CHAPTER - II
LITERATURE REVIEW

In this chapter we have briefly discussed the role of emotions in business and other organizations, more specifically the influence of emotions in leadership. We have already defined emotional intelligence (EI) and clearly stated our research problem in the preceding introductory chapter. Any scientific investigation starts with a review of literature. A collective body of works done by earlier researchers and scientists is technically called literature. In this chapter we endeavor to review the existing literature on EI and leadership. We will look into how the concept of EI came into existence and eventually found its way into business. We will also take a look at leadership as viewed by different schools of thought and subsequently, at the different research studies that have connected both EI and leadership.

It seems that the concept of emotional intelligence was originated from ‘intelligence’ as defined by the personality theorists. So, before getting into a discussion on EI, it is imperative to take a closer look at the concept and definition of ‘intelligence’ and its transformation in recent years. The concept and definition of intelligence is purposefully included in this chapter with a view to examine how this concept is explained in the contemporary literature.

2.1. Intelligence as Conceived by Psychologists

Psychologists, in general, have defined intelligence as the ‘power to combine and separate’ concepts, to judge and to reason and engage in abstract thinking (Sattler, 1982). Despite several attempts, there is no
generally accepted definition of the term ‘intelligence’. In fact, there is no unanimity among the psychologists and educationalists regarding the meaning and definition of intelligence. However, to understand the meaning of the term it is important to consider the viewpoints of different experts. In this section, various perspectives on intelligence have been presented which eventually point to the development of emotional intelligence.

2.1.1. Intelligence as General Intellectual Capacity

Binet (1916) defined intelligence as general intellectual capacity which consists of abilities such as to reason well with abstract materials, to comprehend well, to have a clear distinction of thought, to relate thinking with attainment of a desirable end and to be self-critical. Spearman (1927) postulated the existence of a general factor (or g factor) and a specific factor (or s factor) underlying intelligence. He defined g factor as a mental energy that is required in all mental tasks which is possessed by all in varying measures. On the other hand the s factor is specific to the activity itself and is less important than the g factor.

2.1.2. Intelligence as Combination of Groups of Traits

Thurstone (1938), Thurstone and Thurstone (1943) are of the opinion that intelligence is not an expression of the general factor, as postulated by Spearman, rather it is an expression of the combination of groups of traits or factors. Such factors are intermediate factors, nor so common as the g factor nor so truly specific as the s factor. Thurstone even suggested the existence of about a dozen of intelligences, including verbal comprehension, word fluency, associative memory and perceptual speed. However, both the approaches lead to the notion that intelligence is, to some extent, the expression of combination of different factors
(Thurstone) and, to some extent, the expression of some general factors (Spearman).

2.1.3. Intelligence as Structure of Intellect

Intelligence has also been defined as the ability to learn. If a person is able to learn something readily and quickly, he is said to be an intelligent person. Piaget (1952) defined intelligence on the basis of assimilation and accommodation, which together determine a person’s ability to learn. This definition points to what a child is able to learn because of proper instruction, not what he has already learnt. Therefore, this definition gives a new dimension to intelligence research.

2.1.4. Intelligence as a Global Capacity

Wechsler (1940) defined intelligence as the aggregate or global capacity of the individual to act purposefully, to think rationally and to deal effectively with his environment. He referred to ‘non intellective’ as well as ‘intellective’ elements in his definition of intelligence. Furthermore, as early as in 1940s he proposed that the non-intellective abilities were essential for predicting one’s ability to succeed in life.

2.1.5. Intelligence as Multiple

More recent research by Gardner (1983) has pointed to the existence of seven different types of intelligence. This led to a revolution in research in intelligence expanding its scope beyond the so called logical-mathematical aspect of intelligence.

2.1.6. Intelligence as Triarchic

Sternberg (1985) has proposed to provide a more comprehensive description of intellectual competence than traditional theories of human
ability. He describes three fundamental aspects of intelligence such as analytic, creative and practical. He doesn’t argue against the validity of a general intelligence factor; instead, the theory posits that general intelligence is part of analytic intelligence, and only by considering all three aspects of intelligence can the full range of intellectual functioning be fully understood.

2.1.7. Multifaceted View of Intelligence

The notion that there are different types of intelligence has been a part of intelligence field almost since its inception. Way back in 1920, E. L. Thorndike, Professor of educational psychology at Columbia University Teachers College identified a dimension of intelligence, which he called social intelligence. He regarded it as the ability to understand and manage men and women, boys and girls; to act wisely in human relations. He observed that a number of specific social habits and attitudes constituted social intelligence. However, he found that measuring these habits and attitudes was not as simple as it would be in case of IQ. His concept of social intelligence had three elements – the individual’s attitudes towards society such as politics, economics, science and values such as honesty; the individual’s social knowledge such as being well versed in contemporary issues and general knowledge about society; and the individual’s capacity for social adjustment such as interpersonal relations etc. Thus, the third element of Thorndike’s definition of social intelligence contained aspects like ‘ability to deal with people, and which is more akin to today’s emotional intelligence (EI). However, it must be clarified that his definition of social intelligence included almost everything relating to human intelligence ranging from social, psychological, economic, emotional, personality types, affective and non-affective (Singh, 2003). Therefore, it may be inferred that way
back in 1920 Thorndike referred to emotional aspects of intelligence while defining social intelligence. Thorndike and Stern (1937) reviewed the attempts to measure social intelligence as proposed by Thorndike; but they concluded that attempts to measure ‘ability to deal with people’ had not succeeded. By 1960, Cronbach had reached his well known conclusion that despite ‘fifty years of intermittent investigation …… social intelligence remains undefined and unmeasured’. However, in recent years there has been a resurgence of interest in social intelligence and its measurement (Sternberg, 1985; Sternberg & Smith, 1985). More systematic research by Sternberg led him back to Thorndike’s conclusion: that social intelligence is both distinct from academic abilities and a key part of what makes people do well in practicalities of life. Gardner (1983) proposes that there is not just one, monolithic kind of intelligence (he referred to IQ) that was crucial for success in life, but rather a wide spectrum of intelligences, with seven key varieties. These are shown below –

a) **Linguistic Intelligence:** People who manifest this type of intelligence are good at writing, reading, telling stories or solving crossword puzzles.

b) **Logical-mathematical Intelligence:** People high on logical intelligence are interested in patterns, categories and relationships. They are attracted to arithmetical problems, strategy games and experiments.

c) **Bodily-kinesthetic Intelligence:** This type of intelligence processes knowledge through bodily sensations and such people are often athletes, dancers or good at crafts such as sewing and woodwork.
d) Spatial Intelligence: People high on spatial intelligence think in terms of images and pictures. They may be fascinated by mazes, jigsaw puzzles, or spend free time drawing or daydreaming.

e) Musical Intelligence: Typically such people are always singing or humming to themselves. They are usually quite aware of minute details that others may miss and are discriminating listeners.

f) Interpersonal Intelligence: These people are leaders among their peers and are good at communicating. They seem to understand others feelings’ and motivations.

g) Intrapersonal Intelligence: Though such people may be shy, they are aware of their own feelings and are self-motivated (Gardner, 1993).

