CHAPTER 2
LITERATURE REVIEW

2.1 EMOTIONAL INTELLIGENCE

The extant literature on emotional intelligence is both eclectic and rich. Mayer et al. (2000) and Afolabi (2004) contend that emotional intelligence is not a single trait or ability rather, a composite of distinct emotion reasoning abilities. And this entails that perceiving emotions consist of recognizing and interpreting the meaning of various emotional states, as well as their relations to other sensory experiences. Understanding emotions involve comprehension of how basic emotions are blended to form complex emotions. An individual’s emotional intelligence is an indicator of how he or she perceives, understands and regulates emotions. Sternberg (1997) proposed a different conception of intelligence, which he called successful intelligence. Successful intelligence involves three distinct types of mental abilities: analytic, creative and practical. Analytic intelligence refers to the mental processes used in learning how to solve problems, such as picking a problem-solving strategy and applying it. Creative intelligence is the ability to deal with the novel situations by drawing on existing skills and knowledge. The intelligent person effectively draws on past experiences to cope with new. Practical intelligence involves the ability to adapt to the environment and often reflects what is commonly called street smarts. Sternberg (1997) noted that what is required to adapt successfully in one particular situation or culture may be very different in another situation or culture. He stresses that the behavior that reflect practical intelligence can vary depending on the particular situation, environment or culture.

According to Goleman (1995) emotional intelligence is referred to as emotional literacy. Individual with emotional intelligence are therefore able to relate to others with companion and empathy, have well developed social skills and use this emotional awareness to direct their acts and behaviors. Ciarrochi et al. (2001) stress that being able to understand, perceive and express emotions in an appropriate way can determine whether an individual is successful or not as an employee in a career. Evidence is accumulating that emotional intelligence is associated with important outcomes such as high quality social relationships (Lopes et al., 2005).

Scholars have also stressed that emotional intelligence may contribute to work performance (as reflected in salaries, salary increase and company rank) by enabling people to nurture positive relationships at work, work affectively in teams and build social capital. Work performance often depends on the support and advice and other resources (Seibert et al., 2004). The ability to manage emotions can help people nurture positive effect, avoid being overwhelmed by negative effect, and cope with stress (Afolabi, 2004). Other emotional abilities such as perceiving and understanding emotions, also contribute indirectly to the quality of emotional experience by helping people to identify and interpret cues that inform self-regulatory action. There were mixed results of studies on influence of emotional intelligence and job performance, some studies suggested that emotional intelligence and job performance are positively related. Lam and Kirby (2002) found that emotional intelligence predicts the performance of undergraduate students on
single task. Also Sue Chan and Latham (2004) found that emotional intelligence is related to the classroom performance of managers and professionals, sales performance (Law et al., 2004), the collection performance of account officers (Bachman et al., 2000) and supervisory rating of job performance (Law et al., 2004). Kelley and Caplan (1993) studied the characteristics of Bell Laboratories Engineers who were rated as stars by their peers. They concluded that the so-called stars were better at relating to others, which means that it was emotional intelligence, not academic intelligence that characterized their high performance.

Moreover, past researchers have focused on a limited set of criteria, and little is known about how emotional intelligence is related to outcome such as salary and affect at work such as job satisfaction. Tans (2003) found a positive relationship between emotional intelligence and other criteria such as job satisfaction and contextual performance. But, emotional intelligence can work with other variables like gender, personality and personal value to predict job satisfaction and performance. Cote and Miner (2006) argued that emotional intelligence and cognitive intelligence interact to influence performance. It is a fact that it takes more than traditional cognitive intelligence to be successful at work. It also takes emotional intelligence; the ability to restrain negative feelings such as anger and self-doubt, and rather focus on positive ones such as confidence to be successful at work. Hummayoun Naeem (2008) concludes that for creating and maintaining climate of high quality service in the organization, emotional intelligence is considered most important element as its skills can be learned and practiced by the employees. It helps employees in learning service skills that ultimately results in job success. The delivery and performance of services can be enhanced by linking them with emotional intelligence skills. Finally, he explained emotional intelligence leads to employee satisfaction, service quality, customer satisfaction and customer loyalty in the service sector, hence its presence is considered very important among the service providers.

Scholars tend to view emotional intelligence as a factor which has a potential to contribute to more positive attitudes, behaviors and outcomes. At the same time, as Schutte et al. (2002) note, “evidence exists that emotional intelligence can be conceptualized as either ability (Ciarrochi et al., 2000; Mayer et al., 1999) or a personality trait (Schutte and Malouff, 1999; Schutte et al., 1998)” The most comprehensive discussion about this issue is provided by a recent study of Mayer et al. (2000). As indicated, however, this issue has not yet resolved. In this study, emotional intelligence is considered as a competency that is expected to augment positive attitudes toward work, and drive positive behaviors and better outcomes.

The concept of emotional intelligence goes back to early studies in the 1920s (for a review, see Bar-On and Parker, 2000). In the early 1980s, scholars began to systematically conceptualize the idea of emotional intelligence. Notably, Gardener’s (1983) conceptualization of intrapersonal intelligence and interpersonal intelligence and Steiner (1984) work on emotional literacy were the building blocks of what Salovey and Mayer (1989-1990) first termed as emotional intelligence. Based on Bar-On’s previous work, Bar-On et al. (2000, p. 1108) view emotional intelligence as a non-cognitive intelligence which is defined as an array of emotional, personal, social abilities and skills that influence an individual’s ability to cope effectively with environmental demands and pressures”. This study focuses on the conceptualization suggested by Salovey and Mayer (1989-1990) and formulated in 1997 (Mayer and Salovey, 1997).

