Impact of Emotional Intelligence on Employee Performance-
An Epigrammatic Survey

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Abstract

It is universally accepted piece of information that intelligence is hard to define. But we come to understand it through various means of measurements. However, positive to this point, emotional intelligence has come to mean a measurement of emotions. The concept of emotional intelligence (EI) has attracted substantial interest of organizational thought. The validity of EI is mainly depends on the situation and focus of interest. In a number of empirical investigations, it has been observed that emotional intelligence and its related competencies are associated with excellence in personal, interpersonal, performance and organizational goals. It is an increasingly important consideration in human resource planning, job profiling, recruitment etc. Argues about the positive influence of emotional intelligence (EI) on performance front are very numerous, both in commercial and Scientific literature. In this study, using a characteristic activation framework, we put forward the level and the relationship between emotional intelligence and employee performance. To authenticate the research by using appropriate statistical tools, a sample of 120 employees were analyzed who are working in different types of organizations in Chennai city. The motivating outcome of the research indicates that employees having higher emotional intelligence show a better quality of work performance as compared to their counterparts. To be more apparent, emotional intelligence has a positive impact on employee performance. In addition, emotional perception ability shows signs of higher job performance and confirmed that EI is a significant predictor of employee performance.

Keywords- Emotional Intelligence, Employee performance, Predictor, Perception, Impact.

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Introduction

Emotional Intelligence is one of the most important concepts introduced to psychology and management in the last decade. Emotional intelligence may defined as an ability, capacity, skill, or self-perceived ability to identify, assess, and manage the emotions of one’s self, of others, and of groups. Salovey & Mayer (1990) defined emotional intelligence as, the subset of social intelligence that involves the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions? (p. 189). Their model includes features of intelligence, adjustability and encouragement.

Generally Emotional intelligence comprises abilities, Appraisal and Expression of Emotion (own and others), Use of Emotions and Emotional Management (own and others) (Wong & Law, 2002). EI has become increasingly recognized as a suitable for the measurement of emotions. Hence, Emotional intelligence is essential factor responsible for determining success in life and psychological wellbeing. By this means, emotional intelligence seems to play a significant role in shaping the communication between people especially employees in their work environment.

As today’s global environment is gung ho and very multifaceted, it has become necessary to associate the emotional intelligence and performance of employees’ globally. Thus, Emotional intelligence is crucial factor for organization’s performance and growth as the organization is mainly depends on employees for achieving its goals. Therefore Emotional Intelligence plays an important role in helping the employees to cope with this vibrant change in the business environment.

For the above said reasons, a modest study has been undertaken to establish the link between emotional intelligence and employee performance and to give an idea how emotional intelligence is important to employees in the current scenario. With this the following objectives are steadfastly fixed for the research.

Objectives

1. To find out the relationship Emotional Intelligence has on Employee Performance
2. To analyse the level of Emotional Intelligence on Employee Performance
3. To make known the importance of EI in the workplace.

Research Methodology

The sample was collected by using convenient sampling method and the data was collected from the employees working in different sector who were easily available to provide it. The targeted population for this research was the employees working in
different organizations in Chennai city. Total number of 140 questionnaires was distributed. Out of which 120 were considered as consistent and taken for the study.

The data collected was analyzed using SPSS Version 17. Regression analysis was carried out to show the intensity between independent and dependent variable and to measure the impact that an independent variable have on the dependent variable.

Table 1: Regression Analysis For Emotional Intelligence And Employee Performance

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.631</td>
<td>.398</td>
<td>.366</td>
<td>.1591</td>
</tr>
</tbody>
</table>

H₀ - There is no association between emotional intelligence and employee performance.

H₁ - There is an association between emotional intelligence and employee performance.

Inference

From that above regression table, as R represents the correlation between dependent variable and independent variable, it can be identified that the correlation between independent variable (emotional intelligence) and dependent variable (employee performance) are positive. Further it can be noted that they have correlated at a high degree, since R value is 0.631 which is > 0.5 significant level. In other words, an employee performance increases with an increase in his emotional intelligence. It is noteworthy to mention that R value has been arrived by taking various elements of emotional intelligence like self-awareness, self regulation, self motivation, social awareness and social skills of an employee.

Further, it can be evidenced that the coefficient of determination is 0.631 therefore, about 63% of the variation in the employee performance data is explained by emotional intelligence. The regression equation appears to be very useful for making predictions about the employee performance based on emotional intelligence since the value of r² is moving towards 1.

