LITERATURE REVIEW ON INFLUENCE OF EMOTIONAL INTELLIGENCE ON EMPLOYEE PERFORMANCE AT WORKPLACE

Dr. Katyayani Jasti*
Mounica Vallabhaneni**

Abstract

Employee performance plays a very important role in the workplace. The performance of the employee is one of the vital determinants for promotions and hike in the salaries or demotions and layoffs. In the current scenario, the level of employee performance is determined by various components via, work pressure, relationship with colleagues, initiative, stress levels, anxiety, agitation, monotony in work. All these emotions have an impact on everything an employee does. All these emotional symptoms fall under the category of dimensions of Emotional Intelligence. In the light of employee performance and Emotional Intelligence there is a need to study the impact of emotional intelligence on the employee performance at workplace. This conceptual paper attempts to review the literature on influence of Emotional Intelligence on Employee Performance at workplace.

Keywords: *Emotional Intelligence, Employee Performance, Workplace.*

Introduction

With the advent of globalization, employees in the workplace are expected to be spontaneous, open and flexible to changing organizational environment. It is believed that a spontaneous employee works efficiently and increases the overall productivity to the organization. Emotional Intelligence plays a very important role in helping the employees to cope with dynamic change in organizational and business environment. Hence Organizations need to develop employee's emotional intelligence skills to work effectively in the workplace. (Bob Wall (2008). Dalip Singh, (2001) opinions that application of emotional intelligence supports the managers and employees to recognize and understand emotions and using emotional intelligence to manage oneself and his/her relationship with others.

It is expected in the current competitive world that a person should be emotionally intelligent as it is believed that Emotional Intelligence plays important role in a person's life than intelligent quotient, which was a traditional concept. The concept of Emotional Intelligence gained lot of attention because of its benefits. The key idea of high emotional intelligence in a person results in success in work place, adjustment and quick adaptation to new environment, improved leadership, motivating and decision making abilities, maintaining good personal relationships and ability to manage stress levels that creates

* **Dr. Katyayani Jasti,** Head & Professor, Department of Business Management, Sri Padmavati Mahila Visvavidyalayam, Tirupati, jkatyayani@gmail.com
** **Mounica Vallabhaneni,** Scholar, Department of Business Management, Sri Padmavati Mahila Visvavidyalayam, Tirupati, meenu.1984@yahoo.com

economic and societal value. There were many empirical tests conducted to prove the benefits Emotional Intelligence in the work-life balance of individuals.

The current paper provides literature review of the claimed role of Emotional intelligence in the workplace. The paper provides an overview of the conceptualization and measurement of Emotional Intelligence. The paper concludes by presenting theoretical framework of influence of Emotional Intelligence on employee performance which increases overall organizational effectiveness.

Emotional Intelligence

Although Thorndike (1921), Guilford (1956), and later, Gardner's (1983) research into social intelligence suggests at the importance of emotions to intellectual functioning, the term EI was not brought into mainstream psychology until the 1990s (Salovey & Mayer, 1990). The origin of Emotional Intelligence goes back to O. Hobart Mowrer, in 1960, who maintained, "The emotions are of quite extraordinary importance in the total economy of living organisms and do not deserve being put into opposition with 'intelligence.' The emotions are, it seems, themselves a high order of intelligence" (p. 308).

Similarly, Robert C. Solomon, in 1976, wrote, "...emotions are rational .... They are, as I have been arguing, judgments, and they are intentional and intelligent" (p. 239). Solomon's objective was to eliminate unnecessary conflicts between reason and passions, and instead, to encourage appreciation of the passions without requiring the rejection of "reason" (Mayer, Salovey & Caruso, 2004; Salovey, Mayer & Caruso, 2002).

It appears Payne (1985) first formally introduced and defined the concept of EI in an unpublished doctoral dissertation in philosophy entitled, *A Study of Emotion: Developing Emotional Intelligence; Self- Integration; Relating to Fear, Pain and Desire*. Payne opinions Emotional Intelligence is related to fear, pain, and desire.He suggest that individuals could learn the necessary skills through educational programming in schools. Payne believed that mass emotional suppression throughout history has stifled humans' emotional growth, and he viewed many of the problems of modern society as being caused by emotional ignorance, culminating in wars, depression, illness, addiction, religious conflict, and violence (Mayer, Salovey & Caruso, 2004; Salovey, Mayer & Caruso, 2002).