Salovey and Mayer (1989-1990, p. 189) 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”. Later on, they refined and defined emotional intelligence as “the ability to perceive emotions, to access and generate emotions so as to assist thoughts, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth” (Mayer and Salovey, 1997, p. 5). A key construct in their definition that we need to explain is “emotions”. According to Van Maanen and Kunda (1989, p. 53), emotions are “ineffable feelings of the self-referential sort”, and are comprehensively defined as “self-referential feelings an actor (employee) experiences or, at least, claims to experience in regard to the performances he or she brings off in the social worlds”. States of feelings refer to basic emotions (e.g. joy, love, anger) and social emotions (e.g. shame, guilt, jealousy, envy), as well as to related constructs as affect, sentiments and moods (Ashforth and Humphrey, 1995).

Salovey and Mayer (1989-1990) argued that there is a set of three conceptually related mental processes-appraising and expressing emotions in the self and others, and using emotions in adaptive ways-involving emotional information. The followings are brief descriptions of the content and importance of these mental processes:

1. **Appraising and expressing emotions in the self and others.** Individuals differ in the degree to which they are aware of their emotions (appraisal) and the degree to which the latter are verbally and non-verbally being expressed (George, 2000). Individuals who accurately appraise and express (perceive and respond to) their emotions are likely to be better understood by the people they work with, and they also have the potential to better lead and manage people when they are able to perceive the emotions of the people around them and to develop empathy-the ability to comprehend another’s feelings and to re-experience them oneself (Salovey and Mayer, 1989-1990).

2. **Regulating emotion in the self and others.** People differ in their ability to manage (monitor, evaluate, and adjust to changing moods) their emotions as well as in their ability to regulate and alter the affective reactions of others (Salovey and Mayer, 1989-1990). Regulation of one’s own emotions and moods results in positive and negative affective states. Emotionally, intelligent individuals are adept at placing themselves in positive affective states, and are able to experience negative affective states that have insignificant destructive consequences. Emotionally astute people can induce a positive effect in others that result in a powerful social influence (charisma), an important component of leadership (Wasielewski, 1985).

3. **Using emotions in adaptive ways.** Individuals also differ in the ways (functional vs. dysfunctional) in which they utilize their emotions. Emotions can:
   - Help in generating multiple future plans (flexible planning)
   - Improve the decision making process due to better understanding of one’s emotional reaction (creative thinking)
   - Facilitate cognitive processes such as creativity on the one hand and punctuality on the other hand (mood redirected attention); and

Scholars have also focused on relating emotional intelligence to leadership (George, 2000) or showing how components of emotional intelligence such as empathy are important traits that
contribute to leadership (Kellett et al., 2002; Wolff et al., 2002). In addition, a growing body of research has been concerned with the degree to which emotional intelligence can make the difference between good and poor leaders. This stream of research is also of great interest to many organizations that seek to better understand the variance in employees’ performance. Inspired by Daniel Goleman’s article “What Makes a Leader?” published in The Harvard Business Review in 1998, the top management team of Johnson and Johnson decided to fund a study that “would assess the importance of Emotional Intelligence in leadership success across the J and J Consumer Companies”. The study, which was conducted by Kathleen Cavallo and Dottie Brienza on a randomly selected 358 managers, found “a strong relationship between superior performing ratings of 4.1 or greater on a 5-point scale were rated significantly higher than other participants in all four of the emotional intelligence dimensions of self-awareness, self-management, social awareness, and social skills by supervisors and subordinates”.

The growing body of empirical work in the leadership domain has been mainly devoted to examining the effects of emotional intelligence on the performance of senior executives. The problem with this work is that it hardly examines important behavioral attitudes, behavior and outcomes that are essential for evaluating whether one can be viewed as an effective manager and leader.

2.1.1 Emotional intelligence and work attitudes

*Emotional Intelligence and Job Satisfaction.* Locke (1969, p. 314) defined job satisfaction and dissatisfaction as “complex emotional reactions to the job”. Conceptualizing job satisfaction as “feeling or affective responses to facets of the situation” (Smith et al., 1969, p. 6), suggests that job satisfaction is positively associated with the construct of emotional intelligence. In addition, job satisfaction is often considered as a proxy for an employee’s well being at work (Grandey, 2000). Intelligent Individuals with high emotional intelligence, through the above described set of three conceptually related mental processes, experience continuous positive moods and feelings that generate higher levels of satisfaction and well-being compared to individuals who experience such feelings and moods as disappointment, depression and anger, because they can reach a higher level of general satisfaction and fulfillment.

*Emotional intelligence and work commitment:* Work commitment is a multidimensional construct that comprises various forms. The multidimensionality of work commitment has been established by researchers who argued that employees develop more than one type of work commitment (Becker, 1960), and that types are in accordance with the employees’ own benefits (Ritzer and Trice, 19690. This approach has been significantly advanced by Morrow (1983, 1993), who was first to attempt mapping theoretically universal forms of work commitment that are relevant to as many employees as possible (Morrow, 1993, p. 160). Morrow advocated concentrating a research effort on five universal forms of work commitment as follows: work ethic endorsement, career commitment, affective organizational commitment, continuance organizational commitment and job involvement.

