SYNOPSIS

“THE ROLE AND IMPORTANCE OF EMOTIONAL INTELLIGENCE IN MANAGING STRESS AND ANXIETY AT THE WORKPLACE IN THE PRIVATE BANKING AND INSURANCE SECTOR”

A Thesis Submitted to

TILAK MAHARASTRA VIDYAPEETH, PUNE
For the Degree of Doctor of Philosophy
Under the Faculty of Management

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DECEMBER 2012
1. Background

- Emotional Intelligence:
  Emotional Intelligence (EI) can influence one’s career and create abilities and skills that improve one’s worth at work. Top Management employees and leaders, in particular, need high Emotional Intelligence because they represent the organization to the various stakeholders and public, they also interact with the highest number of people and employees within and outside the company and they set the tone for employee morale. Leaders with empathy are able to understand their employees’ aspirations and needs and provide them with constructive and better feedback.

  Different jobs also call for different types and levels of emotional intelligence. For example, success in marketing and sales needs the ability to gauge a customer’s mood and the interpersonal skill to decide when to be aggressive and push a product and when to listen to the customer.

- Stress:
  The workplace has become a high stress environment and concern in many organizations cutting across industries and organizations. Employees are experiencing high level of stress due to a number of factors such as high workload, tight deadlines, high targets, mismatch in type of work, low job satisfaction, long working hours, and pressure to excel, etc. Interpersonal conflicts at the workplace, such as reporting relationships and competition with peers, are also a source of stress.

  Experts believe that the negative aspects of stress could directly affect an organization’s performance and also affect the personal well-being of its employees. Stress at the workplace has been linked to absenteeism, higher attrition, and decreased productivity. Stress leads to fatigue, irritability, lack of communication and quality related problems/errors.

- Anxiety:
  In today's turbulent global scenario and the economic meltdown, downsizing, layoff, takeovers and bankruptcies have cost hundreds of thousands of employees
their jobs. Adding to the pressures and challenges that employees face are new bosses, computer surveillance of production, fewer health and retirement benefits and the feeling they have to work longer and harder just to maintain their current economic and social status and prestige. Workers at every level are feeling higher tension and uncertainty which is leading to higher levels of anxiety.

Like other forms of anxiety, job related -anxieties can present itself in the form of panic disorders, work-related worrying, post-traumatic stress or work-related social anxieties. Anxiety can lead to avoidance and loss of focus.

The marketing and sales employees are the front end employees of a company. The department is target driven and may operate under higher levels of stress and anxiety. Thus the study was focused on 3 important aspects namely Emotional Intelligence, Stress and Anxiety.

The research topic is entitled as, “The Role and Importance of Emotional Intelligence in Managing Stress and Anxiety at the Workplace in the Private Banking and Insurance Sector”

2. Aims and Objectives of the study
   • To study and examine the role of Emotional Intelligence in Managing Stress at workplace in the Private Banking and Insurance sector
   • To study and examine the role of Emotional Intelligence in Managing Anxiety at workplace in the Private Banking and Insurance sector
   • To study and examine the relationship of Emotional Intelligence with stress and anxiety in the Private Banking and Insurance sector

3. Hypotheses
   1. Emotional intelligence has a negative correlation with Stress
   2. Emotional intelligence has a negative correlation with Anxiety
   3. The levels of Stress and Anxiety are good predictors of Emotional Intelligence
4. Data Collection

- **Primary Data**
  A sample size of 150 employees from the private banking and insurance sector were a part of the survey wherein the questionnaire designed contained 105 questions. The selection of 3 banks and 3 insurance companies was based on their maximum market share.
  Responses from the entire sample were analyzed. Questions relevant to each hypothesis were grouped together and their responses were compiled and studied.

- **Secondary Data**
  Relevant published literature and information available in the relevant books, articles, magazines, research papers and websites were all part of the literature review. EBSCO was referred for e journals.

