

Impact of Emotional Intelligence on Performance of Employees in Manufacturing Industry

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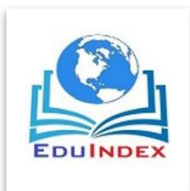
ABSTRACT

Emotional intelligence is expounded as the ability to be aware of, handle and portray one's feeling & emotions, and to manage interpersonal relationships thoughtfully and empathetically. Emotional intelligence is the ability to use your emotions to form an optimal relationship with yourself and others. Emotional intelligence is generally said to include at least three skills: emotional awareness, or the ability to identify and name one's own emotions; the ability to harness those emotions and apply them to tasks like thinking and problem solving; and the ability to manage emotions, which includes both regulating one's own emotions when necessary and helping others to do the same. Emotional Intelligence (EI) can impact one's life in numerous aspects. It can affect one's performance, their physical and mental health and their relationship with others. EI has become a major concern in working environment as it impacts job performance, job satisfaction, commitment, stress level, relationship, etc.

Keywords: Emotional intelligence; Goleman's EI competency framework; self awareness; self management; social awareness; relationship management; performance.

INTRODUCTION

Emotional intelligence is generally said to include at least three skills: emotional awareness, or the ability to identify and name one's own emotions; the ability to harness those emotions and apply them to tasks like thinking and problem solving; and the ability to manage emotions, which includes both regulating one's own emotions when necessary and helping



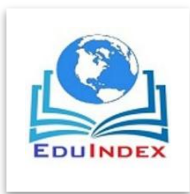
others to do the same. Intelligence quotient, IQ is a value obtained from standard tests developed to measure one's intelligence. Humans with greater IQ have the ability to think practically and build rational connection more easily. However, emotional intelligence (EI) is quite different from intelligence quotient. Sometimes called EI (for Emotional Intelligence) or EQ (for Emotional Intelligence Quotient), emotional intelligence is like using emotions to think and enhance our reasoning. People with high EI have the capability to handle their emotions as well as utilize their emotions to make quick decisions and empathize with others. Emotional Intelligence (EI) can impact one's life in numerous aspects. It can affect one's performance, their physical and mental health and their relationship with others.

There are four variables or domains of emotional intelligence based on Goleman's competency EI framework:

1. Self-Awareness: our ability to accurately perceive our own emotions in the moment and to understand our tendencies across different situations.”
2. Self-Management: refers to our self-control, our ability to manage ourselves with discipline and focus
3. Social Awareness: being empathic in relation with others, that is the ability to understand their feelings and emotions and adjust our own responses in accordance with the interlocutor's state of mind and reactions.
4. Relationship Management: refers to such interpersonal skills as the ability to build strong bonds with others, to help others develop, to have influence, to be change agents and good communicators, to manage conflict and exhibit leadership characteristics.

REVIEW OF LITERATURE

An individual is defined based on their emotions and feelings. EI first ever came in to picture when an author, Gardner in 1998 questioned about the way a person's intelligence is tested. The question led everyone into a brand new world where people have decided to assess others not only on the basis of their IQ but also based on their intrinsic capability. In this study, the authors have discussed about three main theories of emotional intelligence - Goleman's Competency Model, Bar-On's Trait model and the ability model. Goleman's Competency Model spoke about four main branches of EI, namely self-awareness, social awareness, self-management and relationship management. Bar-On's Trait model explained



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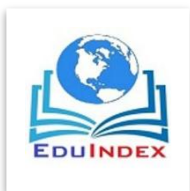
about five components of EI (intrapersonal, interpersonal, adaptability, stress management and general mood components) which states the ability of a person to control emotions. The ability model stated that there are three important skills required to control emotions which are control of feelings, assessment and proclamation of feelings, and effective utilization of feelings.

Goleman. D. (2001) discussed about various theories and model of EI and their importance in today's scenario. However, all these theories and model had a common conceptualization which stated EI as the capability of one perceive and control their emotions with them and with others. This concept lead to four main domains of EI: self awareness, social awareness, self management and relationship management. These factors were further used in many theories in different synonyms. The author stated that these domains selfmanagement and self-awareness were grouped as intrapersonal intellect and social awareness and relationship management were clubbed as interpersonal intellect.