*Emotional intelligence and organizational commitment:* The concept of organizational commitment incorporates three distinct constructs: affective, continuance, and normative commitment. Continuance commitment is defined as “the extent to which employees feel
committed to their organizations by virtue of the costs that they feel are associated with leaving” (Meyer and Allen, 1984, p. 375). Affective commitment is “positive feelings of identification with, attachment to, and involvement in the work organization” (Meyer and Allen, 1984, p. 375). Normative commitment refers to “commitment based on a sense of obligation to the organization” (Allen and Meyer, 1996, p. 253). Employees with strong affective commitment remain because they want to; employees with strong continuance commitment remain because they need to; employees with strong normative commitment remain because they feel ought to do so (Allen and Meyer, 1990).

Emotionally intelligent individuals are “optimistic”, a trait that enables them to focus on the resolution, rather than the reasoning (who is at fault). The work in any given organization imposes difficulties that may result in feelings of frustration. Emotionally intelligent individuals would know not to hold the organization responsible for every feeling of frustration (Abraham, 1999), as they are adept at placing themselves in positive affective states, and are able to experience negative affective states that have insignificant destructive consequences (Salovey and Mayer, 1989-1990). This is especially true for senior managers who have to reconcile the feelings of frustration of conflicting interest groups within and outside the organization. This can be done effectively only when they are able to place themselves in a positive state of dysfunctional emotions and use them in adaptive ways to alleviate feelings of frustration. Furthermore, on the fundamental level, people are motivated not only by the rational exchange approach (Vroom, 1964), but also by the extent to which its contents provide them with such experiences as joy, excitement, surprise and frustration (Ashforth and Humphrey, 1995). Thus, emotional intelligence is expected to augment a higher level of affective commitment to the organization, and diminish the level of continuance commitment.

**Emotional intelligence and job involvement.** Job involvement is “a belief descriptive of the present job and tends to be a function of how much the job can satisfy one’s present needs” (Kanungo, 1982, p. 342). As indicated above, employees do not get involved in the job only for self-rational interest fulfillment; they also get involved in the job because they let their emotions play a role. Becoming highly involved in the job is often sometimes a response to emotional rather than rational needs. Ashforth and Humphrey (1995) cities in Fine’s (1998) work the quotes of a cook discussing the centrality of being emotionally involved in the job. People are social creatures who, through job involvement, fill the need for emotional experience. Managerial work is often complex and challenging and senior managers with a high emotional intelligence often get extremely involved in challenging experiences and complex situations that may not occur elsewhere.

**Emotional Intelligence and Job Performance.** In so far as the management of social behavior involves the management of emotions (Hochschild, 1983), EI has the potential to be a strong predictor of performance. Linking EI with performance can provide organizations with a valid alternative for selecting and assessing employees. Many organizational researchers have recently called for more focus on the role of emotions at work. For example, Ashforth and Humphrey (1993) argue that emotions are an integral and inseparable part of organizational life and that more attention should be given to the employees’ emotional experience. Emotional intelligence has been cited as a crucial contributor to organizational success (Goleman, 1998; Salovey and Mayer, 1990; Weinberger, 2002) and many
organizational behaviorists have responded to the growing significance of emotional intelligence by attempting to identify factors that influence employees’ performance at work. Work on emotional labor and management of emotion has highlighted those small, relatively costless changes in organizational context or managerial behavior that can impact employees’ emotional reactions and consequently, their performance (Hochscild, 1983; Huy, 1999). Thus, managers can help improve employee’s performance by understanding how emotions influence thoughts and behavior.

As the competition heats up and the pace of change accelerates, we cannot continue doing “business as usual.” We need a new approach that transcends linear thinking and goes across barriers. We need advanced skills that will increase our mental clarity, elicit higher productivity from our staff, magnetize talented people to our organization, and inspire people while experiencing less chaos and confusion. We have to become more conscious of our “feeling-world.” By learning to identify the “emotional baggage” and manage our feeling-world reactions, we can view life based on current information instead of being held captive by our past. However, since emotional processes can work faster than the mind, it takes a power stronger than the mind to bend perception, override emotional circuitry, and provide us with intuitive feeling instead. It takes the power of the heart. The senior and middle level managers’ behavior and treatment of their people determine turnover and retention. They interact daily with individuals who have distinct needs, wants, and expectations. They significantly influence the attitudes, performance, and satisfaction of employees within their department and of other departments. The stress of trying to lead and satisfy so many people changing needs and expectations can be overwhelming, to say nothing of the demands from upper management. Being both firm and caring at the same time causes many to feel inadequate for the role. Most of the turnover is reportedly due to an inadequate relationship between the employees and their direct supervisor. Where trust is lacking, performance suffers. Enhancing EI skills enables managers to regulate their emotions and motivate themselves more effectively.

From a socio analytic perspective (Hogan and Shelton, 1998), we think emotional intelligence can be considered an individual difference that will facilitate motivation to achieve, to get along with others, and to find meaning. Given the strong socially-based nature of emotional intelligence, it can also be conceptualized in terms of a social skill. Consequently, we contend that EI will have both direct and indirect effects on employees’ performance.

