

Impact of Emotional Intelligence on Employee Performance: An Empirical Approach

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Abstract

Global environment is incredibly multifaceted, so it is necessary to connect the emotional intelligence and performance of employees. In context to this, Emotional Intelligence (EI) performs a key role in assisting the workers to handle this exciting change environment. EI has become increasingly recognized as a suitable for the measurement of emotions and it is a vital factor accountable for influential success in life and psychological well being. Thus, EI is critical issue for organization's as well as the growth of the organization that is mainly depends on employees for achieving its goals. However, we can say EI plays an significant role in serving the employees to manage with this dynamic change in the business environment. The impact of EI on employee performance with mediating effect of employee engagement and moderating effect of employee competence, the research will helps the organization to learn about the employee attitude and how they react towards their work environment as an employee. The present study is designed to assess the emotional intelligence level of employees of different strata at Rourkela Steel Plant (RSP). The purpose of this research is to study whether there are any relations of emotional intelligence on employee performance in an organization.

Keywords: *competence, emotional and engagement etc.*

1. Introduction

Emotional intelligence (EI) is one of the major components of management within the last

decade. We can say, it is a skill, ability, talent or self-perceived to recognize, evaluate and control one's own emotions, emotions of others and of organization. Hence, EI is vital accountable for deciding achievement in life and it also determines the communication among people especially employees in their work place. As per Goleman, there are four areas of emotional competence i.e., Self-awareness, Social awareness, Self-management and Relationship management. Self-awareness is a acknowledgement of person own feelings as well as the feelings of the other person. It is one of the most important aspect to determine EI. So we can assume that self-awareness is associated with productivity of employees. Self-management is the ability of handling the emotions of one self and this level of emotional intelligence can be observed in the personality of a decisive driver. However, self-management is linked with employee's productivity. Whereas social awareness indicates the ability of employees to be well aware of the things that are socially acceptable and then work with the society accordingly. Self-motivation triggers the inner emotions of a human being to continue his work with enthusiasm. Furthermore, we can say self-motivation is an important factor of EI that is interrelated with productivity of employees. Employee engagement signifies an optimistic as well as satisfying state of mind which is characterized by devotion, incorporation etc. In relate to this, job satisfaction as one of the positive outcome that is correlated to work engagement. EE is the energy that is directed towards organizational goals as individuals with high work engagement should have more experiences that are optimistic

and a better part to their organizations. Employee competence is considered to have a direct and measurable effect on the performance of the employee.

In management sciences, a lot of research was found regarding emotional intelligence and employee performance. The model of emotional intelligence and employee performance is examined with different variables i.e., employee engagement as mediator and employee competence as a moderator. Both the variables are contributing at different levels of employee performance. Employee performance is processed by the Emotional intelligence through various ways.

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Emotional intelligence and employee engagement plays a vital role and employee competence makes it more feasible. As we know emotional skills vary over time and to work behaviors too that depending on an employee's course of affecting knowledge.

2. Literature Review

Abraham Carmeli (2003), in his study "The relationship between emotional intelligence and work attitudes, behavior and outcomes" attempts to narrow the gap by empirically examining the extent to which senior managers with a high emotional intelligence employed in public sector organizations develop positive work attitudes, behavior and outcomes. Moreover, the results indicate that emotional intelligence augments positive work attitudes, behavior and work outcomes. And moderates the effect of work-family conflict on career commitment but not the effect on job satisfaction.

Desti Kannaiah and R. Shanthi (2015), in their study "A Study on Emotional Intelligence at Workplace" examine the determinants of emotional intelligence of employees at work place. And conclude that emotional intelligence is linked at every point of workplace performance and EI plays a vital role in successful life.

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Ahmed(2016), in their study "Influence of Emotional Intelligence on Job Performance among the employees in Banking Sector" describes how emotional intelligence is currently one of the important areas of interest in organizational behavior. The researcher found that it would produce some remarkable results. If a study is carried out to know the association between job performance and EI among the employees serving in banking sector.

Nicola S. Schutte et al.,(1998), in their research "Development and validation of a measure of emotional intelligence" observed that the development and validation of a self-report measure of emotional intelligence. Potential uses of the scale in theoretical research involve exploring the nature of emotional intelligence, including the determinants, the effects of EI and whether EI can be enhanced.

Martha Tapia (2001), in his study "Measuring Emotional Intelligence" describes the underlying dimensions of the inventory by testing 111 high school students at a bilingual college preparatory school. He observed that psychometric properties were sound and the revised emotional intelligence inventory can be recommended for use in the investigation of emotional intelligence.

3. Scope of the study

The scope of the study being confirmed to Rourkela Steel Plant only, its findings may not hold good to other manufacturing organization in India and abroad. The study assumes immense importance in so far as its findings will facilitate the sample organizations to make them more effective as to improve the individual performance of employees. The findings of this study may not have universal applicability since the study is confined to a definite period and to a definite area of manufacturing organization.

4. Objectives

Well defined structured questionnaires were administered to selected employees of different fields in context to emotional intelligence and employee performance.

1. To measure EI competencies level among the respondents on the basis of demographic variable.
2. To study the possible association that exists between emotional intelligence and

Frequency Distribution of Sample demographics					
Sl. No.	Category	Options	Number of respondents	Percentage	Cumulative Percentage
01.	Age	Below 25 years	49	24.5	24.5
		25-35 years	120	60	84.5
		Above 35 years	31	15.5	100.0
02.	Gender	Male	175	87.5	87.5
		Female	25	12.5	100.0
03.	Educational Qualification	Diploma	68	34	34
		Degree	100	50	84
		Masters/Others	32	16	100.0
04.	Experience	Less than 10 years	65	32.5	32.5
		10-20 years	98	49	81.5
		20-40 years	37	18.5	100.0

employee performance.

