership Quarterly Yearly*, pp. 515-550, 2000.
- [16] Day, D. V., "Leadership development: a review in context," *The Leadership Quarterly Yearly Review of Leadership*, pp. 581-614, 2000.
- [17] Daniel Goleman, Richard Boyatzis and Annie McKee, *Primal Leadership, Learning To Lead With Emotional Intelligence*, Harvard Business Review Press, 2002.
- [18] Zipkins, 2000.
- [19] Amabile, Teresa M., "A Model of creativity and innovations in organisations," *Research in organisational behaviour*, Vol 10, pp. 123-167, 1988.
- [20] Christina E. Shalley, Lucy L. Gilson, "What leaders need to know: A review of social and contextual," *The Leadership Quarterly* 15 (2004), pp. 33-53, 2004.
- [21] Giles Hirst, Rolf Van Dick and Daan Van Knippenberg, "A social identity perspective on leadership and employee creativity," *Journal of Organizational Behavior*, Vol. 30, No. 7 , pp. 963-982, 2009.
- [22] Xiaomeng Zhang, Kathryn M. Bartol, "LINKING EMPOWERING LEADERSHIP AND EMPLOYEE CREATIVITY: THE INFLUENCE OF PSYCHOLOGICAL EMPOWERMENT, INTRINSIC MOTIVATION, AND CREATIVE PROCESS ENGAGEMENT," *The Academy of Management Journal*, Vol. 53, No. 1 (February 2010), pp. 107-128, 2010.
- [23] Jennifer M. George, Jing Zhou, "Understanding When Bad Moods Foster Creativity and Good Ones Don't: The Role of Context and Clarity of Feelings," *Journal of Applied Psychology* Copyright 2002 by the American Psychological Association, Inc., pp. 687-697, 2002.
- [24] Jennifer M. George, Jing Zhou, "When Openness to Experience and Conscientiousness Are Related to Creative Behavior: An Interactional Approach," *Journal of Applied Psychology* 2001, Vol. 86, No. 3, pp. 513-534, 2001.
- [25] Md. Hassan Jafri, Chimi Dem, Sonam Choden, "Emotional Intelligence and Employee Creativity: Moderating Role of Proactive Personality and Organizational Climate," *Business Perspective and research*, 2016.
- [26] A. Zipkins, *New york times*, 2000.