Table 2: Co-efficient Matrix

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant) 4.600</td>
<td>.181</td>
<td></td>
<td>25.456</td>
</tr>
<tr>
<td></td>
<td>EI .144</td>
<td>.045</td>
<td>-.279</td>
<td>-3.172</td>
</tr>
</tbody>
</table>
From above, the regression equation can be made as

**Employee performance = 4.600 + (.144) (Emotional Intelligence)**

The above Coefficients table tells us that employee performance is increases by .144 of increase in emotional intelligence. And the t value identified the relationship between emotional intelligence and employee performance. The 'Sig' value is 0.000 which is again less than 0.05, we can reject the null hypothesis and conclude that that there exists enough evidence to prove the existence of relationship between emotional intelligence and employee performance.

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>.370</td>
<td>1</td>
<td>.370</td>
<td>10.062</td>
<td>.002</td>
</tr>
<tr>
<td>Residual</td>
<td>4.378</td>
<td>119</td>
<td>.037</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4.749</td>
<td>120</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

H0 - The model is not a good fit to the data.

H1 - The model is a good fit to the data.

**Inference**

From the above ANOVA table, it can be noted from the last column that the 'Sig' (p) value is 0.002. As the p value is typically less ≤ 0.05, we shall reject the null hypothesis and state that at the 0.05 level of significance, there exists an enough evidence to conclude that the model is a good fit the data and will apply to the whole population.

**Limitations**

It is worth mentioning that this research has some limitations. In the first place, the survey was conducted and sample was collected only from 120 employees, which may not be applicable to all and will vary according to the location. Secondly, self report measure of emotional intelligence was used for this study. Thus only one instrument was used for collecting data. Though there are many claims regarding the positive impact of emotional intelligence on job performance, but the studies examining the relationship between emotional intelligence and individual level performance which may not consider the work place and other related concepts of job performance and such elements are absent in this study.
Findings

Emotional intelligence is a set of competencies, which direct and control one’s feelings towards work and performance at work. These set of competencies are the ability of the individuals to control and manage their frame of mind and inclination on the job.

Interesting findings of the present study have been listed below.

**OBJECTIVE 1 - To find the relationship does EI has on EP**
- The research pointed out that there is a positive relationship between job performance and employees having high EI. To be more clear that the employees who are able to apprise themselves and others and proficient to manage emotions of self and others resulted in a higher level of confident in themselves.
- With regard to regulating and appraising the emotions of own and others, it clearly evidenced that they are less proficiency when compared to their counterparts as well.

**OBJECTIVE 2 - To analyse the level of EI on EP**
- High emotional intelligence employees performed at a higher level than low emotional intelligence employees.
- In addition, it has been noted that the employees who have low level of Emotional Intelligence. Can able to perform comparatively at a lower level.

**OBJECTIVE 3 - To make known the importance of EI to improve EP**
- An organization with a high number of emotionally intelligent employees stands to be at the forefront of organizational practice and performance, and is more likely to be an employer of choice.
- Many researches also support the view that competence in Emotional Intelligence accounts for over 80% to 90% of the difference between ineffective performers and effective performance. Effective performers improve business performance and provide organizations with a competitive advantage.

Conclusions

In general, the impact of the activities of an individual over a given period of time is regarded as performance. Organizational productivity and its success are mainly depends and directly related in managing Employees’ performance. On One hand, Emotional intelligence is a now being identified as a good predictor of employees’ work performance. Many organizations require interpersonal interactions to achieve the goals
and it has been seen as most of jobs are related to emotions and require the ability to manage emotions. But on the other hand by simply possessing EI cannot lead to higher performance unless it affects how people use their emotions at work setting.

Thus, Emotional intelligence plays an important role in the workplace. For example, success in sales requires the empathic ability to identify the mood of the customer and the interpersonal skill to decide when to pitch a product and when to keep quiet. By comparison, success in painting or professional tennis requires a more individual form of self-discipline and motivation. Thus EQ affects just about everything we do at work.

Apparently, employees can handle their emotions accurately and use certain behaviors in the workplace that allow them to gather better information, grip others’ behavior or make better decisions about their activities. In a work situation, performance of the employees depends on working with group of people with different ideas, suggestions, and opinions. The high EI individual, most centrally, can better perceive emotions. It is one of the primary forms of information that human beings process.

Generally speaking, emotional intelligence improves an individual’s social effectiveness and their well behaviour in the society. It is clear that higher the emotional intelligence, better the social relations. It doesn’t mean that everybody has to process it well. Everyone needs emotional intelligence to help us through our emotionally demanding days. Even if we are not emotionally intelligent ourselves, we may rely on those higher in emotional intelligence to guide us.

References
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