5. Methodology

5.1. Data source and Method of collection

In this present study, a self-developed questionnaire in the form of statements also used as the tool for primary data collection. Secondary data was collected from earlier research work, various published journals, magazines, websites and online articles.

5.2. Sample Size and Sampling

For the purpose of this study, the samples are selected from different strata of employees on random basis. The sample consists of 200 respondents from different hierarchy levels in different department of Rourkela Steel Plant (RSP). Proper attention has been paid in selection of the sample.

5.3. Tools and Techniques used

The important statistical tools and techniques used in the study: Frequency distribution, Cumulative distribution and t-test etc.

6. Results and discussion

The purpose of this study is to find out the impact of emotional intelligence in context to employee performance. There is also possibility that the demographics characteristics like age, gender, educational qualification like Diploma, Degree, Post graduate as well as experience etc. may also affect their views on performance. Such variables included in the study to examined

their impact on the perception of emotional intelligence levels that leads to perspective overall success of employees. Response is taken from a sample of 200 employees. The tabulated description of demographic details of the sample is presented in the Table-1.

Table 1: Frequency Distribution of Sample demographics

Demographics are important aspect of any research which includes age, gender, educational qualification and experience. Details of demographics are given in the table. The table below represent the sample characteristics. The gender composition of sample in which 87.5 % were male and 12.5 % were female. The male percentage is high. From the above table, it also shows that 60% of the respondents are belongs to 25-35 years of age, 50% of respondents are graduates and 49% of

respondents are 10-20 years of experience.

Moreover, the present study also attempts to find out if there is no significant variation in the attitude of employees in relation to Emotional Intelligence on Employee Performance. To examine the same a null hypothesis was formulated. The validity of this hypothesis has been tested through t-test.

Table-2: Significant difference in the attitude of employees in relation to Emotional Intelligence on Employee Performance

Sl.no.	Items/Statements of employees in relation to Emotional Intelligence on Employee Performance	Values	t-test	df	Level of significance
01.	Emotional intelligence works as a characteristic resource which helps work engagement	1.5	Varia nce=0. 67 t =13.97 2	df=19 tabul ated value =1.72 9 at 5% level	Significant at 0.05
02.	Emotional intelligence is helpful for employees in making decisions and taking results in work place	1.6			
03.	Emotions plays a very vital role in the life of human beings as it influence ones actions and motivates for doing activities and performing other role	1.4			
04.	The level of emotional intelligence can be seen in the personality of a decisive driver	1.2			
05.	Emotional intelligence has the potential to be a strong predictor of performance	2.7			
06.	Emotional intelligence as a predictor of job satisfaction	1.4			
07.	Emotional intelligence has gained good recognition and awareness level among all the employees that should be increased	2.2			
08.	Emotional intelligence is the capacity to recognize the feelings in order to motivate one's own feelings and that of the others	2.7			
09.	Emotional intelligence abilities can be useful resources in work where emotional involvement in high	3.1			
10.	Emotional intelligence is not only the cognitive ability but also a skill that can help the man in his routine life and day to day activities	1.5			
11.	Emotional intelligence to be a social intelligence which includes the ability of understanding not only one's own emotions but also the feelings and emotions of other	1.7			
12.	Emotional intelligence is not only includes the recognition of emotions but also include the development of employees	1.2			
13.	Emotional intelligence is the ability of understanding oneself as well as others in order to fulfil the demands of the organizational environment effectively.	2.7			
14.	Emotional intelligence is the ability of understanding and taking favourable actions accordingly.	2.4			
15.	Emotionally intelligent leaders are fully aware of their own emotional feelings and of other people in an attempt to solve all routine hurdles in face of new changes in the workplace	2.6			
16.	Emotional intelligence is the ability of understanding oneself as well as others in order to fulfil the demands of the organizational environment effectively	2.4			
17.	People with high emotional level can gather and regulate the emotions accurately and then use that information to make decisions and to enhance the performance by changing the behaviours in a desired manner	3.2			
18.	Emotional intelligence is the ability of understanding other's emotions and then managing those emotions to perform the job effectively	3.1			

19.	Emotional intelligent person can easily achieve his/her goals and that is the reason that most of the jobs nowadays need some level of emotional intelligence	1.7			
20.	Emotional intelligence may contribute to work performance by enabling people to nurture positive relationships at work, work effectively in teams, and build social capital	1.9			

From above analysis we conclude that the calculated value t is 13.972 which is greater than the tabulated value of 1.729 ($df=19$) at 5% level of significance. Therefore, the hypothesis is rejected leading to the conclusion that there is no significant difference in the attitude of employees in relation to Emotional Intelligence on Employee Performance.

7. Suggestion/Recommendation

The following recommendations are made on the basis of results of the study:

1. Emotions are the intense feelings towards some individual, event or situation without any cause that leads to new pathway.
2. Emotional intelligence is one of the important issues of individual personality that should impose by every employee that will develop insights into self-regulation and realization of one's optimum potentials for better performance.
3. Emotional intelligence should be emphasizes among the employees by regularly conducting emotional competence training programme.
4. Emotional intelligence helps the employees to increase their emotional self-awareness, improve relations within and across the organization that increase the performance of each employee and the organization as a whole.

8. Conclusion

The Emotional intelligence has greatly impact on performance of employee that they never engaged in any kind of conflict within organization which shows cohesiveness among employee, and motivate to do best efforts for the organization. Most of the respondents of sample organization feel satisfied with their working environment that shows contentment and dedication to their job.

However, it can be easily anticipated that social awareness is correlated with employee performance/productivity. Moreover; a series of social skills is included in relationship management. Now, it is clear that, all these attributes are linked to employee performance as performance of employees get stimulated by EI that shows the productivity of the employees.

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