2.2 THE ROLE OF EMOTIONS AT WORKPLACE

Emotions are an inseparable and integral part of everyday organizational life. The experience of work is saturated with emotions, from moments of fear, joy, frustration or grief to an enduring sense of commitment or dissatisfaction (Ashforth & Humphrey, 1995). A review on emotions in the workplace (Ashforth & Humphrey) emphasized how past research fostered the belief that emotion is the antithesis of rationality*. Ashforth and Humphrey argue that this belief is too simplistic and that the experience/understanding of work is saturated with emotion of employees whether manager or non- manager. A manager is a person/ individual who have to manage/cope the mood of their organizations. The most gifted corporate leaders achieve that by means of a mysterious combination of psychological abilities/skills known as emotional intelligence. They
are empathetic and self-aware. They can regulate or control and read their own emotions while intuitively grasping how others gauge and feeling their organization’s emotional state. Emotional Intelligence (EI) has been recently validated with major skill areas that can influence your career and create abilities/skills that improve your value/worth at work. A very recent and excellent review of the EI literature (Dulewicz and Higgs, 2000) demonstrates clearly that EI impacts on work success. Research studies of approximately 500 organizations worldwide, reviewed by Goleman, point out that individual who scores highest on EQ measures, raise to the top of corporations. For example, 'Star' employees possess more confidence and interpersonal skills, than 'Regular' employees who obtain less glowing reviews of performance.

Research also demonstrates a relationship between EI and individual and team performance. Perhaps due to an enhanced ability to recognize and manage emotions and brace against distracting emotions, EI skills connect both to individual cognitive-based performance and team task performance skills. A study (Lam and Kirby, 2002) of 304 undergraduate students demonstrated a positive influence of EI and the EI competency areas of emotional awareness and management on individual cognitive-based performance. Additional research (Jordan and Troth, 2004) found that teams comprised of members with high EI displayed better task performance skills when compared with teams made up of less emotionally intelligent members. Goleman (1998) suggests that for technical and complex positions in particular, a lack of EI may lead to diminished cognitive performance and an inability to accomplish tasks, especially with others.

According to such research, EI is supported as a vital element in excellent job performance profiles, in employee behavior and organizational practices leading to an outstanding climate for service delivery, and in employee concern for quality and ability to deal with workplace conflict. Goleman’s (1998) analysis of performance profiles from various positions in 121 companies around the world revealed that EI abilities rank as more than twice as crucial for excellence than technical and cognitive abilities. In their tools used to measure performance competencies, worldwide professionals deemed critical excellence skills to be 23 percent based on intellect and technical expertise, and 67 percent clearly centered on EI capacities. Research also links EI with customer satisfaction, quality assurance, and problem solving ability. Organizational policies and procedures that reward employee behavior based on EI and treat employees as internal customers result in a climate for services regarded as excellent by customers (Bardzil and Slaski, 2003). Further, a study of 222 participants resulted in positive correlations between the EI competencies of self-regulation and empathy and manager’s concern for product and service quality; and between the self-awareness and self-regulation competencies and effective problem-solving skills during subordinate conflict (Rahim and Minors, 2003).

'Emotional intelligence matters twofold as much as analytic and technical skill combined for star performances,' he states. 'And the higher individuals move up in the organization, the more vital/crucial EI becomes.' Leaders and Bosses, especially, need high EQ because they represent the company to the public, they interact with the highest number of individuals outside and within the organization and they set the tone for employee morale, states Goleman. Leaders with empathy are able to recognize/understand their employee’s needs or wants and provide them with productive/constructive feedback. Different jobs also call for different types of emotional intelligence. For example, success in sales involves the empathic ability or skill to gauge the
interpersonal skill and a customer’s ‘mood to decide when to keep quiet and when to pitch a
service or product.

Don’t bring your personal problems to work is one distinction of the argument that emotions are
inappropriate in the organization. Trade decisions, so the argument goes, should be based on
logic, information and calm/cool reason, with emotions kept to a least/minimum. But it is
unrealistic and impractical to suppose that emotions can be checked at the door when you reach
at workplace. Some employees may assume, for a numerous reasons, that emotional neutrality is
an ideal, and try to keep feelings out of sight. Such employees/individuals relate and work in a
certain way: usually they come across as fearful, detached or rigid, and fail to contribute fully in
the life of the workstation. This is not certainly bad in some circumstances, but it is usually not
good for an organization for such employees to move into administration roles. The same would
be true for individuals who emote excessively, who express how they feel about everything in
the organization. Merely being around them can be time consuming and exhausting.

Developing and understanding EI in the workplace means recognizing or acknowledging that
emotions are always present, and doing something brainy or intelligent with them. Individuals
vary enormously in the ability/skill with which they use & manage their own emotions and
react/respond to the emotions of others, and can make a difference between good manager and
bad manager. It’s not overly equalitarian to suggest that most executives, professionals,
managers are fairly smart individuals (obviously there can be glaring exceptions), but there can
be a vast difference in how well they handle employees. That is, the department manager may be
a genius in service knowledge, technical or product—and get failing marks in terms of people
abilities or skills.

2.3 EMOTIONAL INTELLIGENCE AND WORKPLACE BEHAVIOR

According to Goleman, emotional intelligence has an impact on the thinking process and
behavior of the employees; it is a set competency, which directs and controls one’s feelings
towards work and performance (Goleman 1998; Dulewicz & Higgs, 2000). In the workplace,
many people come together and express different behaviors. Each of these behaviors has
different consequences to the individuals working in the organization and to the whole
organization. In the ideal case scenario, these behaviors coincide with the norms of the
organization; the organizational norms being a construct consisting of “expected behaviors,
languages, principles, and postulations that allow the workplace to perform at a suitable pace”
(Appelbaum et al. 2007). But since reality is not always the ideal case, work behavior can also
range outside the norms of the organization. Employees either lack the motivation to conform to
normative expectations of the social content or become motivated to violate those expectations.

