

CHAPTER 6

DISCUSSION

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The primary purpose of the present study was to determine relationship between the Emotional Intelligence of Leaders, and Organizational commitment , Intention to quit of their followers/subordinates. A further research objective enquires into the relationship between leaders' emotional intelligence and Employee engagement , Organizational commitment , Organizational climate and intention to quit of their followers/subordinates of current employment. One more area of research in present thesis was the relationship between demographic variables and Organizational commitment . The discussion based on results from chapter 5 is presented in this chapter .

6.1 The relationship between emotional intelligence of leader and organizational commitment of subordinate

Emotional Intelligence of leader has a high and significant positive correlation with total score of Organizational commitment of subordinates .Most of the subscales of Emotional Intelligence have a moderate to high and positive correlation with organizational commitment . One of the Emotional Intelligence subscale namely Management of others had a significant correlation with Organizational Commitment $r=.38$. Self Awareness , Assertiveness and Empathy were other factors of Emotional Intelligence which had a strong relationship with Organizational Commitment . Organizational commitment subscales namely affective commitment and continuance commitment had a significant correlation with Empathy ,a factor from Emotional Intelligence scale .

It is thus evident that Leader's Emotional Intelligence plays a significant role in Organizational Commitment of the subordinates .Management of others and Empathy have emerged as two critical factors which influence subordinates' Organizational Commitment

.The regression analysis also reveals that Management of others ,Empathy ,Self awareness ,Assertiveness ,personal Orientation were the subscales of Emotional Intelligence of leaders which played critical role in determining Organizational commitment of subordinates .This clearly reflects that ability to understand others and ability to manage relationship with others in leaders is the key to having better and higher Organizational Commitment in subordinates .Also it is expected by subordinates that the leader should be their role model .This implies that the leader has to not only have a good understanding of emotional needs of subordinates but also have a good control over his own emotions, has to be good at communication and is aware of his own strengths and weakness .Therefore abilities like Assertiveness , Self awareness, personal orientation also play an important role .

Emotionally intelligent individuals are optimistic,(personal Orientation) a trait that enables them to focus on the resolution, rather than the reasoning (who is at fault) while managing subordinates . The working 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 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. Thus, emotional intelligence is expected to augment a higher level of commitment to the organization

6.2 The relationship between emotional intelligence of leader and employee engagement of subordinate

Buckingham and Coffman (1999) assert that the relationship that an individual has with his/her manager is the strongest influencer of his/her engagement. Reichheld (2001) agrees,

saying “outstanding loyalty (engagement) is the direct result of the words and deeds – the decisions and practices – of committed managers.”

The research analysis of present study is in accordance with above .Correlations obtained between emotional intelligence of Leaders and Employee Engagement of employees working under that leader correlated positively .($r=.473$)The relationship is a positive correlation and is significant and high . Self awareness and Assertiveness and Empathy were the three factors of Emotional Intelligence subscale that had a high positive correlation with Employee Engagement .

The results are as expected and can be explained logically .The leaders who are Emotionally Intelligent have a better ability to understand others and Assertiveness of leaders will help in better communication with subordinates. Due to this reason there is likely to be a better ‘emotional bond’ between superior and subordinate which may contribute in better employee engagement .Also such leaders will be able to give the subordinates the quality of work they enjoy the most .When one gets work of liking it is very much possible to feel more attachment or in other words Engagement ‘ towards the work and workplace .Our finding is in accordance with research in this field done in past .

The Corporate Leadership Council (2001) confirms Buckingham and Coffman’s assertion, concluding that the employee-manager relationship is, in fact, the most powerful driver of the employee’s engagement. Tross and Egerman (2004) concurred, reporting that employees’ views about their relationship with their company were largely the same as their views about their relationship with their immediate manager.

Specifically, a personal (as opposed to professional) relationship with one's direct manager has emerged as one of the key drivers of employee engagement across a handful of studies. Crabtree (2004), for example, reported that 14 percent of highly engaged employees agreed with the statement: "This person and I have one of the strongest personal relationships in my life," when describing their manager. In contrast, only 1 percent of disengaged employees agreed.

