Chapter-5

FINDINGS, LIMITATIONS AND IMPLICATIONS

5.1 Findings

This chapter is an attempt to reach at the right conclusions and establish some new explanatory concepts through data analysis and interpretation. The present study, however, makes several noteworthy contributions which would help the banking and insurance sectors particularly to understand the ways by which they could enhance their managerial performance. The findings of the research are discussed as follows:

- The first finding of the study indicates that the performance level of the managers of both banking and insurance sector were measured according to the norms chosen, on the basis of the same, the master charts were prepared which revealed that that all the managers either fall in the category of high performers or medium performers; and managers with low performance category fail to exist. Out of the total count, 91% of the managers belong to the category of high performers and the remaining 9% of the managers fall into the category of medium performers. It has been documented through research that occupations which require people to deal with the problems of others, such as health care, teaching, banking and insurance, etc. may experience more stress than people do in other professions (Finn and Tomz, 1998). “Survival of the fittest” could be the best policy adopted by the banks and insurance companies, due to which it has been seen that low performers are not retained in the organizations, due to which the low performers fail to exist.

- The emotionally mature managers are able to keep their emotions under control and are capable of delaying and revising the expectations in terms of demands of situations and thus tend to make effective adjustment with their work inorder to maintain their performance. The relationship between managerial performance and emotional maturity was studied which revealed that there exist significant association between the two, but the strength of association between them was low to medium, indicating that emotional maturity can be considered as an important factor effecting performance. The above finding supported the study by Marai chevelvi and Rajan (2013) which indicated that Emotional intelligence can be considered a successful predictor of academic success/performance/achievement. Researchers have claimed that EI predicts success at schools, and colleges/ universities. Similar pattern have been indicated in the present research. The correlation analysis also indicated that the variables of managerial
performance are found to have positive correlation with all the variables of emotional maturity

- The relationship study between managerial performance and self-confidence indicated low association between the two parameters, thus, assuring that self-confidence can be considered one of the parameter that affects performance of the managers. The above findings supported the Bortoli and Robazza experiment (2002) which showed that in the motor and sport domain, the confidence which subject places on his own capacities is one of the most important factors affecting performance. Self-efficacy is synonymous with an individual’s belief that he/she is competent and can succeed in a particular task. An individual who enjoys a high level of self-efficacy enters a competitive situation with enthusiasm and self-confidence. Bandura’s theory of self-efficacy states that self-efficacy is fundamental to competent performance (Bandura 1997). Bandura’s model suggests that self-efficacy is enhanced by successful performance, vicarious experience, emotion arousal, and verbal persuasion. These successful performances raise expectations for future success, as failure lowers these expectations, feelings of self-efficacy lead to improved performance, while a lack of those feelings results in slackening performance

- The relationship between managerial performance and leadership skills also indicated significant association between the two parameters, but the strength of association is low to medium, thus, concluding that leadership skills can also be considered as an important factor affecting performance. Leadership produces change and establishes direction through visioning, aligning people with the vision and strategies, and motivating and inspiring the followers. Leadership is often seen as a key factor in coordinating and aligning organizational processes (Lewis, Packard, & Lewis, 2007). As with any aspect of organizational functioning, it focuses on organizational performance, and most important, effectiveness in achieving desired outcomes. The two discussions have been supported by trait approach to leadership, where Yukl (2006) found several traits that were related to leadership effectiveness: a high energy level and tolerance for stress, self-confidence (including self-esteem and self-efficacy), an internal locus of control orientation, emotional stability and maturity, and personal integrity. Other factors identified by Yukl included emotional intelligence, including self-awareness, empathy, and self-regulation (the ability to effectively channel emotions and behavior), and social intelligence, including the ability to understand needs and processes in a situation and behavioral flexibility in adapting to these situational requirements. The correlation analysis
also indicated that the variables of managerial performance are found to have negative correlation with all the variables of leadership skills