Emotions in the workplace play a large role in how an entire organization communicates within
itself and to the outside world. Events at work have real emotional impact on participants. The
consequences of emotional states in the workplace, both behavioral and attitudinal, have
substantial significance for individuals, groups, and society. Positive emotions in the workplace
help employees obtain favorable outcomes including achievement, job enrichment and higher
quality social context. Negative emotions, such as fear, anger, stress, hostility, sadness,
and guilt, however increase the predictability of workplace deviance, and how the outside world views the organization.

Emotions normally are associated with specific events or occurrences and are intense enough to disrupt thought processes. Moods on the other hand, are more, generalized feelings or states that are not typically identified with a particular stimulus and not sufficiently intense to interrupt ongoing thought processes. There can be many consequences for allowing negative emotions to affect your general attitude or mood at work. Emotions and emotion management is a prominent feature of organizational life. It is crucial to create a publicly observable and desirable emotional display as a part of a job role.

Employees' moods, emotions, and overall dispositions have an impact on job performance, decision making, creativity, turnover, teamwork, negotiations and leadership. The state of the literature shows that affect matters because people are not isolated 'emotional islands.' Rather, they bring all of themselves to work, including their traits, moods and emotions, and their affective experiences and expressions influence others," according to the paper, co-authored by Donald Gibson of Fairfield University's Dolan School of Business

An employee with high emotional intelligence can manage his or her own impulses, communicate with others effectively, manage change well, solve problems, and use humor to build rapport in tense situations. These employees also have empathy, remain optimistic even in the face of adversity, and are gifted at educating and persuading in a sales situation and resolving customer complaints in a customer service role. This "clarity" in thinking and "composure" in stressful and chaotic situations is what separates top performers from weak performers in the workplace.

As managers and business executives we have often asked ourselves the following questions: Why do certain employees get into accidents more often than others? Why do they violate company ethics and policies? Why do they ignore the rules of the organization? Why do they use illegal drugs while on the job? Why do some people cause conflict while others are so gifted at resolving it? Why do they put self-interest ahead of the organizational values? Why do some salespeople build large books of new business with ease while others struggle to do so even though they seem to be putting forth the required effort?

In many cases the answer to the above questions lies in "emotional intelligence" rather than the individual's "personality type."

2.4 EQ COMPETENCIES THAT CORRELATE TO WORKPLACE SUCCESS

The following outlines a set of five emotional intelligence competencies that have proven to contribute more to workplace achievement than technical skills, cognitive ability, and standard personality traits combined.

Social Competencies—Competencies that Determine How We Handle Relationships
**Intuition & Empathy.** Our awareness of others' feelings, needs, and concerns. This competency is important in the workplace for the following reasons.

- Understanding others: an intuitive sense of others' feelings and perspectives, and showing an active interest in their concerns and interests
- Customer service orientation: the ability to anticipate, recognize, and meet customers' needs
- People development: ability to sense what others need in order to grow, develop, and master their strengths
- Leveraging diversity: cultivating opportunities through diverse people

**Political Acumen & Social Skills.** Our adeptness at inducing desirable responses in others. This competency is important in the workplace for the following reasons.

- Influencing: using effective tactics and techniques for persuasion and desired results
- Communication: sending clear and convincing messages that are understood by others
- Leadership: inspiring and guiding groups of people
- Change catalyst: initiating and/or managing change in the workplace
- Conflict resolution: negotiating and resolving disagreements with people
- Building bonds: nurturing instrumental relationships for business success
- Collaboration and cooperation: working with coworkers and business partners toward shared goals
- Team capabilities: creating group synergy in pursuing collective goals

**Personal Competencies**—Competencies that Determine How We Manage Ourselves

**Self-awareness.** Knowing one's internal states, preferences, resources, and intuitions. This competency is important in the workplace for the following reasons.

- Emotional awareness: recognizing one's emotions and their effects and impact on those around us
- Accurate self-assessment: knowing one's strengths and limits
- Self-confidence: sureness about one's self-worth and capabilities

**Self-regulation** Managing one's internal states, impulses, and resources. This competency is important in the workplace for the following reasons.

- Self-control: managing disruptive emotions and impulses
- Trustworthiness: maintaining standards of honesty and integrity
- Conscientiousness: taking responsibility and being accountable for personal performance
- Adaptability: flexibility in handling change
- Innovation: being comfortable with an openness to novel ideas, approaches, and new information

**Self-expectations & Motivation** Emotional tendencies that guide or facilitate reaching goals. This competency is important in the workplace for the following reasons.
Achievement drive: striving to improve or meet a standard of excellence we impose on ourselves
Commitment: aligning with the goals of the group or organization
Initiative: readiness to act on opportunities without having to be told
Optimism: persistence in pursuing goals despite obstacles and setbacks

Many companies have focused their selection criteria and training programs on hard skills (e.g., technical expertise, industry knowledge, education) and the assessment of personality traits. Topics including competencies like stress management, assertiveness skills, empathy, and political/social acumen were never measured in the selection process or focused on in training and development programs. In reality, these are critical success factors that should not be dismissed, and have a direct impact on the bottom line.

All of these cases are starting to prove the value of having highly emotionally intelligent employees make up your workforce to gain a competitive advantage in this highly competitive business world.