Salovey. P et al. (2004) said emotional intelligence (EI) is twice as important as intelligence quotient (IQ). The conceptual study of EI stated that the person with high EI & EQ is less prompt to engage in negative behavior like imprudent drugs, lavish drinking, smoking, etc and keeps them away from self-demolition. They also have positive interactions with other people and socialize easily. These distinct people tend to adapt to changing needs of the organization.

BakshBaloch. Q et al (2014) stated that a person to have high emotional intelligence should have two sets of competencies; personal and social competencies. The personal competency is divided into three determinants- self-awareness, emotion management and self motivation. The social competency is divided into two determinants – emotional training and relationship management. The authors further explained that these five determinants of EI influence the work rate, achievement and contentment of employees in the institutes.

Gunu. U et al (2014) studied the relation between EI and employee's and manager's performance and commitment. The results proved the hypothesis wrong. There was an important relation between emotional intelligence and employee's performance and commitment. The results also showed that EI affects the manager's performance. Finally, the study concluded there exists a severe bond between EI, performance and commitment of employees.

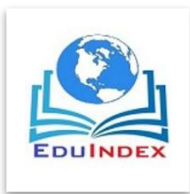


Radhika.G has found that there exist a positive relationship between employee's performance and their emotional intelligence. She also stated that employees with high emotional quotient and intelligent are strong, stable, motivated, has good social skills and they are skillfully able to communicate their feelings to others. However, emotional intelligence has poor correlation with one's health condition. The ability to be creative and solve problems appropriately is comparatively high among emotionally intelligent people. An organization can be built as an EI organization with the help of altering or changing the strategies, self-realization, and self-administration techniques, via effectual leadership ability and development plans and programs. Here in this study they discussed about different pillars of EI, namely- self-awareness, self-regulation, motivation, empathy and people skills.

Ahmed. Z et al. (2016) stated that author Daniel Goleman has previously classified EI into 5 determinants in his EI model, namely – Self-awareness, self-management, self motivation, empathy and social skills. The results of the study showed that all the dimensions of EI had direct impact on the employee's performance. The study also showed that there is a notable relation between EI and performance of an employee.

N. Sangeetha BBM et al. (2017, March) conducted an experiment to identify the influencing factors of EI based on the Goleman's EI Competency framework (self awareness, social awareness, self management and relationship management). The model showed that the factors were further classified. Self awareness is a combination of emotional and accurate awareness and confidence. Social awareness was classified into empathetic nature, company's awareness and attitude towards service. Self management dealt with self restrain, trust worthiness, trait of being conscience, ability to adapt, objective oriented and imitativeness. Finally, the last factor relationship management was classified based on one's ability to develop others, impact them, convey (communicate), settle disputes, leadership, and bring in broken pieces, collaboration and a change agent.

Livesey. P. V. (2017) in his study also discussed about the importance and influence of each factor also known as competency in Goleman's EI competency model in project management. The four main competencies and their sub factors (named as cluster) of the model were tested. The results showed that all the four factors have influence on the ability to manage a project. The sub factors had relevance (influence) of 95% to 98% in product management, i.e. the study was proven with accuracy of 95-98%. The most influential factors



were found to be awareness about the firm, trust, cooperativeness and control of own emotions. On the other hand, the least influential factors were ability to develop others, imitateness, buoyancy and target orientation.

Rexhepi.G et al. (2017) analyzed the performance of employees with the help of performance index at various levels of EI & EQ. The results showed that employee's performance is directly proportional to their emotional quotient and intelligence. The conclusion drawn was that the workers with high level of EI are more victorious in their job and has high performance index.