In addition to the clear impact of building and sustaining personal relationships with employees, the research also reveals that first-line managers have a clear role in influencing two other drivers of employee engagement as well. In the Towers Perrin (2003) study 63 percent of employees rated their immediate manager as "fair" or "poor" at including them in decisions that affect their job, and therefore adversely affecting the driver of "Content of the Job." Towers Perrin also found that 40 percent of employees felt that their direct managers cared about their individual well-being, while 27 percent felt that senior-level managers were too distant from them to even make an assessment about whether they cared about employees or not. This result highlights the unique role of first-line managers in impacting the "Trust and Integrity" driver.

Bates (2005) believes that the reason that the role of direct managers is increasingly seen as significant in driving engagement is that first-line managers and supervisors reside at the point of contact of the changing relationship between companies and employees. The nature of employment, he explains, has shifted in the post-industrial era from one of "paternalism" to one of "partnership." This partnership replaces the traditional ideas of strictly authoritarian styles of leadership with ones that feature an emotional bond between the manager and employee that includes shared values, goals, mutual caring, and respect. Regardless of the

reason, there is a strong consensus, born out in the research, that first-line managers are crucial to driving employee engagement.

The study also showed that management success is mostly about the personality of the individual manager for an operating unit; optimistic and enthusiastic leaders retained their people more easily than leaders who displayed negative moods. In units where turnover was high people tended to leave their immediate leaders, not the company

6.3 Relationship between emotional intelligence of leaders and organizational climate

Emotional Intelligence of leaders seems to have a moderately high and positive correlation with Organizational climate $r=.28$. Amongst factors of Emotional Intelligence, Empathy was found to have high and significant correlation with Organizational climate $r=.57$. Amongst factors of Organizational climate , Independence climate and Relationship Climate were found to have high and significant correlation with Emotional Intelligence of leaders From this analysis we can see that Empathy is the most important factor in Emotional Intelligence scale which contributes towards building a conducive Organizational Climate for employees to work Also Leaders who are high on Empathy seem to create an Independence Oriented Organizational Climate which also encourages team work or Relationship amongst the employees in Organizations .

The logical explanation for this would be that leaders High on Emotional Intelligence would be able to Understand needs of others mainly their subordinates and also would be able to display the right emotions which would be acceptable and encouraging to the subordinates

.When the subordinates are encouraged or in other words 'Motivated' they would be willing to do whatever the leader would ask for .The Emotionally Intelligent Leaders are also having skills to make the subordinates feel that the "motivation' is from within or in other words they are "Achieving' and aiming high because they are themselves interested in it. Thus there is no feeling of bossing or excessive supervision experienced by them. This is the crux of Independence Oriented Climate .The climate gives a free hand to subordinates for experimenting and trying their own ways to arrive at solution to problems .It gives responsibility and ownership for results also to them . As a result the climate is full of challenges and excitement .Such climate also encourages team work or building relationship with each other .Thus getting advantages of team work.

Our results are in accordance with results found by earlier researchers in this area . Claus Moller (2005) in his white paper 'Emotionally intelligent Manager 'has revealed about the relationship between emotional Intelligence of Leaders and its impact on subordinates. The leader's emotions are contagious. It is a business reality that everyone watches the boss. People take their emotional cues from the leader. Even if a top boss is not highly visible, his or her attitude affects the mood of the management team, which in turn can be transmitted downwards in the hierarchy – and thus affect the emotional climate of an entire organisation. Observations of working groups in action have revealed how leaders play a central role in determining the shared emotions. Some of the findings were that leaders typically talk more than anyone else, and what they say is listened to more carefully. Leaders are usually also the first to speak up on a subject. When others make comments, they more often refer to what the leader said than to anyone else's comments. And since the leaders' way of seeing things has special weight, they strongly influence the way the group interprets and responds emotionally to a given situation.

The leaders' impact on emotions goes beyond what they say. Even when leaders are not talking, they are watched more carefully than anyone else in the group. When people raise a question for the group as a whole, they keep their eyes on the leader to see his or her reaction. Group members generally see the leader's emotional reaction as the most valid response – particularly in an ambiguous situation, where people react differently.