If anyone saw the limits of the old ways of thinking, it was Gardner. He pointed out that the glory days of the IQ tests began during World War I, when Terman (1917), psychologist at Stanford University, developed the first mass paper-and-pencil form of IQ test. This led to decades of what Gardner called the ‘IQ way of thinking’: ‘that people are either smart of not, are born that way, that there’s nothing much you can do about it, and that the tests can tell you if you are one of the smart ones or not........This way of thinking permeates society’. But since the publication of Gardner’s influential book *Frames of Mind: The Theory of Multiple Intelligences*, multifaceted view of intelligence started to be recognized. He noted that core of interpersonal intelligence includes the capacities to discern and respond appropriately to the moods, temperaments, motivations, and desires of other people. Intrapersonal intelligence includes access to one’s own feeling and the ability to discriminate among them and draw upon them to guide behavior (Gardner & Hatch, 1989). In an interview with Goleman, Gardner
acknowledged that he tended to view intelligence in a cognitive way but commented, ‘When I first wrote about the personal intelligences, I was talking about emotion, especially in my notion of intrapersonal intelligence – one component is emotionally tuning in to yourself’ (Goleman, 1995). Therefore, it may be concluded that the scope of the concept of intelligence has moved beyond the narrow band of linguistic and mathematical skills and included multiple domains of intelligence including emotional intelligence.

2.2. Intelligence as Conceived by Scientists

Intelligence, as conceived by scientists has undergone a sea change, too. Previously many had proposed that intelligence is fixed, finite and genetically predetermined. Now it appears that intelligence has other dimensions e.g., psychologically and emotionally (Childre & Cryer, 1999). This has challenged the notion that intelligence is only confined to the gray matter within the human skull. Systematic research by LeDoux (1986; 1992), a neuroscientist at the Center for Neural Science at New York University, brought about a new dimension in neuroscience in rediscovering intelligence. In his effort to understand the functioning of brain he is probably the first to discover the role of amygdale in human brain, which is the storehouse of emotional memory. The conventional view in neuroscience had been that the eye, ear and other sensory organs transmit signals to the thalamus, and from there to sensory processing areas of the neocortex, where the signals are put together into objects as we perceive them. From the neocortex, as the old theory held, the signals are sent to the limbic brain, and from there the appropriate response radiates out through the brain and the rest of the body. But LeDoux discovered a smaller bundle of neurons that leads directly from the thalamus to the amygdala, in addition to those going through the larger
path of neurons to the cortex. This smaller and shorter pathway allows the amygdala to receive some direct inputs from the senses and initiate a response before they are fully registered by the neocortex. This shortcut from thalamus to amygdala which completely bypasses the neocortex seems to allow amygdala to spring to action even before the more informed, slightly slower neocortex unfolds its more refined plan of action. It allows the amygdala to be a repository of impressions and memories that we have never known about in full awareness. Therefore, our emotions have a mind of their own, one which can hold views independently of the rational mind (Goleman, 1995).

Research by Blakeslee (1996) has unveiled the presence of an elaborate network of neurons and neurochemicals in the intestinal tract, which is now being called the 'gut brain'. This system is directly tied to the brain functions and is said to be heavily influenced by our emotions. Cardiologist Armour has unveiled a sophisticated intrinsic nervous system within the human heart, which he calls 'the little brain in the human heart' (Armour & Kember, 2004). This system directly appears to affect the brain function. Just as the gut brain's circuitry allows it to act independently, learn, remember and produce 'gut feelings' so does the existence of the heart's brain helps explain the wide range of feelings associated with the heart. Several new publications (Sylvia & Novak, 1997; Pearsall, 1998) and contemporary research indicate that human heart is a multitasking, multidimensional organ intricately tied to human intelligence and perception. Neuroscientist Damasio (1994) offers compelling reasons that emotions and intellectual functions are processed in different parts of the brain, which are then integrated in the prefrontal cortex. The emotions, then, do matter for rationality. Our emotional faculty guides our moment-to-moment decisions, working hand-in-hand
with the rational mind. Thus, the notion that intelligence is purely cerebral activity, uncontaminated and unaffected by emotions has been proved to be an outdated and misguided myth. To put it differently, it may be said that intellect cannot work at its best without emotional intelligence.

2.3. Evolution of Emotional Intelligence

An attempt has been made in this part of the study to put together the findings of various research works which have led to the development of emotional intelligence over a period of time.

2.3.1. Marshmallow Experiment

One of the most widely reported background paper on EI had been Marshmallow experiment conducted by psychologist Walter Mischel during 1960 (Shoda et al., 1990). The study was conducted on a group of children of the age of four. Mischel distributed marshmallow to the children and left the room with the promise that any child who would postpone eating the marshmallow until he came back, some 15 or 20 minutes later, would be rewarded with a second marshmallow. A few children grabbed the one marshmallow almost within seconds of the experimenter leaving the room. The rest of the children received the second marshmallow as reward. To sustain themselves in their struggle these children covered their eyes so they wouldn’t have to stare at the temptation, or rested their heads on their arms, talked to themselves, sang, played games with their hands and feet, even tried to go to sleep.

Such impulse control and its applicability in life became clear when these children were tracked down as adolescents some twelve to fourteen years later. The emotional and social difference between those
who grabbed marshmallow immediately and those who delayed such gratification was noticeable. Those who handled impulse at age four were then, as adolescents, more socially competent: personally effective, self-assertive, and better able to cope with the frustrations in life. They were less likely to regress under stress, or become disorganized when pressured. They embraced challenges and pursued them instead of giving up in the face of difficulties. They were self-reliant and confident, trustworthy and dependable, and, they took initiative and plunged into projects. On the contrary, the other group of children tended to have fewer of these qualities and developed a relatively more troubled psychological makeup. Even more surprising, when these children were evaluated again as they were finishing high school, those who had waited patiently at age four were far superior as students to those who acted impulsively. According to their parents' evaluations, they were more academically competent: better able to put their ideas into words, to use and respond to reason, to concentrate, to make plans and follow through on them and more eager to learn. Most astonishingly, they had dramatically higher scores on their intellectual abilities such as IQ test. The ability to delay gratification contributed powerfully to intellectual potential (Block, 1995). The findings of this Marshmallow experiment was one of the earliest in suggesting that emotional and social skills actually helped to improve intellectual or cognitive functioning (Cherniss, 2000).

2.3.2. Research by McClelland

In the early seventies David McClelland, Professor at Harvard University, undertook to assess the different capabilities of outstanding Foreign Service Officers (McClelland & Daily, 1972). These young diplomats represented America in other countries. Like sales staff or
account managers in a large corporation, the real job of these officers was to ‘sell’ America, to get people abroad to feel positively about the United States. Selection of these diplomats was a difficult task. Only those who had the best education could be selected. The test applied for such selection process focused on how well these diplomats were grounded in academic disciplines like American history and culture, language fluency, and specialized expertise in fields like economics etc. The problem was that the exam reflected only how well these candidates had done in their studies. McClelland found that a different kind of competence, not academic brilliance, mattered altogether. He discovered that the star diplomats scored much higher at accurately discerning the speaker’s emotions than the mediocre ones. In other words they had the ability to read emotional messages in people with backgrounds vastly different from their own. In his paper ‘Testing for Competence Rather than Intelligence’ published in 1973, McClelland argued that traditional academic aptitude, school grades, and advanced credentials simply did not predict how well people would perform on the job or whether they would succeed in life. Instead he proposed that a set of specific competencies including empathy, self-discipline, and initiative distinguished the most successful from those who were merely good enough to keep their jobs. His paper launched an entirely new approach to what matters in workplace and what leads to excellence. But it was Howard Gardner who had a great hand in resurrecting the concept of EI.