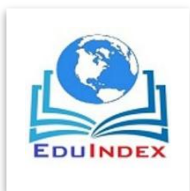
Lakshmi.K.N et al. (2018) has explained about various factors and elements of emotional intelligence (EI). Starting from recruitment to departure, EI is directly linked in all aspects of the corporate sphere. Thus, proper administration of emotions plays a vital role in obtaining the desired results. Transparency, emotional self-power, flexibility, anger and anxiety management, target orientation, etc are the various factors that influence the EI and govern the degree of employees performance. The basic elements of emotional intelligence were self-awareness, self management, social awareness and relationship management. These factors and elements of emotional quotient helps in creating awareness, sharing knowledge across the organization, builds trust and loyalty, increases the learning tendency and importance for others feelings.

Munir. M et al. (2019, January) conducted a 3 stage experimental study. The study dealt with testing the employees EI score before, during and after the training period. The four skills of EI (self- awareness, self-regulation, relationship management and social skills) were conveyed and imparted to the employees as part of training. Around 36 workers with least EI score joined as part of this experiment. Post training, the results showed that the EI score and performance of these employees have increased significantly.

OBJECTIVE OF THE STUDY

- To identify the level of emotional intelligence of the respondents at present.
- To empirically find the relationship and extent of influence the basic elements of emotional intelligence (self awareness, self management, social awareness and relationship management) has on employee's performance.

RESEARCH METHODOLOGY



RESEASRCH DESIGN

The research design adopted for the study is descriptive research design - a theoretical type of researcher design based on collection, designing and presenting the collected data. Data were collected through primary and secondary methods. Well-structured questionnaire used to collect primary data and respondents were chosen through simple random sampling method and the sample size is for this study is 100 which are finalized through a pilot study. The tools used in this study to analyze data are correlation and regression analysis.

DATA ANALYSIS AND INTERPRETATION

RELIABILITY

Reliability test is carried to compute the consistency of the measuring instrument.

Table 1: Reliability Statistics

Cronbach's Alpha	N of Items
.820	21

Table 1 shown above is the Reliability Statistics Table which provides the value for Cronbach alpha which is 0.820 and reflects a reliable sample and questionnaire.

CORRELATION

Correlation is used to represent the linear relationship between two variables. In this study the correlation between the factors of emotional intelligence (self awareness, self management, social awareness and relationship management) and the performance of employee is analyzed.

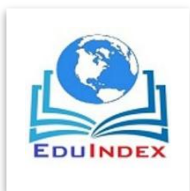
(i) Self awareness & performance Hypothesis

H₀: There is no significant relationship between self awareness and performance

H₁: There is significant relationship between self awareness and performance

Table 2: Correlations

		Self awareness	Performance
Self awareness	Pearson Correlation	1	0.184
	Sig. (2-tailed)		0.067
	N	100	100



Performance	Pearson Correlation	0.184	1
	Sig. (2-tailed)	0.067	
	N	100	100

Based on the analysis, it can be seen that the significance value is 0.067 (>0.05). Hence,

Table 3: Correlations

		Self management	Performance
Self management	Pearson Correlation	1	.372 ^{**}
	Sig. (2-tailed)		0
	N	100	100
Performance	Pearson Correlation	.372 ^{**}	1
	Sig. (2-tailed)	0	
	N	100	100

there is no significant relationship between self awareness and performance.

(ii) Self management &

Performance Hypothesis

H₀: There is no significant relationship between self management and performance

H₁: There is significant relationship between self management and performance

^{**}. Correlation is significant at the 0.01 level (2-tailed).

There is significant relationship between self management and performance according to the result arrived (<0.05).

(iii) Social awareness &

performance Hypothesis

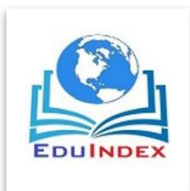
H₀: There is no significant relationship between social awareness and performance

H₁: There is significant relationship between social awareness and performance

Table 4: Correlations

		Social awareness	Performance
Social awareness	Pearson Correlation	1	.258 ^{**}
	Sig. (2-tailed)		0.01
	N	100	100
Performance	Pearson Correlation	.258 ^{**}	1
	Sig. (2-tailed)	0.01	
	N	100	100

^{**}. Correlation is significant at the 0.01 level (2-tailed).