In the past two decades, a great deal has been written about emotional intelligence and its role in the workplace. The experts in the field of emotional intelligence have offered definitions and models to understand the concept of emotional intelligence and its impact on employee and manager's life and work. Like most of the concepts of the social sciences emotional intelligence has also been defined by many researchers in different words. Emotional Intelligence is conceptualized by Salovey & Mayer (1990) "the ability to monitor one's own and others feelings and emotions to discriminate among them and to use information to guide one's thinking and action". Further, Goleman (1995, 1998) who had popularized Emotional Intelligence defines it as "the composite set of capabilities that enable a person to manage him/her and others". Reuven Bar-On (2000) defined 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. These definitions indicate that for a manager and an employee to be successful, emotional intelligence abilities are required.

Emotional Intelligence and Employee Performance

People with high levels of emotional intelligence (EI) seem to possess emotional skills that allow them to cope effectively with the challenges they face and promote well-being. Considering the role of EI in coping research may yield significant benefits for individuals because EI has consistently been linked with positive outcome measures, including life and work satisfaction, interpersonal functioning, healthy relationships, job performance, psychological well-being, physical health, and psycho-physiological measures of adaptive coping (Martins, Ramalho, & Morin, 2010).

Before exploring existing research on the relationships between EI and employee performance, it is important to consider why examining EI with respect to performance is at all important. One of the most important reasons to consider EI in coping research is because EI has consistently been related to and predictive of positive outcome measures, such as life satisfaction, work performance, healthy relationships, physical health, and psychological well-being (e.g., Ciarrochi, Forgas, Mayer, 2001; Salovey et al., 1999; Zomer, 2000). People high in EI seem to possess skills that allow them to cope effectively with the challenges they face which in the long-run contribute to such positive outcomes, with reversals among these relationships suggested for those low in EI. To gain further appreciation of the applicability of EI to the employee performance, a thorough review of the literature is required.

In an exploratory study by Dulewicz and Higgs (2000) of career progress of 58 managers in UK and Ireland assessed three domains of self-reported ability: EQ, IQ, and managerial competency. The study states that EI was found to contribute to the prediction of the job advancement criterion above and beyond managerial EI and self-reported intellectual performance.

The study conducted by Bachman, Stein, Campbell, and Sitarenios (2000) unveils that emotionally competent account officers are more likely to be successful in collection of debt from emotionally low competent officers. Two studies were reported which compare more and less successful debt collectors in terms of their emotional intelligence, measured using the BarOn Emotional Quotient Inventory. Based on a small sample of 36 account officers, a "best practices" group was found to possess a level of EI significantly higher than that of the North American population at large. These individuals also performed better than a less successful group—particularly in the area of problem solving skills. The "best practices" group scored higher on the EQ-i scales of Optimism and Happiness. In a second study, based on 34 account officers, the high cash collectors group performed better than did the low cash collectors group on all EQ-i sub-scales, with the exception of Empathy and Impulse Control. The findings supported the hypothesis that higher levels of emotional intelligence lead to enhanced job performance.

A study by Lam and Kirby (2002) investigated that emotional intelligence would account

for increases in individual cognitive-based performance over and above the level attributable to traditional general intelligence. The authors measured emotional intelligence with the Multifactor Emotional Intelligence Scale. As measured by the MEIS, overall emotional intelligence is a composite of the 3 distinct emotional reasoning abilities: perceiving, understanding, and regulating emotions. Although further psychometric analysis of the MEIS is warranted, the authors found that overall emotional intelligence, emotional perception, and emotional regulation uniquely explained individual cognitive-based performance over and beyond the level attributable to general intelligence.

In another study, Nel H (2004) indicated statistically significant and positive correlation between emotional intelligence and job performance in the call centre environment. The sample comprised 135 call centre agents who worked in client services, sales and administrative environments in a life insurance company. It was further established that the combination of the emotional competencies emotional self-awareness, trustworthiness, self-confidence and influence explains the greatest degree of variance in job performance in the call centre environment as a whole. The study concluded that there is a tendency for a high level of job performance in the respective call centres to be associated with a high level of emotional intelligence.

The study by Leban and Zulauf (2004) addressed 24 project managers and their associated projects in six organizations from varied industries. The results of the study found that a project manager's transformational leadership style has a positive impact on actual project performance, that emotional intelligence ability contributes to a project manager's transformational leadership style and subsequent actual project performance.

In a study conducted by Khokhar (2009) explains the performance of executives on different levels of emotional intelligence and provides a link between emotional intelligence and effective work performance. The research involved 20 male executives within the age range of 40 to 55 years working in BHEL, THDC and Uttarakhand state (India) were selected. The findings of the study revealed that executives having higher emotional intelligence show better quality of work performance as compared to their counterparts. The study observed that a highly emotionally intelligent executive has emotional competency which consists of high levels of self-awareness, self-regulation, motivation, empathy and social skills, which in turn strongly predicts work performance.