2.3.3. Bar-On and EQ

It is said that the first theory of EI was proposed by an Israeli scientist Reuven Bar-On (1988), though he did not use the term ‘emotional intelligence’. In his doctoral dissertation he coined the term emotional quotient (EQ). He was studying and writing on subjective well-
being and non-intellective aspects of performance. The timing of the publication of his dissertation in the late 1980s was consistent with the increasing interest in the role of emotion in social functioning and well-being. Bar-On (2000) currently defines his model of EI in terms of a number of traits and abilities related to emotional and social knowledge that influence our overall ability to effectively cope with environmental demands. Thus, his model of EI is one of psychological well being and adaptation. This model includes (a) the ability to be aware of, to understand, and to express oneself (intrapersonal skills); (b) the ability to be aware of, to understand, and relate to others (interpersonal skills); (c) the ability to verify one’s feelings, to accurately evaluate the immediate situation, to flexibly change one’s feelings and thoughts, and to solve problems (adaptability); (d) the ability to deal with strong emotions and to control one’s impulses (stress management strategies); and (e) the ability to be optimistic, to enjoy oneself and others, and to feel and express happiness (motivational and general mood factors) (Bar-On, 1997).

2.3.4. Research by Salovey and Mayer

Salovey and Mayer (1990) were the first to use the term ‘emotional intelligence’ in public. They were already aware of the previous works of the non-cognitive aspects of intelligence. Their theory of EI integrates key ideas from the fields of intelligence and emotion. From intelligence theory comes the idea that intelligence involves the capacity to carry out abstract reasoning. From the emotion research comes the notion that emotions are signals that convey regular and discernible meanings about relationships and that a number of basic emotions are universal (Mayer et al., 2002). They proposed that individuals vary in their ability to process information of emotional nature and in their ability to relate to emotional
processing to a wider cognition. They first defined EI in 1990 and later revised their definition several times (a detailed discussion is given in Chapter I).

2.3.5. New Era with Goleman

However, it was the publication of the best-selling book *Emotional Intelligence: Why it Can Matter More than IQ* by psychologist and journalist Daniel Goleman that greatly popularized the concept of EI. He defined EI as ‘The capacity for recognizing our own feelings and those of others, for motivating ourselves, and for managing emotions well in ourselves and in our relationships’ (Luthans, 2005). Goleman put together research in neurophysiology, psychology, and cognitive science. While publishing the book, Goleman had primarily aimed it at the educational community, and it received a good response. However, he also received an overwhelming response from the business world. The appeal mostly came from the realization on the part of the jobholders at all levels that both success and effectiveness have more to do with what Goleman described as EI than IQ, the traditional intelligence measure, technical expertise, or even experience (Luthans, 2005). Based on such a positive reaction from the field Goleman published his next book, *Working with Emotional Intelligence*. Before publishing the book, he and his colleagues conducted a study in 188 companies, most of which were large and global and included companies like Lucent Technologies, British Airways, and Credit Suisse, with the objective to determine which personal capabilities drove outstanding performance within these organizations (Goleman, 1998a). For this purpose he and his colleagues grouped capabilities into three categories: purely technical skills like accounting and business planning; cognitive abilities like analytical and reasoning; and competencies demonstrating emotional intelligence in leading change. At
the end of an extensive research and tests, a list of qualities emerged. When the data was analyzed, intellect was found to be a driver of outstanding performance; cognitive skills such as big picture thinking and long-term vision emerged to be important. But calculating the ratio of technical skills, IQ and emotional intelligences as ingredients of excellent performance, emotional intelligence proved to be twice as important as the others for jobs at all levels. Moreover, their analysis showed EI played a greater role as one progressed higher in the corporate ladder. Surprisingly, when they compared star performers with the average ones in senior leadership positions, nearly 90% of the difference was attributable to EI factors rather than cognitive abilities. Goleman found that the qualities traditionally associated with leadership – such as intelligence, toughness, determination, and vision – are required for success, but they are insufficient. Truly effective leaders are distinguished by a high degree of EI, which includes self-awareness, self-regulation, motivation, empathy and social skills as given in table 1.

At the end of the study he concluded that IQ and technical skills are definitely important, but mainly as ‘threshold capabilities’, i.e. they are the entry-level requirements for executive positions. Emotional intelligence, on the other hand, is the sine qua non of leadership. In order to ensure right interpretation of data Goleman had turned to Hay / McBer and commissioned them to do an independent study. They reanalyzed new data from forty different corporations and concluded that EI were twice as important for superior performance compared to intellectual and technical expertise (Goleman, 1998a).
Table 1: Components of Emotional Intelligence (Goleman, 1998b)

<table>
<thead>
<tr>
<th>Definition</th>
<th>Hallmarks</th>
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<tbody>
<tr>
<td><strong>Self-Awareness</strong></td>
<td>The ability to recognize and understand your moods, emotions, and, drives, as well as their effect on others.</td>
</tr>
<tr>
<td><strong>Self-Regulation</strong></td>
<td>The ability to control or redirect disruptive impulses and moods. The propensity to suspend judgment-to think before acting</td>
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<tr>
<td><strong>Motivation</strong></td>
<td>A passion to work for reasons that go beyond money or status</td>
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<tr>
<td><strong>Empathy</strong></td>
<td>The ability to understand the emotional makeup of other people. Skill in treating people according to their emotional reactions</td>
</tr>
<tr>
<td><strong>Social Skill</strong></td>
<td>Proficiency in managing relationships and building networks. An ability to find common ground and build support</td>
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2.3.6. Goleman’s Model Redefined

Goleman’s model (1998b) of emotional intelligence was based on five general abilities namely, self-awareness, self-regulation, motivation, empathy, and social skills and twenty five competencies namely, emotional self-awareness, accurate self-assessment, self confidence (included in self-awareness), self control, trustworthiness, conscientiousness, adaptability, innovation (included in self-regulation), achievement drive, commitment, initiative, optimism (included in motivation), understanding others, developing others, service orientation, leveraging diversity, political awareness (included in empathy), influence, communication, conflict management, leadership, change catalysis, building bonds, collaboration and cooperation, and team capabilities (included in social skills). But Goleman continued to refine his model.
Based on a statistical analysis by his colleague, Richard Boyatzis has brought out a refined model (Table 2) of EI, which is comprised of twenty competencies. These competencies underlie four general emotional abilities namely, self-awareness, self-management, social awareness and relationship management (Goleman, 2001).

Table 2: Framework of Emotional Competencies (Goleman, 2001)

<table>
<thead>
<tr>
<th></th>
<th>Self Personal Competence</th>
<th>Other Social Competence</th>
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<tr>
<td><strong>Self-awareness</strong></td>
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<td>Recognition</td>
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<td></td>
<td>- Emotional self-awareness</td>
<td>- Empathy</td>
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<tr>
<td></td>
<td>- Accurate self-assessment</td>
<td>- Service orientation</td>
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<td></td>
<td>- Self-confidence</td>
<td>- Organizational awareness</td>
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<td><strong>Self-management</strong></td>
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<td>Regulation</td>
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<td></td>
<td>- Self-control</td>
<td>- Developing others</td>
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<td></td>
<td>- Trustworthiness</td>
<td>- Influence</td>
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<td></td>
<td>- Conscientiousness</td>
<td>- Communication</td>
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<td></td>
<td>- Adaptability</td>
<td>- Conflict management</td>
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<tr>
<td></td>
<td>- Achievement drive</td>
<td>- Leadership</td>
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<tr>
<td></td>
<td>- Initiative</td>
<td>- Change catalyst</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Building bonds</td>
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<td></td>
<td></td>
<td>- Teamwork and collaboration</td>
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</table>

2.3.7. Other Writers on EI

The idea of EI continued to evolve. Higgs and Dulewicz (1999) brought out their model of EI. Though definitions of the construct vary, there appears to be consensus on two aspects, namely, self awareness and emotional management. The elements identified by Higgs and Dulewicz are as follows:

- **Self-awareness**: Awareness of one’s own feelings and the ability to recognize and manage these.
- **Emotional resilience**: Ability to perform well and consistently in a range of situations and under pressure.