Emotional intelligence has as much to do with knowing when and how to express emotion as it do with controlling it. People identify their own emotions accurately when they, for example, know that they are angry with another person or ashamed. Low trait of emotional intelligence may be a key ingredient in a variety of deviant behavior, many of which have been repeatedly linked to emotional deficits (Cohen & Strayer, 1996; Eisenberg, 2000; Roberts & Strayer, 1996). A low level of emotional self-efficacy, in combination with increased impulsivity and poor social skills, are likely to be implicated in various forms of antisocial behavior.

Some studies have looked at the relationship emotional intelligence and academic ability (Parker et al, 2002 and 2004; Mayer et al, 2001; Sutarso, 1996, deviant behavior (Petrides et al, 2004). Other than that, a low level of emotional self-efficacy, in combination with increased impulsivity and poor social skills, are likely to be implicated in various forms of antisocial behavior (Petrides, Frederickson & Furnham, 2004). In a research conducted (Liau, Teoh &Liau, 2003) to examine the influence of emotional intelligence on problem behaviors in Malaysia secondary school students, scholars found emotional intelligence was linked to internalizing and externalizing problem behaviors. In addition, emotional literacy also served as a moderating factor between parenting monitoring and externalizing problems.

There were many logical connections concerning the constructs of emotional intelligence and workplace behaviors, yet there has been little research that has connected these two areas systematically. The literature has demonstrated the importance of flexible control and appropriate expression of emotion (Bar-On, 2000) as well as awareness and acceptance of emotions and ability to integrate feelings and emotions with responsible and appropriate action (Chickering & Reisser, 1993). So, here this does show that those with high level of emotional intelligence are able to control and avoid themselves from doing such deviant or misbehaviors in the workplace that will harm the organization they work with. The literature review also reported on the need to understand and manage emotions as an educator (Delworth & Hanson, 1989; Chickering & Reisser, 1993; Dannells, 1997).
Emotional intelligence to the workplace identified five core areas; self-awareness, self-regulation, self-motivation, social awareness, and social skills. These core areas were based on previous research that has identified a number of social and emotional abilities associated with successful performance in the workplace (Cherniss, Goleman, Emmerling, Cowan, and Adler (1998). Self-awareness reflects the ability of a high emotional intelligence person to accurately identify how he/she projects himself/herself to others (Thomas, 2004). This allows the high emotional intelligence person to ensure that he/she projects the appropriate image to fit the situation. Self-regulation involves the employees’ ability to reject impulsive urges, propensity to reflect, and the ability to adapt to changes. Self-motivated employees are intrinsically motivated and enjoy challenges. A person high on social awareness thought fully considers others’ feelings when taking an action. These people are compassionate while dealing with employees and can put themselves in other shoes.

Brundin, Patzelt and Shepherd (2008) analyzed how and why emotional displays of managers influence the willingness of employees to act entrepreneurially. Using data from 31 entrepreneurially oriented firms, the findings revealed that managers ‘of confidence and satisfaction about entrepreneurial projects enhance employees ‘willingness to act entrepreneurially, whereas displays of frustration, worry, and bewilderment, respectively, diminish it. The findings are in line with the emotional intelligence framework that maintains that emotionally intelligent managers are able to use emotions in order to enhance cognitive processes among employees. In other words, managers ‘display of emotion may put employees in good or bad moods. By being aware of the consequences of displaying positive or negative emotions, and by being able to be more flexible and alter their displays, managers can impact employees ‘work performance.

According to (Deshpande, Joseph & Shu, 2005) in their study have found out that people with low level of emotional intelligence have lower moral standards whereas people with high emotional intelligence perceive counterproductive behaviors to be more unethical than those with low level of emotional intelligence. This suggests that people with high emotional intelligence tend to be better corporate citizens and that better ethical attitudes towards their firm and work. In addition, there is enough evidence to show that emotional intelligence is a valuable predictor of performance on the job (Van Rooy & Viswesvaran, 2004)

2.5 EMOTIONAL INTELLIGENCE AND ORGANIZATIONAL COMMITMENT

The success of any organization in general as well as in service organizations not only depends on the organization in taking advantages of its human resources but also mainly on its staff organizational commitment (Beukhof et al., 1998; Thorn hill et al., 1996). Commitment is such a variable which is related to both staff outputs and organization outputs. High commitment would energize the factors such as sense of belonging to organization, safety, self-efficacy, career development, and intrinsic encouragement (Rowden, 2000) for staffs, and will result in dependency employment, job rotation decrement, reducing educational costs, increasing job satisfaction, and acceptance of organization demands by the staffs. High commitment can provide the organization with accomplishing the goals such as the quality of services for organization (Mowday et al., 1982).
Meyer and Allen (1997) argue that organizational commitment consists of individual's psychological status which specifies the individual's relation with organization that leads to making decision about staying with the organization. Mowday, et al (1982) also define organizational commitment as staff's holding conviction to organization goals and values, having tendency toward significant efforts representing organization as well as high interest in maintaining one's membership in organization.

EI has been found to be an important predictor of various enviable organizational outcomes, such as job performance, job satisfaction, organizational citizenship behavior, and organizational commitment (Carmeli, 2003; Kafetsios & Zampetakis, 2008; Law, Wong, & Song, 2004; Lenaghan, Buda, & Eisner, 2007; Sinha & Jain, 2004; Sy, Tram, & O’Hara, 2006). In addition, the neurological sciences literature also suggests that there is a positive relation between EI and commitment (Bechara, Tranel, & Damasio, 2000).