A study undertaken by Kulkarni et al (2009) at an automobile industry with a sample of 125 managers and supervisors reveals that the employees were not performing to the expectations of the organization and also low in emotional intelligence scores. The study suggests that employee should be provided with emotional intelligence training and technical and soft skills training in order to improve their performance at workplace.

In the empirical study by Jorfi, Jorfi, Moghadam (2010) hypothesised emotional intelligence plays important role in improving employee performance. The study was confined to 155 managers and employees in a study organization located in educational administrations of Iran. The findings reveal that managers and employees show lower level of performance in

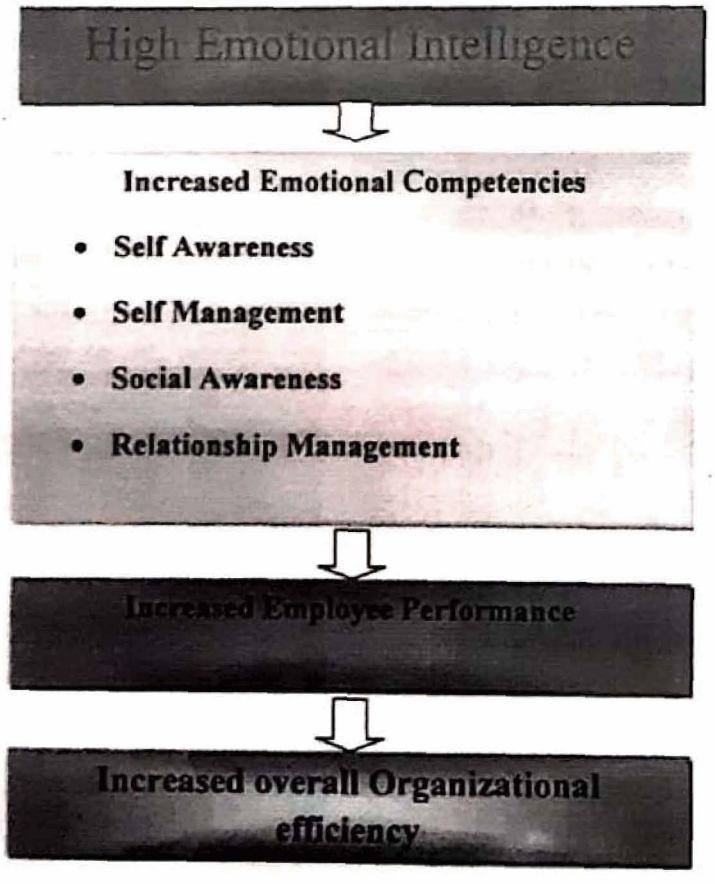
the educational administrations and lower level of emotional intelligence in the job. The study hints that the educational administration has to arrange for a training program on how to develop emotional intelligence and apply it on the job for higher managerial skills.

Research Gap

From the review of literature, it is clear that if an employee is Emotionally intelligent, then the employee's commitment and contribution to the organization improves through better performance. The research done in this area of Emotional Intelligence and employee performance focuses on whether an employee is able to improve the performance if one is emotionally strong. This research gap could be filled by focusing on how much an employee performance improves if one is emotionally intelligent and whether the performance would be improved if employees are provided with training in Emotional Intelligence. Such research could prove valuable for the design and effective implementation of performance management systems.

Theoretical Framework

Emotional intelligence is an increasingly popular consulting tool. According to mentioned research and opinions of various researchers in this paper, emotional intelligence increases performance and productivity. The organization at the time of employee selection, must adapt administering emotional intelligence test for selecting right person for the right job and this would enhance the performance of the employee on the job and the organization. The figure explains that higher Emotional Intelligence leads to higher emotional competencies which results in high performance of employees in workplace hence leading to overall organizational efficiency.



Conclusion

The performance of employee is vital to the success of any organization and needs to be managed effectively. From the literature review, it is proved that the more motivated and emotionally strong an employee is, the work performance and contributions to the organization would be increased. Organizations in the current scenario need to understand the importance of role played by Emotional Intelligence in employee performance and should provide accurate performance reviews, focus on employee strengths and train the employees to be emotionally intelligent which leads to increased work performance. This paper draws attention to the need for further research to identify the emotional intelligence of employees to achieve high levels of employee performance.

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