- **Motivation**: Drive and energy which one requires to achieve results, balance short and long-term goals and pursue goals in the face of challenge and rejection.

- **Interpersonal sensitivity**: Ability to be aware of the needs and feelings of others and to use this effectively in interacting with them.

- **Influence**: Ability to persuade others to change their viewpoint on a problem, issue or decision.

- **Intuitiveness**: Ability to use insight to arrive at and implement decisions when faced with ambiguous or incomplete information.

- **Conscientiousness and integrity**: Ability to act consistently and in line with understood ethical requirement

**2.3.8. Complementary Views of EI**

Thus the approaches to define and research EI fall into three broad areas e.g. the ability view (Mayer & Salovey, 1997); personal factors view (Bar-On, 2000, Higgs & Dulewicz, 1999); and the competence view (Goleman 1995, 1998a). People are often surprised to find the multiplicity of theory in the paradigm of EI. Each theory has been put forward in an attempt to better understand and explain the skills, traits, and abilities associated with social and emotional intelligence. While some might argue that the goal of research should be to identify and define a singular theoretical framework which may be labeled as the 'correct' version of emotional intelligence, another approach would be to acknowledge that having multiple theories can often serve to clarify additional aspects of complex psychological constructs (Emmerling &
EI as formulated in the theory of Mayer and Salovey (1997) has been framed within a model of intelligence. The motivation to develop such a theory of EI came from a realization that traditional measures of intelligence failed to measure individual differences in the ability to perceive, process, and effectively manage emotions and emotional information. Thus they perceive EI as a cognitive ability. The model by Reuven Bar-On regards EI as a mixed intelligence, consisting of cognitive ability and personality aspects. This model emphasizes how cognitive and personality factors influence general well-being. The third model, introduced by Daniel Goleman, also perceives EI as a mixed intelligence involving cognitive ability and personality aspects. However, unlike the model proposed by Bar-On, Goleman's model focuses on how cognitive and personality factors determine workplace success. Grounding his theory specifically within the context of work performance separates Goleman's model from those of Bar-On, and Mayer and Salovey. Where Bar-On seeks to develop a general measure of social and emotional intelligence predictive of emotional well-being and adaptation, and Mayer and Salovey seek to establish the validity and utility of a new form of intelligence, Goleman seeks to develop a theory of work performance based on social and emotional competencies (Emmerling & Goleman, 2003). Ciarrochi et al. (2000) point out that though definitions within the field of EI vary; they tend to be complementary rather than contradictory. All theories within the EI paradigm seek to explain how individuals perceive, understand, utilize and manage emotions in an effort to predict and foster personal effectiveness.

2.4. EI: An Indian Perspective

Attempts to understand and define EI did not start very long ago in India. One of the early studies was attempted by Prof. N. K. Chadha
He had undertaken to evaluate the EQ of Indian Prime Ministers. He had rated them on the emotional attributes of cognition, behavioral, social, and psychological skills. They were also evaluated on attributes like responsibility, assertiveness, popularity, empathy, problem solving, self-control, conflict resolution, frustration tolerance, task acquisition, socialability, and level of anxiety.

2.4.1. Early Developments

On 16th of August, 2002 a national level interactive workshop was organized by the PHD Chamber of Commerce and Industry in New Delhi to deliberate upon the theme 'emotional intelligence at work'. The workshop included more than 100 chief executives and managing directors of top business houses. Psychologists from University of Delhi, Punjab University, Chandigarh, and Kurukshetra University also attended the workshop. It was an open house interactive discussion along with a technical session on 'Emotional intelligence at work'. Prof. Chadha from University of Delhi, who had developed the popular EQ test for the Indian population, administered the test to the participants and provided its scoring and interpretation on the spot. Dr. Dalip Singh, explained the concept of emotional intelligence and its various implications in professional and personal life (Singh, 2003). The different definitions given by the American psychologists as well as the opinions of the Indian students, executives and professionals were considered. It was strongly felt that the western (mainly USA and UK) conceptions of EI had a definite social and cultural basis, and, therefore, a fresh look at the construct validity of the concept was necessary (Singh, 2003).

In order to do that the psychological experts present at the workshop wanted to know from the participants what they felt EI was. At
the end of the workshop, the participants were given a questionnaire that they had to answer keeping in mind the broad concept of EI, the score that they had obtained at the EQ test administered to them, and their personal feelings of internal and external environment of self and work. The following figure shows the type of questions that were used on the participants:

**Figure 3: Questionnaire (Singh, 2003)**

<table>
<thead>
<tr>
<th>Question:</th>
<th>What components/characteristics/traits do you FEEL (not think) constitute emotional intelligence? Please indicate FIVE choices:</th>
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<tr>
<td>Answers:</td>
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<td>1.</td>
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<td>5.</td>
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<td>Name:</td>
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<td>Profession/Class:</td>
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<td>Age:</td>
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<td>Date and Place:</td>
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</table>

The experts also wanted to know from the postgraduate and graduate University students who had a reasonably good knowledge and exposure to psychology what they felt about the concept of EI. The sample consisted of 322 participants from 11 institutions.

Later a team of experts on psychological testing from University of Delhi and Defense Institute of Psychological Research, Ministry of Defense, Government of India, and Department of Psychology, Punjab University, Chandigarh tabulated the responses. The total numbers of responses obtained from 322 participants were 322 X 5 = 1610. Analyzing the data three dimensions emerged – emotional competency, emotional maturity and emotional sensitivity with frequencies of 545,
450, and 375 respectively. 240 responses were declared invalid as they had a variance of 1 and 3 percent only. Some of the invalid responses included family background, mental phenomena, putting in hard work, perceiving emotions, will power, rational thinking, social interaction, knowledge sharing etc.

Based on the above empirical process and keeping in mind the socio-cultural diversities of India, the following definition of EI was proposed by Dr. Dalip Singh for Indian context: Emotional Intelligence is the **ability** of an individual to appropriately and successfully respond to a vast majority of emotional stimuli being elicited from the inner self and immediate environment. Emotional Intelligence constitutes three psychological dimensions – emotional competency, emotional maturity and emotional sensitivity – which motivate an individual to recognize truthfully, interpret honestly and handle tactfully the dynamics of behavior (Singh, 2003).

2.4.2. Definition Expanded and Discussed

The three psychological dimensions mentioned in the definition are described below:

**A. Emotional Competency:** The managers have to learn the following emotional competencies which have been identified after a detailed research. These competencies are:

1) **Tackling emotional upsets:** This means tackling frustrations, conflicts, inferiority complexes etc. It also means avoiding emotional exhaustion such as stress, burnout and negativity of emotions. People in conflict are generally locked into a self-perpetuating emotional spiral in

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which the genesis of the conflict is usually not clear. Finding ways to deal with anger, fear, anxiety, and sadness are essential signs of emotional competency. For example, learning how to manage oneself when upset is one such asset. Being able to channelize emotions to a positive end is another key skill to raise one’s EQ. Under Indian conditions, inferiority complex arising from issues such as knowledge, education, physical characteristics, religion, region, caste, sex, and creed are not uncommon. Inferiority complex is also reflected in the low self-esteem, negative feelings and low opinion about oneself. Research shows that a high level of EI helps overcome inferiority complex.