5. Analysis of Data and Techniques used

All the responses to the questions from the questionnaire were analyzed. The following statistical techniques were used to analyze the data

- Mean
- Std Deviation
- Correlation
- Regression
- Factorial analysis

Mean and standard deviation was used to identify the scores and range of the respondents on emotional intelligence, stress and anxiety scale. Correlation analysis helped to find the relation between emotional intelligence, stress and anxiety.

Regression analysis was done to identify the importance of the independent variables such as stress and anxiety in predicting the dependent variable emotional intelligence. Factorial analysis assisted in identifying the factors which can help an individual reduce stress and anxiety.

6. Hypotheses Validation

i. By applying the Correlation test Hypothesis 1 and Hypothesis 2 were validated.

ii. By Applying Regression Analysis Hypothesis 3 was validated.
7. Analysis of Data and Findings

- From the total respondents the male respondents comprised of 82% of the total sample size and around 18% of the respondents were female. Usually the marketing and sales employees have to travel extensively and do not have fixed working hours. The candidate is also expected to have his own mode of transportation. These reasons can be attributed for the higher amount of male employed in the marketing and sales in the private banking and insurance companies.

- In the banking sector males comprise 83% of the sample size and females comprise 13%. The less number of females can be attributed to long working hours, frequent travelling which is a part of the marketing and sales job. Though marketing and sales has always been considered a male oriented job in India, however this mindset is gradually changing and more ladies are taking up challenges in Marketing and sales.

- 81% of the insurance respondents were males and 19% of the respondents were females. Insurance business has steadily grown in India. Traditionally this sector has been preferred by males on account of travelling, no fixed working hours etc. But things are looking to change now with more females preferring to be a part of marketing and sales in Insurance.

- Of the total respondents 65% were in the age group of 20-30 years while 33% of the respondents were in the age group of 30-40 years. Only 2% of the respondents are in the age group of 41-50 years. The marketing and sales departments require young and aggressive employees who are required to achieve targets by travelling, meeting clients and working for long hours. This reason can be attributed to many respondents being in the 20-30 age group.

- In the banking sector 76% of the respondents comprise of the 20-30 age group and 24% of the employees comprise the 31-40 age group. There is a high attrition in the private banking sector on account of performance based monthly appraisals and stiff targets. Young people who are a part of this industry have a lot of options with the advent of more private and multinational banks in India. Young people without or limited responsibilities are able to take more risks and are more aggressive in comparison to older people. Thus many young respondents prefer this challenging sector.
• 55% of the insurance respondents were from the 20-30 age groups and 41% of the respondents comprised of the 31-40 age group. Only 4% of the respondents comprised of the 41-50 age group. The private insurance industry has grown in leaps and bounds in India. The work culture and atmosphere is challenging and rewarding. The attrition is also high in this sector which results in constant recruitment to replace the outgoing personnel.

• Of the total respondents majority of them (42%) had work experience of one year only. This was followed by 23% of the respondents having work experience of about 3 to 6 years. In between one year and maximum of six years of experience, there were 19% respondents who had work experience ranging from 1-3 years. Besides this it was also found that respondents with work experience of 6-10 years accounted for 13% while only 3% respondents were found to have work experience of more than 10 years. Hence it is true that the young employees are preferred in these sectors as they have a higher motivation and drive to work.

• Of the total Banking respondents majority of them (49%) had work experience of one year only. This was followed by 25% of the respondents having work experience of about 3 to 6 years. In between one year and maximum of six years of experience, there were 17% respondents who had work experience ranging from 1-3 years. Besides this it was also found that respondents with work experience of 6-10 years accounted for 8% while only 1% respondents were found to have work experience of more than 10 years. Hence it can be said that if an employee is able to sustain the pressure for the first few years than usually the individual prefers to be in the sector.