A leader's ability to manage own moods and affect the moods of others is not a private matter only – it has a direct impact on business results, since the leader's emotions and moods dramatically influence the quantity and quality of the work people do. In the past it was easier for formal managers to focus on hard issues, on bottom line results and ignore their own style and behavior and the effect it would have on those they were leading. Today we know that the mood and tone of leaders have an enormous impact on those they lead. The leaders' mood and tone can drive people towards anger, hostility, apathy – or towards optimism, commitment and pride.

Major surveys, like the Gallup Survey quoted by Marcus Buckingham and Curt Hoffman in their book *First Break All the Rules* suggest that 50-70 percent of the factors influencing how employees perceive the organizational climate can be traced to the moods, behaviour and actions of one person, their immediate superior. The immediate manager highly influences the conditions that determine people's ability to perform at their best, and thus the economic outcome. Managers spreading bad moods are bad for business. Managers spreading good moods promote business success.

6.4 The relationship between emotional intelligence of leaders and intention to quit

Emotional Intelligence of leaders was found to have High negative correlation with Intention to Quit $(r=-.19)$. Management of others, one of the other factors of Emotional Intelligence subscale was found to have high and significant negative correlation with Intention to quit $r=-.45$. The negative correlation indicates that the direction of two variables is opposite of each other. The regression analysis reveals that Empathy, Management of others, Assertiveness, Managing Emotionality and Impulsiveness and Managing anxieties were some other important factor with moderately high impact in deciding relationship between Emotional Intelligence of leaders and Intention to quit of subordinates.

Assertiveness, Managing Emotionality and Impulsiveness and Managing anxieties are factors related with Self awareness and self control (Goleman 2001). These factors indicate that leaders with high level of Self awareness and self control would be able to set better image of themselves in front of their subordinates. This would in turn help in reducing Intention to Quit. A leader's ability to manage own moods and affect the moods of others is not a private matter only – it has a direct impact on business results, since the leader's emotions and moods dramatically influence the quantity and quality of the work people do. In the past it was easier for formal managers to focus on hard issues, on bottom line results and ignore their own style and behavior and the effect it would have on those they were leading. Today we know that the mood and tone of leaders have an enormous impact on those they lead. The leaders' mood and tone can drive people towards anger, hostility, apathy – or towards optimism, commitment and pride. Buckingham M., Coffman C. (1999)

Empathy and Managing others are two factors which contribute towards Understanding others and management of relations between Leader and subordinate. Our earlier analysis also reveals that these two were important factors in various relationships. The obvious

reason for this is that the subordinates would feel more comfortable in working with Leader who is able to understand them ,their problems ,their personal goals etc .

6.5 The relationship between Employee Engagement and Organizational Commitment

There is a strong positive correlation between Employee Engagement and Organizational commitment total scores . This indicates that the Engaged employees would be having a better Organizational commitment .This finding is in accordance with earlier research .

It was further explored into finding out which of the Organizational Commitment ‘factors affected the Organizational commitment better It was expected that both Affective commitment and Continuance commitment to correlate more or less equally with Employee Engagement (EE) . Affective commitment and EE had a strong positive correlation of .57 and continuance commitment had a correlation of .34 .This was also in accordance with earlier research.

Interestingly Continuance commitment, the factor which decided whether employee will continue in organization further did not have significantly strong positive correlation with employee engagement. This is understandable since continuance commitment is associated with lack of alternatives and or side bets (.Becker T., Randall D., Riegel C. 1995) This could also be because the new generation sales people will not necessarily decide to stay back or continue job just because they have worked in the Organization for many years and they are attached to the organization emotionally. They are emotionally intelligent enough to

understand the time to quit the job for sake of their career .They are extremely focused on their career and take decisions carefully.

Earlier research shows that the terms employee engagement and organizational commitment have strong interlinks .The justification for this lies partially in their respective definitions . Employee engagement has emerged as one way to measure a further alternative to measuring employee commitment to the organization and as a way of creating a more effective workplace (Echols 2005).