**ii) High self-esteem:** Many managers often give themselves negative feedback. On the other hand, there are those who believe that optimism can be a useful asset. Research done in Indian organizations has indicated that leaders should learn to be optimistic to boost their self-esteem. High self-esteem gives a manager realistic confidence to perceive challenges as learning opportunities. As a result, one constantly grows and improves. High self-esteem is the greatest gift a manager can give to himself. Managers should learn to acquire high self-esteem which is reflected in the feelings of confidence and competence.

**iii) Tactful response to emotional stimuli:** This means being creative and practical towards emotional prompts elicited from the inner self and the immediate environment. An emotionally intelligent manager tries to manipulate the ongoing environment to his or her advantage by reacting appropriately.

**iv) Handling egoism:** Egoism is based on the view that the fundamental motive behind all emotional conduct is self-interest. A self-centered manager talks incessantly of himself and his doings and is
interested in his own concerns only. Tackling ego problems without hurting one’s self-esteem is the key to success. An ‘I am never wrong’ attitude is harmful in many situations. Egoism is the root cause of problems in interpersonal relations. Taking the initiative to resume dialogue and breaking the ice in situations where both parties have stuck to their original stand and have refused to budge is a sign of emotional competency.

B. Emotional Maturity: Emotional maturity is reflected in the behavioral pattern exhibited by the managers while dealing with the inner self and the immediate environment. Some of the important aspects of emotional maturity are:

i) Self-awareness: One of the basic emotional skills is the ability to recognize different feelings emanating from within and giving a name to them. Many managers are in fact unable to recognize their feelings and are inclined to deny them. Knowing one’s own emotional strengths and weaknesses is of great help. For instance, the inner self constantly responds to the outer world. It is generally believed that if one cannot interpret one’s own emotions, he or she may not be able to do the same for others. This will reduce one’s effectiveness in handling interpersonal relationships.

ii) Developing others: Recognizing the value of the contributions of others and encouraging their participation does a lot of good. Appreciating other’s points of view and involving them actively in a project are signs of an emotionally intelligent manager. Singh is of the opinion that many Indian managers lack this gift.
iii) Delaying gratification: Managers need to learn to delay gratification of reacting to a particular situation instantaneously. This means to gain time to judge whether what is about to be said or done in the heat of the moment is the best course of action by expressing personal concern without anger or passivity, a manager may come out a winner. A manager must develop loads of patience and must not allow emotions to get the upper hand. Delaying gratification 'is doing right' and has far-reaching consequences in attaining success in personal and professional life.

iv) Adaptability and flexibility: Knowing how and when to take the lead and when to follow are both essential emotional skills. Managers should know when to be aggressive and when to be passive. They should also know that there is time to confront, withdraw, speak and remain silent. However, to do so, a manager needs to control powerful negative tendencies such as jealousy, manipulation and the feeling of self grandeur.

C. Emotional Sensitivity: In the psychological sense, sensitivity means the characteristic of being peculiarly sensitive and judging the threshold of various types of stimulations, evoking sensations, feelings and emotions. The managers may seek to evolve the following in their personality:

i) Understanding threshold of emotional arousal: The managers should be in a position to respond to stimuli of low intensity. Equally important is the ability to be aware of the relationship between feelings and actions. What, for instance, triggered a particular emotion? What was the feeling behind a specific action? These are questions that managers ought to ask themselves to understand the intensity of emotions better.
ii) **Empathy:** Empathy is the ability to sense how other people feel. It is the ability to share and accept another person’s feelings. It is the ability to listen to others without getting carried away by personal emotions. It is necessary to be able to distinguish what others do and say, one’s own personal reactions and judgments.

iii) **Improving inter-personal relations:** Developing quality inter-personal relationships has a positive effect on all parties. Positive inter-personal relations are a sure sign of success. The key to good inter-personal relations is to believe in the basic elements of trust, confidence and reliance. Research has shown that the primary cause of failures among executives is their poor inter-personal relations at the workplace. A manager with poor inter-personal relations will experience considerable stress and anxiety and exhibit a lack of trust in others.

iv) **Communicability of emotions:** The influence of emotions is contagious and travels from one person to another instantaneously. A cheerful manager communicates a message of confidence and self-respect. In contrast, expressions of negative feelings by a manager communicate a message of pessimism, bitterness, suspicion and inferiority. Hence, the managers may learn how to communicate emotions through verbal and non-verbal mediums (Singh, 2006).

It is seen from the above discussion that the concept of emotional intelligence has taken a considerable shape, though it is still evolving. Chapter I has indicated the importance of emotion and emotionally intelligent behavior in the context of modern workplace. Therefore it emerges as a crucial area of research. Keeping in mind the research problem stated in Chapter I the section below reviews the existing literature on leadership.
2.5. Leadership and Management: A Dilemma

Over 40 years ago, Koontz (1964) noted that the problem of semantics was one of the major entanglements in the ‘management theory jungle’ particularly with respect to the definitions of the commonly used terms such as ‘leadership’ and ‘management’. Despite the passage of time, debate continues concerning these two concepts and their relationship to each other (McCartney & Campbell, 2006). It is, therefore, important to clarify these two concepts as the present study relates to leadership in business.

2.5.1. Distinct Sets of Skills

One perspective in this regard, according to Zaleznik (1977), is that leadership and management are distinct skill sets, which differ from each other to such an extent that they are unlikely to coexist in a single individual. He contended that managers are reactive and prefer to work with people to solve problems but do so with low emotional involvement. Leaders, on the other hand, are emotionally active and involved. Rost (1991) has contended that leadership is multidirectional influence relationship, which is well reflected in the present study involving civil contractors, while management is unidirectional authority relationship.

2.5.2. Subset

Another view is that one construct is a subset of the other such that an individual could possess both leadership and management skills. According to Koontz (1964) managers must have leadership skills but leadership is just one of the several functions of a manager. Shriberg et al. (2005) have contended that leadership is a part of the management pie, but at the same time a good part of leadership cannot be considered a
subset of management. Bennis and Nanus (1985), in contrast, have viewed leadership as more comprehensive concept of the two.

2.5.3. Complementary

Kotter (1990a; 1990b) believes that leadership and management are complimentary skills that both are necessary for success. He argues that management is about coping with complexity and to provide order and consistency to the organization whereas leadership is about coping with change and to produce movement. Leaders establish direction by developing a vision of the future; then they align people by communicating this vision and inspiring them to overcome hurdles. Hitt (1988) has described ‘leader-manager’ as one possessing both leadership and management skills. He described them as individuals (i.e. leaders) who are capable of implementing their vision (i.e. managers). Yulk (1989) has also spoken about this considerable overlap. When managers are involved in influencing a group to meet its goals, they are involved in leadership. When leaders are involved in planning, organizing, staffing and controlling, they are involved in management.

2.5.4. A Balanced View

Having considered all the above perspectives, it appears that the controversy concerning whether leadership and management skills are distinct interpersonally or they can coexist intrapersonally continues. However, Daft (2003) has presented a very broad and comprehensive view that ‘a person can be a manager, a leader, both, or neither’. His statement effectively incorporates all of the positions presented above. His view provides an inclusive framework for addressing any controversy concerning management and leadership.
The contractors, as found in this study, are involved in planning, organizing, coordinating, control etc. in order to carry out the public works. At the same time they influence varied groups of people in order to achieve goals and objectives. The present researcher has taken the position that they perform both managerial and leadership roles but leadership role makes the managerial task easy and successful.