- The study also found that as the emotional maturity level of the managers decreased, despite of having the effect on performance, it tend to decrease the self-confidence level. Because the managers with extreme emotional maturity level tend to possess high self-confidence and high performance, managers with emotional immaturity level possess average level of self-confidence and extremely emotionally immature managers possess low self-confidence level. But all such managers tend to show high performance. So it can be concluded that as the level of emotional maturity decreases, it tends to decrease the self-confidence level of the managers. So the emotional maturity level of the managers is found to be directly proportional to self-confidence level. The relationship between emotional maturity and self-confidence indicated that as the self-confidence level of the manager’s increase it tends to make them well adjusted with their working environment as they are able to have complete control over their emotions and thus tends to develop positive attitude towards their work. So the study indicated that emotional maturity and self-confidence are directly proportional to each other, the managers who tend to possess high maturity level they tend to show high self-confidence and vice-versa.

- The study also revealed that very high self-confidence leads to high leadership skills and low and average self-confidence leads to medium leadership skills. Managers with high self-confidence tend to interact freely and express their feelings quite openly with the subordinates and such managers manage tough circumstances without getting upset and never step back from facing any difficult situation or crises and donot feel sad and depressed at times and have the ability to take initiatives to start a new assignment, such managers feel themselves to be healthy and powerful, if they are given opportunity they prove themselves to be a good leader.

- Managers with very high self-confidence and high leadership skills tend to show high or medium performance because such managers spend most of their time in thinking about the future and do not drop the idea of doing any work only because of the feelings that they lack the skills or ability to perform it but rather take initiatives to start new projects and never step back from facing any tough circumstances. Such managers usually make all efforts and feel satisfied by completing their unfulfilled wishes or desires in reality, but sometimes they have confused state of mind and gets hardly affected when
someone appreciates or insults them. At times they feel sad and depressed, when they are unable to get what they want, which tend to make them medium performers. According to Burke-Litwin (1992) Model, some leaders are capable of obtaining extraordinary performance from the followers, while others are not. These two concepts give rise to two types of Leadership styles, i.e., Transactional leadership and Transformational Leadership styles. The managers with high leadership skills with high performance, tend to follow transformational leadership styles as such leaders inspire followers to transcend their own self-interest for the good of the organization and are capable of having profound and extraordinary effect on their followers. Such managers, with high leadership skills embody inspiration, which leads to new heights of performance. The managers possessing high leadership skills tend to medium performance because, they might follow transactional leadership styles, as such leaders guide and motivate their followers in the direction of established goals by clarifying goal and task requirements. Such leader embodies a fair exchange between leader and follower that leads to normal or medium performance.

- Managers with medium leadership skills also lead to high and medium performance. If such managers are able to manage the teams well by avoiding unhealthy competition among the team members and cordial relations exist among the members of the team, they tend to show high performance or otherwise they tend to show medium performance as communication gap exist among the team members, which hampers their performance.

- The study revealed that extremely emotional managers possess high leadership skills, which leads to high performance. This is due to the fact that such managers care for the feelings and emotional satisfaction of their subordinates. They have the ability to plan, coordinate and control the business direction in relation to organization objectives and are quick in taking appropriate decisions by allowing free flow of expressions among the team members, which in turn play the major role in achieving their targets.

- The study also found that extremely emotionally immature managers with medium leadership skills are either found to be high performers or medium performers. The immaturity of the managers does not allow them to handle the situations in a constructive manner. Due to their emotional outbursts, the subordinates are not able to express their feelings openly, due to which communication gap exists between the superior and subordinates and the subordinates hesitate in taking guidance and directions in improving their performance. It has been proved in the current study that the emotionally
immature managers, with medium leadership skills tend to show medium performance. On the other hand, it has also been identified that under some situations such managers also tend to show high performance. As they are young enough with less experience of their job possess low maturity level, but their enthusiasm and higher aspirations in the early stages of their career, tend to make them high performers.