Cichy et al., (2007), studied the relationship between the emotional intelligence and organizational commitment of private club members and volunteer leaders of the committees in a case study. The result of their research revealed that there was a high significant difference between the individuals with low emotional intelligence and the one’s with high emotional intelligence. According to Abraham (2000), the social relation within the organizations increases organizational commitment and loyalty of the staff and since emotional intelligence highly correlates with individuals’ ability to cooperate with others, they seem to enjoy more commitment with their respective organization. Zainal Arifin and Yahaya Mofd (2004) studied the effect of emotional intelligence on organizational commitment of staff in public and private sectors and represented a high significant correlation between the two main variables.

Carmeli, 2003; Vakola et al, (2004) claimed that EI is associated with job satisfaction, high ability to solve the problem and pressure, changing orientation that are more preferable and strongly organizational commitment. Zeidner et al. (2004) proposed that individual who has more sense of emotions are more successful to communicate their ideas, goals and objectives towards persuade people. According to Goleman (1998), Emotional intelligence consist a set of social skills required to work in a team which can influence the relationship in workplace. Thus, it impacts the relationship between emotional intelligence and organizational commitment (Mayer &Salovey, 1997). Cherniss (2001) claimed that EI would affect the individual skills to success when having some work pressure and it reveals the attitude in job pressure. EI is defining by Goleman (1995) as ability to be aware of emotions of ourselves and others to manage the emotions. EI can affect to personality rather than cognitive intelligence.

According to Robinson and Rousseau (1994), job insecurity can lead to reduced commitment and high turnover intentions which might threaten organizational stability. Accordingly, individuals who have high levels of emotional intelligence will be able to ameliorate the essence of job insecurity on their affective commitment and that emotional intelligence have a moderating influence. This is because employees need first to be aware of the emotions they are experiencing as a result of their perceptions of job insecurity. Employees high in the perception factor of emotional intelligence can therefore be expected to be able to assess the emotions they are feeling to confirm if their perceptions are correct or not. Further, employees high in the self-management component of emotional intelligence should be able to prioritize the information
that is most important to their feelings of insecurity and then to adopt multiple perspectives to determine if their feelings are accurate and reasonable (Mayer & Salovey, 1997).

As for the understanding component of emotional intelligence, emotionally intelligent employees are likely to foresee possible complex emotions that will emerge from this situation, including whether they have mixed feelings of loyalty and betrayal and how anxiety about their insecurity may lead to feelings of frustration and anger. Employees with high ability to manage their emotions will be more likely than their low ability counterparts to control their initial emotional reaction to perceptions of job insecurity. This is especially true if they consider these reactions to be unproductive. In this case, management of felt emotion may result in employees increasing their affective commitment to the organization by generating enthusiasm for their work (Mayer & Salovey, 1997). Alternatively, employees high in their ability to manage emotions may decide that it is in their personal interest to suppress their feelings of insecurity and merely to increase their normative commitment to the organization for the duration of their employment. Irrespective of which path is adopted, the central issue is the employee's ability to exert emotional control. Thus, Emotional Intelligence will moderate the effect of perceptions of job insecurity on affective commitment. Compared with high emotional intelligence employees, low emotional intelligence employees will manifest lower affective commitment in response to job insecurity.

Thus emotionally intelligent individuals are “optimistic”, a trait that enables them to focus on the resolution, rather than the reasoning (who is at fault). The work in any given organization imposes difficulties that may result in feelings of frustration. Emotionally intelligent individuals would know not to hold the organization responsible for every feeling of frustration (Abraham, 1999), as they are adept at placing themselves in positive affective states, and are able to experience negative affective states that have insignificant destructive consequences (Salovey and Mayer, 1989-1990). This is especially true for senior managers who have to reconcile the feelings of frustration of conflicting interest groups within and outside the organization. This can be done effectively only when they are able to place themselves in a positive state of dysfunctional emotions and use them in adaptive ways to alleviate feelings of frustration. Furthermore, on the fundamental level, people are motivated not only by the rational exchange approach (Vroom, 1964), but also by the extent to which its contents provide them with such experiences as joy, excitement, surprise and frustration (Ashforth and Humphrey, 1995). Thus, emotional intelligence is expected to augment a higher level of affective commitment to the organization, and diminish the level of continuance commitment.

2.6 EMOTIONAL INTELLIGENCE AND WORKING CONDITIONS

Working conditions refers to working environment and all existing circumstance affecting labor in the workplace, including: job hours, physical aspects, legal rights and responsibility organizational culture work load and training. Gerber et al (1998, p.44) defined working condition as: “working conditions are created by the interaction of employee with their organizational climate, and includes psychological as well as physical working conditions” Therefore, we adopt the definition of working conditions as follows: “Working conditions refers to the working environment and aspects of an employee’s terms and conditions of Employment”.

Chand and Sethi (1997) conducted a study to examine the organizational factors as predictors of job-related strain among 150 junior officers working in various banking institutions in the state of Himachal Pradesh. Role conflict, strenuous working conditions and role overload were found to be the dearest and most significant predictors of job-related strain.

Wells (2000) states that workplace satisfaction has been associated with job satisfaction. In recent years, employees' comfort on the job, determined by workplace conditions and environment has been recognized as an important factor for measuring their emotional states and productivity.