2.6. Approaches to Leadership

Several trends can be distinguished in the development of the study of leadership in business. Prior to 1980s the main approaches to the study of leadership were the trait, style and contingency. The table below summarizes the trends in leadership theory and research from its outset. The four approaches as pointed out in the table are discussed below in brief.

Table 3: Approaches to Leadership (Bryman, 1992)

<table>
<thead>
<tr>
<th>Period</th>
<th>Approach</th>
<th>Core theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to late 1940s</td>
<td>Trait</td>
<td>Leaders are born: leadership is an innate ability</td>
</tr>
<tr>
<td>Late 1940s to late 1960s</td>
<td>Style and behavior</td>
<td>What leaders actually do: effectiveness has to do with how leaders behave.</td>
</tr>
<tr>
<td>Late 1960s to late 1980s</td>
<td>Contingency</td>
<td>It all depends: effectiveness of leadership is affected by the situation or context.</td>
</tr>
<tr>
<td>Since early 1980s</td>
<td>New leadership (including charismatic and transformational leadership)</td>
<td>Leaders need vision and inspire loyalty and emotional attachment.</td>
</tr>
</tbody>
</table>
2.6.1. The Trait Approach

The focus of the most of the early research into leadership was on identifying and measuring traits i.e. stable personality characteristics that distinguished leaders from non-leaders or effective from ineffective leaders (Hollander & Offerman, 1990).

2.6.1.A. Traits identified

The implicit idea was that leaders are born rather than made. Search for the universal traits of leaders yielded many qualities like - intelligence, initiative, self-confidence, masculinity, tolerance, dominance, drive, cognitive ability, integrity etc (Stogdill, 1948; 1974; Lord et al., 1986). Bryman (1992) spoke about three main categories of personal characteristics in the search for the ‘great man’, physical features (height, appearance etc.); ability (intelligence, knowledge etc.); and personality traits (emotional control, expressiveness etc.). Overall, the cumulative findings from more than half a century of research has led us to conclude that some traits increase the likelihood of success as a leader, but none of the traits guarantee success (Yulk & Van Fleet, 1992).

2.6.1.B. Criticism

Trait approach, though widely used, suffers from major setback, such as lack of universal traits predicting leadership in all situations, distinguishing between effective and ineffective leaders (Smith & Foti, 1998), failure to take situations into account (Stogdill, 1948), failure to look at traits in relationship to leadership outcomes (Northhouse, 2004), lack of applicability in training and development for leadership etc. Such multiple shortcomings have inspired researchers to carry on the search for elements of effective leadership.
2.6.1.C. Reappearance

However, in recent years there has been resurgence in interest in the trait approach in explaining how traits influence leadership (Bryman, 1992) such as relationship between personality traits and leadership (Lord et al., 1986), emphasis on visionary and charismatic leadership (Bass, 1990) etc. Researchers have also identified that leaders have to be 'smart' in a variety of ways. In other words leaders need to demonstrate what is known as multiple domains of intelligence (Chemers, 2001) such as - cognitive intelligence, emotional intelligence (Goleman et al., 2002; Caruso et al., 2002) and cultural intelligence (Offerman & Phan, 2001). Research has also identified that statelike positive psychological behavior (POB) constructs (Luthans, 2005) especially emotional intelligence has potential for understanding leadership. In short, the trait approach is still alive. It began with an emphasis on identifying the qualities of great people. Later it included the impact of the situations on leadership; and most recently, it has shifted back to reemphasis the role of traits along with psychological states, skills and competencies in effective leadership.

2.6.2. Behavioral Approach

The second major trend in research emphasized leader behavior. The focus shifted from who leaders were (traits) to what leaders did - how they delegated tasks, how they communicated with and tried to motivate their subordinates, how they carried out tasks, and so on (Stoner & Wankel, 1986). The trait approach focused on stable personal characteristics which were usually thought to be largely innate, implying that leaders were born, whereas behavioral approach assumed that effective leadership is associated with specific behavior, implying that leadership could be taught and developed (Bass, 1990). A number of researchers have reached the conclusion that certain leadership behaviors
are more effective than others in a wide variety of circumstances. These researchers have focused on two aspects of leadership behavior: *leadership functions* and *leadership styles* (Stoner & Wankel, 1986).

The first aspect of the behavioral approach to leadership shifted the focus from the individual leader to the functions that leaders performed within their groups. It appears that in order for a group to operate effectively, someone has to perform two major functions: ‘task related’ or problem solving functions and ‘group maintenance’ or social functions. An individual who is able to perform both roles successfully would obviously be an effective leader (Stoner & Wankel, 1986). The second perspective, on the other hand, focuses on the styles that leaders use in dealing with subordinates.

### 2.6.2.A. University of Iowa Studies

A series of pioneering leadership studies conducted in the late 1930s by Lippitt and White under the general direction of Kurt Lewin at the University of Iowa have had lasting effect (Lewin *et al.*, 1939). They were the first attempts to determine, experimentally, the effects that various styles of leadership had on a group. The studies showed different styles of leadership (authoritarian, democratic and laissez-faire) can produce different, complex reactions from the same or different groups (Luthans, 2005).

### 2.6.2.B. Ohio State Studies

During the 1950s the Bureau of Business Research led by Hemphill, Fleishman, Stogdill, Shartle, and Pepinsky at Ohio State University initiated a series of studies on leadership (Stogdill & Coons, 1951). As per the results two dimensions of leadership showed up
Initiating structure behavior is essentially task behavior, including acts such as organizing work, giving structure to the work context, defining roles and responsibilities and scheduling work activities. Consideration behavior, on the other hand, is essentially relationship behavior and includes building relationships, respect, trust and attachment between leaders and followers (Northhouse, 2004). The respondent civil contractors have been found to display both task and relationship oriented behavior during their work.

Ohio State studies were the first to point out and emphasize the importance of both task and human dimensions in assessing leadership. Further research found that leaders high in initiating structure and consideration (a 'high-high' leader) tends to achieve high employee performance and satisfaction more frequently than those who are rated low on both the dimensions (Robbins, 2001). The results influenced Bass (1960) so much that he further went on to develop the constructs of 'consideration' and 'initiating structure' drawing from research far more extensive than the factor analytic studies carried out at the University (Blum & Naylor, 1984).

The two types of behaviors so identified represent the core of behavioral style of leadership – these behaviors are central to what leaders do: leaders provide structure for subordinates and they nurture them. The Ohio State studies viewed these two behavioral dimensions as distinct and independent. They were not thought of as two points of single continuum but as two different continua. The degree to which a leader exhibited one behavior was not related to the degree to which she or he exhibited the other behavior (Northhouse, 2004).
2.6.2.C. Michigan Studies

At the same time when the Ohio State studies were conducted, a group of researchers led by Likert, Katz, Maccoby, Kahn and Seashore from the Survey Research Center at the University of Michigan were also exploring leadership behavior, giving special attention to the impact of leader’s behaviors on the performance of small groups (Cartwright & Zander, 1960; Likert, 1961, 1967). The results identified two types of leadership behaviors, called employee orientation and production orientation. Employee orientation describes the behavior of leaders who approach subordinates with a strong human relations emphasis. They take an interest in workers as human beings, value their individuality, and give special attention to their personal needs (Bowers & Seashore, 1966). This employee orientation is very similar to the cluster of behaviors identified in the Ohio State studies as consideration. Production orientation, on the other hand, refers to leadership behavior that stresses on the technical and production aspect of job. From this orientation, workers are viewed as a means of getting work accomplished (Bowers & Seashore, 1966). Production orientation parallels the initiating structure cluster found in the Ohio State studies (Northhouse, 2004). Results showed that the high producing supervisors applied a employee centered leadership style while the low producing supervisors applied more or less opposite style i.e. production centered leadership (Kahn & Katz, 1960).