Beginning in 2003, studies began to demonstrate a direct measurable relationship between employee engagement and the intention of employees to leave their company. Towers Perrin (2003) reported that 66 percent of highly-engaged employees reported that they had no plans to leave their company, while only 3 percent of them were actively looking or had made immediate plans to leave. This compared to 12 percent and 31 percent, respectively, for disengaged employees. Towers Perrin (2005) re-enforced this finding by reporting that 59 percent of engaged employees intended to remain with their employer.

All the above studies indicate that there is a strong positive relationship between employee engagement and Organizational Commitment .

6.6 Relationship Between Organizational Climate and Organizational Commitment

The results of Pearson's correlation revealed that there is a moderate but significant positive correlation between Organizational Climate and Organizational commitment, $r = 0.285$

Two factors of Organizational Climate namely Independence oriented climate and Achievement oriented climate do not show significant positive correlation with Organizational commitment . The Relationship oriented climate however did show

significant correlation with Organizational Commitment $r=.38$.Further to strengthen the above findings it was found that Affective Organizational commitment had high positive and significant correlation with three out of four factors of Organizational climate namely Relationship oriented climate , Achievement oriented climate and Independence oriented climate .

Overall we can say that there is a positive correlation between ‘Organizational Climate ‘ as perceived by sales persons and their ‘Organizational commitment ‘and that the Organizations having Relationship oriented climate are likely to have higher level of Organizational Commitment .

The findings support the proposed hypothesis and also supports the earlier studies (Gormley, Denise Kolesar 2005 ,D’Cruz1997)of strong positive relationship between Organizational Climate and organizational commitment .This emphasizes upon the importance of Organizational Climate as a predictor of the Organizational commitment

Harold P. Welsch (1981) studied effect of various personal and Organizational factors in a healthcare institution and found that role conflict and role ambiguity are detrimental to commitment, while a participative climate, power, teamwork, reading professional journals, satisfaction with work and promotion opportunities, age, GS level, tenure, and length of professional employment are positively related to organizational commitment.

Adela Mc Murray (1994)studied the relationship between organizational commitment and organizational climate in three large Australian automotive component manufacturing companies.. A significant correlation (.66) between organizational commitment and organizational climate was discovered.

Mueller, Boyer, Price, and Iverson (1994) found that organizational commitment was positively correlated with job satisfaction (.787) and Somers (1995) reported that affective commitment and normative commitment correlated with intent to remain (.46 and .39; $p < .01$, respectively). Gormely, Denise Kolesar (2005) found that Organizational climate subscales of consideration, intimacy, and production emphasis were positively related to affective, continuance, and normative organizational commitment ($p \leq .05$). D'Cruz(1997) also found Strong correlation between organizational commitment and climate in Malasian Cement Industry .

More recently ,Chaturvedi(2007) studied the impact of job experience and organizational climate on organizational commitment in Telecom Industry in Indian context . The study revealed positive correlation between job experience and organizational climate and a strong positive correlation between favorable organizational climate and organizational commitment.

All the above studied indicate that there is a strong positive relationship between Organizational Climate and Organizational Commitment .

6.7 Relationship between Organizational Commitment and Intention to Quit

Intention to Quit is a measure of employee turnover .Hence it was expected to have negative correlation between Organizational commitment and Intention to Quit .Earlier research also supported our assumption. As expected ,a very strong negative correlation between Organizational Commitment and “intention to quit ‘ ($r = .834$) was obtained. This means that all those employees who had higher ‘Organizational Commitment ‘ were more likely to stay

or continue to work in same organization implying that less likely to leave the Organization.(employee Turnover)

Both factors of 'Organizational Commitment namely affective and continuance Commitment showed negative relationship with Intention to quit .(Correlation coefficient of .73 and .53 respectively).This confirms the earlier finding that there is negative correlation between organizational commitment and intention to quit .

6.8 Relationship Between Organizational Climate and Employee Engagement

The relation between Employee Engagement and Organizational climate was a moderate but positive and significant relation .Amongst the factors of Organizational climate, Independence Oriented climate and Relationship Oriented Climate had a significant correlation with Employee Engagement .