Kakkar (2004) in his study highlighted that more skilled an organization’s management team at creating a work environment where employees experience positive emotions, more successful the organization will be. He opined that emphasis on perception and emotional understanding in an organization will improve the working of the organization.

Many executives are under the mistaken impression that the level of employee performance on the job is proportional to the size of the employee’s compensation package. Although compensation package is one of the extrinsic motivation tool (Ryan and Deci, 2000) it has a limited short term effect on employees’ performance. A widely accepted assumption is that better workplace environment motivates employees and produces better results. An organization’s physical environment and its design and layout can affect employee behavior in the workplace.

Employees working in the banking sector are evidently linked with experienced emotions. One aspect of this emotion at work, which is related to stress, is the requirement to express positive (and sometimes negative) emotions towards customers. Stress results from the customers’ behavior (sometimes demanding and aggressive) and complaints. Stress may also result from poor work conditions, particularly lack of control (autonomy), poor social relations and lack of social support (Datawyse, 1995; Karasek, 1990), lack of rewards (Seigrist, 1996), work overload (particularly too many administrative tasks), or routinization (Lalit, 2002).

Consequently, the physical environment is a tool that can be leveraged both to improve business results (Mohr, 1996) and employee well-being (Huang, Robertson and Chang, 2004). Ensuring adequate facilities are provided to employees is critical to generating greater employee commitment and productivity and hence high emotional intelligence in return. The provision of inadequate equipment and adverse working conditions has been shown to affect employee emotional states and productivity and his intention to stay with the organization (Weiss, 1999; Wise, Darling-Hammond and Berry, 1987) as well as levels of job satisfaction and the perception of fairness of pay (Bockerman and Ilmakunnas, 2006). From a safety perspective, Gyekye (2006) indicates that environmental conditions affect employee safety perceptions which impact upon employee emotional state and his commitment in the organization.

Extensive scientific research conducted by Roelofsen (2002) has also yielded indications suggesting that improving working environment results in a reduction in a number of complaints and absenteeism and an increase in positive work attitudes. Haynes (2008) explains the behavioral office environment behavioral components of the office environment that have the greatest impact on office productivity. In all of the work patterns, it was found that interaction
was perceived to be the component to have the most positive effect on productivity, and
distraction was perceived to have the most negative. As people are the most valuable resource of
an organization, and that the management of people makes a difference to company performance
(Patterson et al., 1997).

If working conditions are substandard or the workplace lacks important facilities such as proper
lighting, furniture, restrooms and other health and safety provisions, employees will not be
willing to put up with the inconvenience for long time Shamsuzzoha & Shumon,(2010)
Organizational instability has been shown to have a high degree of high turnover. Indications are
that employees are more likely to stay when there is a predictable work environment and vice
versa (Zuber, 2001). In organizations where there was a high level of inefficiency there was also
a high level of staff turnover (Alexander et al., 1994). For employer losing a single key worker
may decreases the likelihood of project success and investor confidence can reduce in the
company. Main causes of Turnover are Salaries Working environment and security of job.
Turnover particularly arises from unhappiness from job place. In contrary employee also pushed
to leave job due to the dissatisfaction in their present workplace. (Shamsuzzoh & Sumon)

According to Materson (1980:7), “Causes of stress are many like work load, cuts in staff, change
at work, long work hours, shift work, lack of supervision, inadequate training, inappropriate
working conditions, too heavy responsibilities and poor relations with colleagues.” For Yesufu
(1984), the nature of the physical condition under which employees work is important to output,
Offices and factories that are too hot and ill ventilated are debilitating to effort. There should be
enough supply of good protective clothing, drinking water, rest rooms, toilets, first aids facilities
etc. Both management and employees should be safety conscious at all times and minimum of
requirement of the factories act must respect. This push for more productivity from public sector
agencies is not a new phenomenon. These factors may be important; yet, believing that the
attitudes and management styles of mid-level managers are what really influences employee
productivity.

Bornstein (2007) states that in organizations where employees are exposed to stressful working
conditions, productivity are negatively influenced and that there is a negative impact on the
delivery of service. On the other hand if working conditions are good, productivity increase and
there is a positive impact on the delivery of service.

2.7 RESEARCH GAP

From the above review of literature it reflects that many studies have been conducted in the area
of emotional intelligence and workplace behavior, both at the national and international level.
These studies have covered both goods as well as service sector and have found strong
relationship between EI and attitudes. Given the relative lack of EI and workplace behavior
literature, an exploratory study will be undertaken to establish the links between EI and the
workplace behavior and these links will be compared between the employees working in public
and private sector banks

However, there is lack of a specific study to find the relationship between workplace behavior
and emotional intelligence in the banking sector. In the light of the above facts little has been
done to undertake and to address specific problems of bank employee to EI & their behavior at
workplace. Very little has been done to the pathogenesis of various problems related to workplace behavior and its link to EI among banking employees. Keeping this in view the current study focuses on contributing to the present body of knowledge to bridging this gap in literature. In order to fill in this vital gap, present study will be carried out in the state of Maharashtra covering cities of Mumbai, Pune and Nagpur.

The next chapter focuses on the methodology and to investigate antecedents and consequences of workplace behavior and emotional intelligence for banking employees. A framework for proposed model is presented. The chapter begins with a description of the research setting, scope and need of the study and sample characteristics. Next, a proposed model of EI and workplace behavior is discussed; an explanation of the measures used and data collection procedures are presented. The chapter concludes with a description of the analytical techniques.