- The study also demonstrated that emotionally immature managers possess high leadership skills and are medium performers. Immature managers tend to be insecure and attempt to hide their insecurity through their position and power and tend to show high leadership skills as they are motivated by self-interest and thus sacrifice anyone for their selfish gain. Due to their immaturity, they lack wisdom, insight and emotional stability; they tend to show quick changing and unreliable responses and are not able to correctly interpret the feelings of their subordinates by behaving in an aggressive manner. They get indulge themselves freely in any situation with bothering about any moral code of conduct. When the immature managers get themselves involved in various kinds of mental botherations, they do not care for the feelings and emotional satisfaction of their subordinates, which tends to affect their performance.

- The study clearly reflects that extremely emotionally mature managers possess high leadership effectiveness and extremely emotionally immature managers possess medium leadership skills, thus, indicating that the emotional maturity and leadership skills are also directly proportional to each other. As the emotional maturity level increases, leadership skills tend to increase and vice versa.

- The study revealed that there is significant positive correlation between performance and emotional maturity. Emotionally mature managers will never shirk from work and give more importance to their own work and others work. They do not hesitate helping others in their work and take help of others in completing their personal work, as they do not feel jealous from others success. Such managers can never stop in the middle of any work before reaching the goal, which tend to make them high performers in the organization.

- There exist significant negative correlation between leadership skills and performance, as the leadership skills increases, the performance level tend to decrease and vice-versa. This negative relation between the two, indicates that the managers have misperception about their own leadership skills, which is affecting their performance. This indicates that such managers tend to adopt autocratic style of leadership, where place very
low emphasis on the emotions of the people. The leader unilaterally exercises all decision-making authority by determining policies, procedures for achieving goals, work task, relationships, control of reward, and punishment (Mullins, 1999). The basic assumption underlying autocratic leadership style is based on the premise that, people are naturally lazy, irresponsible, and untrustworthy and leaving the functions of planning, organizing, and controlling to subordinate would yield fruitless results and so such functions should be accomplished by the leader without the involvement of people. McGregor (1960) described the autocratic leader as the Theory X manager with the same set of theoretical assumptions as Taylor’s scientific management and Schein’s (1992) rational-economic model. Further, Likert's (1961) four management systems, characterized autocratic leadership style system as an exploitative-authoritative system where power and direction come from the top downwards, where threats and punishments are employed, and where communication is poor and team-work is non-existent (Cole, 2004). Tannenbaum and Schmidt (1958) described an autocratic leadership style on a continuum and opined that autocratic leaders make decisions and announce them, without inviting suggestions from subordinates. The increase in productivity happens when the leader is present and the leadership style improves worker performance in relatively simple tasks (Gustainis, 2004). Warrick (1981) opine that autocratic leadership style breeds hostile attitude, conflicts, distorts and guards communication, high turnover, absenteeism, low productivity, and affects work quality. The style also breeds yes-men who lack creativity and innovation and all they know is the adherence to rules, procedure, red-tape, and status seeking symbols and often afraid of taking responsibility because by doing so they risk committing punishable mistakes that would lead to demotion. This finding agrees with the work of Puni et al (2014) that the service industries which want to be more competitive should consider adopting a more democratic leadership style since it is associated with high performance and sustainability than autocratic and laissez faire leadership styles. Another study which supported the above finding has been conducted by Ojokukku et al (2012) to study the effect of leadership styles on organizational performance in Nigerian Banks, which concluded that leadership style has both positive and negative effect on organizational performance. The study found that transformational and democratic leadership style, in which employees are allowed to have sense of belonging, carry out higher responsibility with little supervision, and followers are helped to achieve their visions and needs enhance organizational efficiency. The study is concluded that transformational and domestic leadership styles are the best for the management of
Nigerian banks to be adopted in order for them to wax stronger in a global competitive environment. Another study conducted by Loke(2001) suggested that too much emphasis on leadership behaviour may contribute to lower productivity and job satisfaction. So it has been found that managers in banking and insurance tend to follow autocratic style of leadership, which they perceive to be effective but is found to ineffective in relation to their performance, which ultimately would affect the organizational performance.