The respondents in this research were mainly in age group of 20-40 years the mean age being 30 years which can be called as young age .At this age people have high career ambitions .In order to feel excited about the work and have feeling of attachment or "engagement" to the organization ,therefore the right organizational climate is essential. In present research the "independence oriented climate" has emerged as the subscale of organizational climate which has maximum effect of employee engagement .This indicates that the freedom to choose the method or approach to do the work is what the young employees in our pharmaceutical industry value the most .As a result in organizations where the climate is independence oriented climate ,the employee engagement is maximum.

Relationship Oriented climate would give the employees the comfort due to tea work and relationship with Leaders and colleagues .

6.9 Relationship Between Employee Engagement and Intention to Quit

The Employee Engagement and Intention to quit have a very high negative correlation .This indicates that the two constructs are related to each other very much .

Earlier research shows that the terms employee engagement and organizational commitment have strong negative interlinks .This can be extended further to relation between Employee Engagement and Intention to Quit .The justification for this lies partially in their respective definitions .

Employee engagement has emerged as one way to measure a further alternative to measuring employee commitment to the organisation and as a way of creating a more effective workplace (Echols 2005). Towers Perrin (2003) reported that 66 percent of highly-engaged employees reported that they had no plans to leave their company, while only 3 percent of them were actively looking or had made immediate plans to leave. This compared to 12 percent and 31 percent, respectively, for disengaged employees. Towers Perrin (2005) re-enforced this finding by reporting that 59 percent of engaged employees intended to remain with their employer.

With all the above analysis we can conclude that the relationship between employee engagement and Intention to quit in organization is strong negative and significant .

6.10 Relationship Between Organizational Climate and Intention to Quit

The results of Pearson's correlation discovered that there is a very strong negative correlation between Organizational Climate and Intention to Quit $r = -0.406$ (significant at 0.01 level) This indicates that there is a positive correlation between Organizational Climate and Intention to quit. The subscales of Organization climate had negative correlation with Intention to Quit .Relationship oriented climate was found to have a significant correlation with Intention to Quit. Apart from this Achievement oriented climate was also found to have moderately high negative relation with intention to quit .

In order to understand the extent to which each of the factors of Organizational Climate influences the Intention to Quit in the Organization Regression analysis was conducted The results of regression analysis show that Relationship Oriented Climate' seems most influential followed by Achievement Oriented Climate' .

It gave an overall picture that positive organizational climate has the significant effect on lowering the employees' turnover intention, which was in line with the past researchers' findings who reported that positive organizational climate predicts positive work attitudes and behaviors. Employees are more satisfied working in a positive work environment and therefore less likely to leave their organizations (Pace, 2002; Aarons & Sawitzky, 2006).

The logical explanation for the above is that the "Organizational Climate' is the environment in which people work. This environment will depend on the 'messages' given by leader .And

this in turn will influence the decision of people whether to quit or continue in same organization.

The above is in accordance with previous research on the topic. Mellor, Moore and Loquet (2004) define employee turnover as the individual who may be thinking about quitting a job. The theory of reasoned action suggested that intention was a psychological precursor to the actual behavior act (Ajzen & Fishbein, 1980). This means that an individual's intention to perform or not to perform a behavioral act is the immediate determinant of action. Based on this notion an individual who nurtures the thought of quitting his present profession is more likely to do so if the right condition exists, or if the adverse condition that warranted the thought of intent persists (Ajzen & Fishbein, 1980).