Unlike the Ohio State researchers, the Michigan researchers, in their initial studies, conceptualized employee and production orientation as opposite ends of a single continuum. This suggested that leaders who were production oriented were less employee oriented and vice versa. As more studies were completed, however, the researchers reconceptualized the two constructs, similar to Ohio State studies, as two independent
leadership orientations (Kahn, 1956). Resultantly, leaders are viewed to exhibit both employee and production orientation at the same time (Northhouse, 2004). Both these dimensions of behaviors have been found to coexist in respondent civil contractors involved in the present empirical work.

2.6.2.D. Findings by Tannenbaum and Schmidt

Tannenbaum and Schmidt (1973) have argued that a range of styles are available to a leader which can be arranged in a continuum. In such continuum the focus ranges from one in which the main emphasis is on the use of authority (boss centered leadership) by the leaders to one in which the principal focus is on the freedom of the subordinates (employee centered leadership) to take actions and make decisions. There exists seven various styles of leadership (including the two extremes) based on use of authority by the leader and freedom granted to the subordinates.

2.6.2.E. Managerial Grid

Perhaps the most well-known model of leadership behavior is Managerial Grid, first developed by Blake and Mouton and later revised several times (Blake & Mouton, 1964; 1978; 1985). The Managerial Grid, renamed as Leadership Grid, was designed to explain how leaders help organizations to reach their purposes through concern for production and concern for people. It portrays five major leadership styles: authority-compliance management (9,1), country club management (1,9), impoverished management (1,1), middle-of-the-road management (5,5), and team management (9,9). Based on their findings, managers and leaders are found to perform best under a (9,9) style. It closely parallels the ideas and findings that emerged in the Ohio State and University of
Michigan studies (concern for production as similar to initiating structure and production orientation; while concern for employees as similar to consideration and employee orientation.

2.6.2.F. Development Orientation

Researchers in Finland and Sweden have been reassessing whether there are only two dimensions that capture the essence of leadership behavior (Ekvall & Arvonen, 1991; Lindell & Rosenqvist, 1992a; 1992b). The basic premise is that in a changing world, effective leadership would exhibit development-oriented behavior in addition to the other two dimensions. These are leaders who value experimentation, seek new ideas and generate and implement change. Though the early evidence is positive it is unwise to generalize the findings without testing them in a variety of situations. As a result this dimension has not been brought into the present study.

2.6.2.G. Conclusions and Criticisms

To conclude it may be said that a leader's style is composed of primarily two major types of behavior: task and relationship. Whenever leadership occurs, the leader is acting out both task and relationship behaviors; the key to being an effective leader often rests on how the leader balances these two types of behaviors. Together they form the core of leadership process. The present study has made an effort to assess the relationship of emotional intelligence with these two types of leadership behaviors.

Lack of situational analysis (Bryman, 1992), lack of consistent relationship between leadership style and outcome (Yulk, 1994), lack of universally applicable behavior (Northhouse, 2004), lack of support for a
universal high-high style (Yulk, 1994) etc. are some of the limitations of this approach.

2.6.3. Contingency Approach

The failure to identify specific traits or preferable behavior which contributes to successful leadership led the researchers to repair the deficiencies in the other approaches (Smith & Peterson, 1988). As a result of that the searchlight fell on the influence of situations to the process of leadership. Such an approach has come to be known as contingency approach. The main proposition of this approach is that the effectiveness of a given leadership style is contingent upon the situation. This implies that certain leader behavior will be effective in some situations but not in others. It is a leader match theory that emphasizes the importance of matching a leader's style with the demands of a situation.

2.6.3.A. Fiedler's Theory

The earliest contingency theory of leaders' effectiveness was proposed by Fiedler (1967). By using Least Preferred Coworker (LPC) scale Fiedler was able to distinguish between leaders who are highly task oriented (low LPC), those who are socio-independent (middle LPC) and those who are relationship oriented (high LPC). He further argued that which of these styles would contribute most to leader effectiveness depends on three different aspects of the situation – leader member relations, position power and task structure. His model predicted that when the situation is highly favorable or very unfavorable, low LPC leaders are more effective than high LPC leaders. But Yulk (1998) has criticized this approach for lack of theoretical basis.
2.6.3.B. Hersey and Blanchard's Theory

Hersey and Blanchard (1969; 1977) have developed a leadership model called Situational Leadership Theory (SLT). It is a contingency theory that focuses on the followers and subordinates. The essence of this theory is that leader should match his or her style to the competence and commitment or development level of the followers. Effective leaders are those who can recognize what the employees need and then adapt their own style to meet those needs. Combining high or low task and relationship behavior creates four different leadership styles: telling (high task, low relation); selling (high, high); participating (low task, high relation); delegating (low, low). Bass (1990) and Yulk (1998) argue that empirical evidence for this theory is scant. Both the theories as mentioned above have reemphasized the importance of task and relationship behavior for leaders.

2.6.3.C. Leader Participation Model

Vroom and Yetton (1973) developed a leader participation model or normative decision making model which related leadership behavior and the degree of participation by the subordinates in decision making process. They argue that leaders often adopt one of the five distinct styles for decision making ranging from fully autocratic decision to fully participative one. None of the styles is better than the other but effectiveness depends on two aspects of the situation – quality of the decision and acceptance of the decision by the subordinates. A revised model by Vroom and Jago (1988) has included at least two more situational variables such as serious time constraints and geographical dispersion of subordinates. Yet the model has its own share of criticism (Yulk, 1998).
2.6.3.D. Path-Goal Theory

It is believed that the most influential and complete contingency theory to date is House’s path-goal theory of leadership (House, 1971; House & Mitchell, 1974). This model has extracted key elements from Ohio State Leadership research on initiating structure and consideration and the expectancy theory of motivation. The essence of this theory is that it’s the leader’s job to assist followers in attaining their goals by reducing roadblocks and to provide the necessary direction and support to ensure that their goals are compatible with the overall objectives of the organization. House identified four leadership behavior (such as directive, supportive, participative and achievement oriented). In contrast to Fiedler, House argued, leaders are flexible and that the same leader can display any or all of these behavior depending on the situation. According to Evans (1996) the theory has not been adequately tested.

Though the contingency approach adds the dimension of situation to the study of leadership, there has been explicit emphasis on behavioral styles of leadership. This points to the importance of leadership behavior, which has been an integral part of the present study.

2.6.4. New Leadership Approach

As a result of continuous search for leaders with the right traits or behavior or the right match between leader’s style and situation, it came to the forefront that organizations with visionary leaders outperform those with less visionary ones. A number of demands were made upon business organizations such as – to change organizations and the system within; to empower others; to work with and through teams; to change people’s mindsets and provide clarity of purpose etc. (Maurik, 2001). Bryman (1992) is of the opinion that research on leadership has taken a new turn
since 1980s which may be termed as 'the new leadership' approach. Terms used to describe these 'new leaders' include transformational, charismatic, 'leaders' (as opposed to 'managers'), inspirational, visionary, ethical, value based etc. These theories attempt to explain how certain leaders are able to achieve extraordinary levels of follower motivation, admiration, commitment, respect, trust, dedication, loyalty, performance etc. Hunt (1999) is of the opinion that the terms 'transformational' and 'charismatic' leadership are the most often used terms to refer to this type of leadership.