- The study revealed significant positive correlation between self-confidence and performance. This indicates that performance of the managers is positively associated with self-confidence and vice-versa. Self-confidence level of the managers tends to boost their performance as such managers have the capability to grab the opportunities because of their ability to take right decisions at the right time. Their confidence encourages them to take imitative to start new assignments as well as accept the challenging task, courageously and pleasantly. So due to these reasons such managers tend to show high performance.

- The study also throws light on the fact that there is negative significant correlation between emotional maturity and leadership skills. As the maturity level of the managers increases, their leadership effectiveness tend to decrease. The managers with high leadership skills tend to discourage their subordinates from taking care for the feelings and needs of their clients and customers and such manager’s donot allow their emotions to influence their decisions. Bot on the other hand, emotionally mature managers show great deal of interest in others work and give importance not only to their own work but also others in completing their work assignments.

- There exist significant positive correlation between emotional maturity and self-confidence. as the maturity level of the managers increase, it tends to increase their self-confidence level and negative significant correlation between leadership skills and self-confidence.

- The results also indicate that out of the three variables, emotional maturity and performance are strongly positively associated, the self-confidence and performance have medium positive association and negative association of performance and leadership skills. So the order of impact of emotional maturity, self-confidence and leadership skills on performance are in the following order.

  Emotional Maturity > Self-Confidence > Leadership Skills
• The discriminant power of these three variables was studied in relation to performance, which resulted that there exist low to medium correlation between the predictors, i.e., emotional maturity, self-confidence and leadership skills and multicollinearity is not there and data existed with univariate normal distribution.

• The study indicates that out of the three parameters, leadership skills contribute more to the discriminating power of the function as compared to emotional maturity and self-confidence. The variation in performance of the managers is affected more due to the variation in the leadership skills, rather than the other two. So, we can conclude that performance is largely affected by leadership effectiveness. The magnitude of standardised coefficients suggest that leadership skill is the most important predictor followed by emotional maturity and self-confidence and the model has proved to be 89.4% validated in relation to grouped cases classification.

• The study concluded that all the three variables (emotional maturity, self-confidence and leadership skills) are uni-dimensional, which indicate that they measure one and the same thing, named as Managerial Performance. The study also revealed that emotional maturity, leadership skills and self-confidence are the integral components, which collectively constitute effective Managerial Performance.

• At last, Analysis of variance is applied to determine the effect of independent variables such as emotional maturity, self-confidence and leadership skills on dependent variable, managerial performance and interactions between emotional maturity and self-confidence as well as interactions between emotional maturity, self-confidence and leadership skills on performance were studied. In case of emotional maturity, it indicated that the population means for four levels of emotional maturity are certainly different. The relative magnitudes of means of four categories indicate that extreme emotional maturity leads to high performance.

• In the case of Self-confidence, the study revealed that all the four levels of self-confidence are, indeed, different and indicated that very high self-confidence leads to high performance.

• In case of leadership skills, the study revealed that it is individually insignificant resulting that those three levels of leadership skills are not significantly different.

• Interactions between independent variables, i.e., emotional maturity and self-confidence indicated that there have been insignificant interactions between the two
and the effects of four levels of emotional maturity on performance is similar over the four levels of self-confidence.

- The significant interaction effect occurs between the categories of emotional maturity and leadership skills, which reflects that the effects of different categories of emotional maturity and different categories of leadership skills on managerial performance are found to be different.

- The significant interaction effect occurs between the categories of self-confidence and leadership skills, which reflects that the effects of different categories of self-confidence and different categories of leadership skills on managerial performance are found to be different.

- The study also indicated that there have been an insignificant interactions between emotional maturity, self-confidence and leadership skill. This indicates that the effect of all the four levels of emotional maturity on performance is similar over the four levels of self-confidence and three levels of leadership skill.