Organizational climate is defined as a global impression of one's organization and personal impact of the work environment, which influences the individual's work behaviors and job-related attitudes. It describes the perception of employees towards their organizations which would link to work attitude formation (Litwin & Stringer, 1968; Pritchard & Karasick, 1973). In the organizational climate construct, structures are usually designed to ensure that the mission and strategy of the organization are effectively implemented. It deals with levels of responsibility, decision-making authority, and formal reporting relationship with others in the organization (Isaksen & Laurer, 1998). Litwin and Stringer (1968) defined responsibility as the employees' perceptions of the degree of autonomy extended to them by the organization, the feeling of being their own boss and not having to be double-checked on their decisions made. Employees are found to experience emotional exhaustion when they perceive inconsistencies in management expectations and lack of clarity about their job responsibilities (Jaramillo et al., 2006). Reward identifies the feeling of being rewarded fairly and equitably

as well as the perceived organization's promotion policies. If an employee feels that he or she is unlikely to obtain a good evaluation or promotion even after having great endeavors in such a working environment, he or she will probably search for another job elsewhere (Huang et al, 2003). Support is referring to the perceived helpfulness of the managers and other employees in the group which emphasizes mutual support from people in the organization. Climate with perceived good support is believed to have low level of interpersonal conflict. Empirical findings suggest that perceptions of organizational politics are significantly related to turnover intentions. Even though quitting may not prove feasible due to lack of suitable external opportunities or other restrictions, psychologically the person may still intend to leave the organization (Hom et al, 1992).

6.11 Relationship between demographics variables and organizational commitment and intention to quit .

One of the research questions is concerned with relationship between demographics variables such as Age, Sex, Education ,job changes ,experience and present position in Organization and Organizational Commitment and turnover Intention .

The results suggest that the studied Demographic variables have no significant relationship with total Organizational Commitment .Also studied Demographic variables have no significant relationship with Intention to quit .Each one of these demographic variables will be accordingly discussed .

In this study age showed no significant relationship with affective Organizational Commitment subscales or total Organizational Commitment or Intention to quit .However in continuance commitment there were significant differences in different age groups and the commitment shown by them . This finding is in contrast with Mathieu and Zajac's (1990)

who reported a positive significant correlation between age and Affective Commitment. The current study's non significant findings are similar to what was reported by Hawkins(1998) and Kolbert and Kwons (2000) .Age therefore seems to have no statistically significant relationship with Organizational Commitment and intention quit of sales personnel in Pharmaceutical companies in India .The reason for significant relation of age and continuance commitment could be that for Pharmaceutical sales executives with advancement in age the person's employability would reduce .When a pharmaceutical organization recruits a sales person they usually prefer a younger (in age) sales person over an older sales person .The main reason for this being that the job is field job and requires hectic travel and physical hardship as a daily activity for work.

Similar to age ,gender showed no significant influence on Organizational commitment and Intention to quit of respondents in this study .This finding is in line with reports by Kelderberg et al (1995) and Hawkins(1998).This finding differs from popular belief and reports by Mathieu and Zajac's (1990) as well as Wahn (1998) who reported that women have higher Organizational Commitment than men .Researchers who have reported differences in Organizational Commitment of men and women have argued that women tend to have stronger continuance commitment because they find it difficult to obtain employment and therefore hold on to it once they have found it . Women who participated in this study are educated women .Moreover the job opportunities in Pharmaceutical Industry are in abundance at present in India . This is due to the high growth of 9-10 % that the Industry is experiencing . As a result there is no need for women to feel insecure about loosing job and not getting another one .Another factor is that the percentage of women participants in this study is as low as 15% .This could also contribute to results different from expected results . The level of education also showed no significant differences in organizational commitment of respondents .This was despite the expectations that employees with higher educational

levels would report lower organizational commitment ,as they would perceive themselves as marketable with more alternatives . At present the Pharmaceutical Industry is experiencing high growth of 9-10 % per annum .As a result irrespective of level , everyone has got lot of job opportunities . The researcher feels that this is one of the important reasons for getting low relation between education level and Organizational commitment .

The current position of respondents also showed no significant differences in organizational commitment. One would have expected significant differences between respondents at different levels of hierarchy .It was expected that employees in positions with higher levels of responsibility ,decision making and accountability would report stronger affective commitment .The non significant differences found in this study can be attributed to low numbers of some of the different groups in the sample .

Similar to age ,the number of years of experience also showed no significant differences in organizational commitment and intention to quit except one group .The significant differences were found in relationship between different groups of different experience range and continuance commitment . This finding is in accordance with reports by Mathieu and Zajac's (1990).