Since the significant value is less than 0.05, there exists a significant relationship between social awareness and the performance of the employees.

(iv) Relationship management & performance Hypothesis

H₀: There is no significant relationship between relationship management and performance

H₁: There is significant relationship between relationship management and performance

Table 5: Correlations

		Relationship management	Performance
Relationship management	Pearson Correlation	1	.444 ^{**}
	Sig. (2-tailed)		0
	N	100	100
Performance	Pearson Correlation	.444 ^{**}	1
	Sig. (2-tailed)	0	
	N	100	100

^{**}. Correlation is significant at the 0.01 level (2-tailed).

From the below shown table, it can be understood that there exists a significant relationship between relationship management and performance of the employees because the significant value is 0.000 (<0.05).

REGRESSION

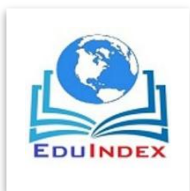
Regression is a statistical measurement used in various disciplines which attempts to determine the strength of the relationship between one dependent variable and a series of other changing variables (known as independent variables).

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.489 ^a	0.239	0.207	1.74026	0.239	7.473	4	95	0

a. Predictors: (Constant), Relationship management, Social awareness, Self awareness, Self management

Table 7: Coefficients^a



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Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.421	1.914		4.401	0
	Self awareness	-0.136	0.123	-0.142	-1.104	0.272
	Self management	0.187	0.14	0.206	1.335	0.185
	Social awareness	0.107	0.096	0.129	1.115	0.268
	Relationship management	0.31	0.095	0.35	3.257	0.002

a. Dependent Variable: Performance

Performance = 8.42-(0.136*Self awareness)+(0.187*Self management)+(0.107*Socia awareness) + (0.31*Relationship management)

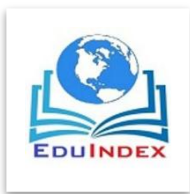
From table 6, as the significance value is less than 0.05 in the model summary, the data is fit for regression analysis. The R value represents the simple correlation and is 0.489 which indicates a moderate degree of correlation. The R^2 value indicates how much impact the independent variable has on the dependent variable. In this case, the independent variables have an impact of 23.9% on the dependent variable.

FINDINGS

- According to the results arrived from the reliability test, it is found that the sample and questionnaire is reliable with Cronbach's Alpha value 0.820.
- The correlation test shows that there is no significant relationship between self awareness and performance.
- The correlation test shows that there is a significant relationship between self management, social awareness & relationship management and performance.
- From the model summary, it is found that the data is fit for regression analysis. The results indicate that the elements of EI have 23.9% impact on the performance of employees.

SUGGESTIONS

- It's not possible to inculcate or force people to be emotionally intelligent. However, employees can be trained to understand the value of emotional intelligence. The management should spend some time to ensure employees are trained to improve



their emotional intelligence in workplace. It can help one's own and the organization as a whole.

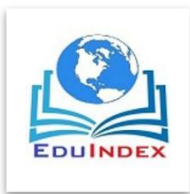
- Emotional intelligence is given importance but not taken care of. Hence, the organization should provide training to increase self awareness, self management, social awareness and relationship management among employees.
- Communicating professionally in all situations can eliminate misunderstandings. EI can be improved by practicing effective engagement skills and avoiding disputes and improper behavior.

CONCLUSION

Emotional intelligence is the ability to use your emotions to form an optimal relationship with yourself and others. Emotional intelligence is much needed for career growth in today's scenario. An employee's job performance and productivity is affected by numerous factors like job satisfaction, engagement, commitment, happiness, etc. Surprisingly, emotional intelligence also influences an employee's performance. Emotional intelligence helps in decision making, managing emotions, and influencing others. EI reduces stress, lessens conflict, increase productivity, promotes positive relationship, ensures stability, heightens self awareness and creates a peaceful working environment. Thus emotional intelligence should be incorporated as a skill and ability of an employee.

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