- Than the post-hoc tests are made after the analysis, which enable to construct the generalized confidence intervals that can be used to make pair-wise comparisons of all treatment means. The findings indicated that the mean difference for the categories of emotional maturity, i.e., extremely mature and extremely immature are indeed different as the mean difference is significant at 0.05 level. It also depicts that two categories of emotional maturity, i.e., emotionally mature and emotionally immature are not significantly different as the mean difference is insignificant at 0.05 level.

- In case of self-confidence, the results indicated that the mean difference for the categories of self-confidence, i.e., very high self-confidence and low self-confidence are indeed different and fall into the same sub-set, whereas the other two categories of self-confidence, i.e., high and average self-confidence are not significantly different and thus fall into another sub-set.

5.2 Limitations of the Study

There are certain limitations of the current research, which future studies in this area should seek to overcome. The present study aimed at collecting the responses from banking and insurance sector. These two sectors have been considered to be highly stressful and challenging, because of the time constraint, the responses of the managers might not be accurate, due to which the validity of the results could be affected.
Due to the time constraint, the number of respondents were restricted to 200, both in banking and insurance sector, which is one of the biggest limitation of the study. If the sample would have been much larger, than the results would have been more clear and appropriate.

Another limitation of the research was that the sample was collected from the managers of banking and insurance sectors. These managers were found busy in achieving their monthly targets and were not easily available to spare time for my research. Due to their time constraint, the results obtained from them were found to be biased.

The present research have focused to study the impact of emotional maturity, self-confidence and leadership skills on managerial performance, which is one of the limitation, the study could have been conducted by taking into consideration other important psychological parameters, which might affect managerial performance.

5.3 Implications of the Study

The results emerging out of the present study have certain implications in their practice. An interesting finding of the study is that only the managers who fall in the high and medium performance categories have a place in the banking and insurance organizations, while those in the low performance category cannot hope to survive in these organizations. This leads us to the fact that it is essential to predict the performance of the manager in advance. It helps to make estimation about his stay in the organization. If the manager shows low performance in the test conducted for this purpose, it indicates that he will not survive in the competitive environment for a long term, and thus, he cannot be a useful asset for his organization. Such types of psychological tests need to be administered for the entrants in the organization as these tend to reduce the cost of selection and training of such low performers in the organization.

The findings of the study also show that there exists a significant relationship among the three variables, i.e., emotional maturity, self-confidence and leadership skills. This has the implication for management, suggesting that organizations could be profitable only by identifying the level of emotional maturity of their existing managers, by identifying their psychological traits such as their ability to handle situations constructively without any mental pressure, and by applying interventions that are focused on developing emotional maturity of the employees.
The self-confidence level of the employees must be judged accurately, as it tends to have a significant effect on the performance of the managers. The managers with low level of self-confidence fail to take timely decisions, and thus, lose every opportunity to rise in their career. They lack the ability to undertake new assignments and avoid to face any kind of crisis which may hamper their performance. Thus, the organizations need to make sincere efforts to identify the confidence level of their employees to boost their performance which is necessary for the overall development of the organization.

Apart from emotional maturity and self-confidence, the findings also point out that leadership effectiveness of the managers is the most important parameter affecting their own as well as their subordinates’ performance. Only such managers tend to become good leaders who allow their subordinates to express themselves freely and have their focus on the emotional satisfaction of the subordinates. This tends to develop trust-based relationship between the manager and his subordinate which ultimately leads to a win-win situation. Such managers act as effective trainers and excellent counsellors in enhancing the overall performance of every unit in the organization. So, the present study suggests that the managers having the qualities of a good leader can take their organization to new heights of success. This objective can be achieved only if the management encourages its employees to attend the training programmes organized by it, which help to improve their leadership qualities. Such training programmes are quite different from the technical training programmes organized by the organizations.

Apart from improving the technical competency of the employees, the organizations must focus on improving the psychological traits of their existing employees by providing them different types of training in relation to improve their emotional maturity, self-confidence and leadership skill, which ultimately lead to improve their performance. This study will not only help the organizations to increase their profitability, but also help to take appropriate decision in selecting the right candidates for a particular job.
References