• Of the total Insurance respondents majority of them (35%) had work experience of one year only. This was followed by 21% of the respondents having work experience of about 3 to 6 years. In between one year and maximum of six years of experience, there were 21% respondents who had work experience ranging from 1-3 years. Besides this it was also found that respondents with work experience of 6-10 years accounted for 18% while only 4% respondents were found to have work experience of more than 10 years. Hence it can be inferred that if an employee is able to withstand the pressure of targets in the first few years for the first few years, than the individual prefers to stay in the sector.
During the present research work, the survey respondents were from Lower, Middle and Top Management levels. In general it is noticed that the top management personnel usually have their positions in the metro cities while the middle management employees motivate the lower management employees towards achievement of targets.

80% of the respondents preferred to work in the Banking sector while 20% of the respondents preferred to work in the Insurance sector. The private banks have made significant inroads by providing better services and products to the Indian consumer. This can be one of the reasons for many respondents having a preference of banking over insurance sector.

8. Major Conclusions

The Important factors derived from factor analysis which can help an individual reduce Stress and Anxiety and thereby boost emotional intelligence are:

- **Control and Alienation**: The ability to be a part of a team and work diligently towards the achievement of organizational goals is of utmost importance.

- **Environment and Value conflict**: The individual’s ability to create a positive environment by his/her actions and also being true to his/her values can go a long way towards reducing stress and anxiety.

- **Motivation and Self Esteem**: Intrinsically motivated individuals take up initiatives at work. The energy and passion which they display at work also helps them to improve their self esteem and thereby reduce stress and anxiety by being focused on the task at hand.

- **Work Load**: The ability to take up work and prioritize it is also an important part of reducing stress and anxiety.

- **Information Gap**: The ability to clear doubts and have the right information also ensures the successful completion of work and thereby reduce stress and anxiety.

The correlation between the measures of Anxiety and Emotional intelligence is significant. The inter-correlation between the two is -.681, which is significant at .001 probability level. Here the correlation between the two is negative but significant which shows that the people with low EI (Emotional Intelligence) are having high anxiety, so it can be said that there is a negative
association between both. The correlation between Stress and Emotional Intelligence (EQ) is negative but significant. The inter-correlation between the two is -0.571 which is also significant at .001 probability level. It shows that people who are highly emotionally intelligent are having less probability of becoming stressed. Thus we see that the hypothesis 1 and Hypothesis 2 are true. Emotional intelligence has a negative correlation with Stress and Emotional intelligence also has a negative correlation with Anxiety.

- Regression analysis accepted both (Anxiety and stress) the variables as a significant predictor of Emotional Intelligence. In Overall both the predictors Multiple R of .709 and R Square of 0.503. The F ratio computed of multiple R is 74.453, which is significant at .000 probability level.
- The variables stress and anxiety are significant at 0.001 level. Thus we see that the third hypothesis is also proved true. Emotional intelligence can be predicted through levels of Stress and Anxiety.
- Thus it can be said that the hypotheses of the present study i.e., the emotional intelligence will correlate negatively with stress and anxiety, and Emotional intelligence will be predicted through levels of Stress and Anxiety are confirmed. The findings of the present research study clearly indicates that the low and high level of Emotional Intelligence establish relationship to some extent with stress and anxiety. Negative correlation of Emotional Intelligence with stress and Anxiety highlights and accentuates that emotional intelligence will prove to be a helpful tool in dealing with stress and anxiety at workplace.

9. **Recommendation for further Study**

The research work done will be immensely useful for the corporate world. Emotional intelligence helps an individual to deal with daily work situations in a better way. The ability to understand, react and deal with various situations on a regular certainly basis helps an employee to remain in control of their work and environment.

- Human Resource Managers can include emotional intelligence, stress and anxiety tests as a part of recruitment process to select the right manpower.
- The factors which have been identified as a part of reducing stress and anxiety
can be addressed by companies.

- The future research will significantly lead to examine and adopt appropriate techniques to boost emotional intelligence and combat stress and anxiety. This can be a part of future research.

- Public and Private Sector Banking and Insurance companies can use the research finding to sensitize employees about the importance of emotional intelligence at work.