2.6.4.A. Charismatic Theory

In 1976, House published his theory of charismatic leadership. Since its publication, it has received a great deal of attention by researchers (Conger, 1999; Hunt & Conger, 1999). It is often described in ways that make it similar to, though not synonymous with, transformational leadership. Charismatic leadership is resurgence of the old concept of leaders as being those who, by way of their personal attributes, are able to have profound and extraordinary influence on followers (House & Baetz, 1979). Charismatic leaders are characterized by self-confidence and high in confidence and expectations from subordinates, ideological vision and the use of personal examples. Followers of charismatic leaders identify themselves with the leader and are emotionally involved in the leader’s goals, exhibit extreme loyalty to and confidence in the leader, emulate the leader’s values and behavior, and derive self-esteem from their relationship with the leader (House, 1976). Because of the effects these leaders have on followers, the theory predicts that charismatic leaders produce in followers performance beyond expectations as well as strong commitment to the leader and his
or her vision. House’s charismatic theory has been extended and revised through the years (Conger & Kanungo, 1987).

2.6.4.B. Transformational and Transactional Theory

The term ‘transformational leadership’ was first coined by Downton (1973). However, it was the work of political sociologist James McGregor Burns (1978) that brought recognition to this approach of leadership. He distinguished between two types of leadership: transformational and transactional. Bass (1985) extended Burns’ work by giving more attention to the followers’ needs rather than that of leaders’. He described transformational and transactional leadership as single continuum rather than mutually independent continua (Yammarino, 1993). He extended House’ work by giving more attention to the emotional elements and origins of charisma and by suggesting that charisma is a necessary but not sufficient condition for transformational leadership. It enhances followers’ emotional attachment to the organization and emotional and motivational arousal in them as a consequence of leader’s behavior. It has four dimensions. The first one is charisma. Transformational leader provides vision and a sense of mission, instills pride, increases optimism, gains respect and trust from the subordinates (Bass, 1985). This dimension is also called idealized influence. The second dimension is inspirational motivation. The leader communicates high expectations to followers, using symbols and emotional appeals, motivates group members to achieve more than they would in their own self-interest. The third dimension individualized consideration represents leaders acting as coaches and advisers and trying to assist individuals becoming fully actualized. The last dimension is intellectual stimulation. It includes leadership that stimulates followers to be creative and innovative, and to challenge their own beliefs and values.
as well as those of the leader and the organization. Transactional leadership, on other hand, involves exchanges that occur between leader and follower. Followers receive certain rewards (e.g. wages, prestige) when they act according to the leader’s wishes. According to Burns (1978) such exchanges can be economic, political, or psychological in nature. Transactional leadership has two dimensions. The first one is \textit{contingent reward}. Rewards of followers are contingent upon effort expended and performance level achieved. The second dimension is \textit{(active) management by exception}. A leader only takes action when things go wrong and standards are not met. Leaders avoid giving direction if the old ways work and allow followers to continue their job as long as performance goals are met (Hater & Bass, 1988).

2.6.4.C. Criticism

Transformational leadership theory has several weaknesses such as lack of conceptual clarity (Tracey & Hinkin, 1998); lack of clear distinctions between the four factors or dimensions (Tejeda et al., 2001); lack of applicability in the lower rung of hierarchy (Bryman, 1992) etc. Apart from these there has been an inclination to view transformational theory from a trait perspective, even though some researchers view this as concerned with leader behavior.

2.6.4.D. Conclusions

It is noteworthy that the early management pioneers, such as, Henri Fayol, Henri Ford, Alfred P. Sloan, and even the scientific managers, such as, F. W. Taylor recognized the behavioral side of management, though they did not emphasize the human dimension. Such recognition was allowed to play only a minor role in comparison to the roles of hierarchical structure, specialization and the management functions of
planning and controlling. Review of literature has revealed that most of the studies related to leadership have direct or indirect implications for leadership styles. For example, the Hawthorne studies were interpreted in terms of their implications for the supervisory style. Douglas McGregor's Theory X represents the traditional authoritarian style of leadership and Theory Y represents a humanistic style of leadership. The Iowa studies analyzed the impact of autocratic, democratic, and laissez-faire styles. The studies conducted by Michigan group found the employee-centered supervisor to be more effective than the production centered-supervisor. The Ohio State studies identified consideration (a supportive style) and initiating structure (a directive style) as the major functions of leadership. The trait theories have indirect implications for style. Fiedler's contingency model indicates human-oriented, democratic, and task-directed styles. The path-goal theory indicates to directive, supportive, participative and achievement-oriented styles of leadership. The same is true of charismatic and transformational leaders who apply an inspirational style with vision. Whatever it is, we may safely say that leadership style can make a difference, both positively and negatively.

2.7. Emotional Intelligence and Leadership in Business

In recent years there has been a growth of literature regarding emotional aspects of organizational life (Fineman, 1997). Many have pointed out that, in spite of the numerous studies, we still seem to know a little about the characteristics of effective leadership (Kets de Vries, 1994). However, in studying effective leadership whichever model is examined it is underpinned by the need of leaders to possess emotional intelligence (Goleman, 1998a). Emotionally intelligent leaders are thought to be happier and more committed to their organizations (Abraham, 2000), achieve greater level of success (Miller, 1999), perform
better in the workplace (Goleman, 1998a; 1998b), take advantage of and use positive emotions to envision major improvements in organizational functioning (George, 2000), use emotions to improve their decision making and instill a sense of enthusiasm, trust and cooperation in their employees through interpersonal relationships (George, 2000) etc. A number of research works conducted at various parts of the world show the interest of academicians, industrialists and business people in the area of EI. Research has shown that EI is a better predictor of performance than personality (VanRooy & Viswesvaran, 2004). Lyons and Schneider (2005) found that certain dimensions of EI help perform better under stressful and challenging conditions. Sy et al. (2006) found that employees' EI was positively associated with job performance and satisfaction. In addition, managers' EI had a stronger positive correlation with job satisfaction for employees with lower EI. Austin et al. (2005) have shown EI to be positively associated with life satisfaction and social network size and quality. Groves (2006) revealed that emotional expressivity was strongly related to visionary leadership and such leaders with high emotional expressivity skills facilitated the greatest organizational changes in their respective organizations. One other study has suggested that EI competencies predict successful problem solving of cognitive tasks in teams (Jordan & Troth, 2004). Studies have also found that emotions are important in conflict resolution and contribute directly to team performance. Nikolaou and Tsaousis (2002) have shown a positive correlation between EI and organizational commitment, suggesting a new role for EI as a determinant of employee loyalty to organizations. Another study revealed that cognitive abilities are more related to individual performance, while EI is more related to group performance (Offermann et al. 2004). Studies have found that EI is a strong predictor of cross cultural success for internationally assigned
managers (Gabel et al. 2005). However, below mentioned are some of the studies in brief detail related specifically to emotional intelligence and leadership.

Dulewicz and Higgs (2000) examined the link between self-reported EI and job competence. Taking a sample of 58 managers from UK and Ireland they found that EI was able to explain a greater proportion of an individuals' advancement within the hierarchy of an organization than either cognitive intelligence or personality traits.

George (2000) suggested that EI plays an important role in leadership effectiveness arguing that a leader high in EI is able to accurately understand how the followers feel and use this information to influence the subordinate’s emotions, so that they are receptive and supportive to the goals and objectives of the organization. Leaders of this type are able to make better decisions.

Barling et al. (2000) examined the relationship between the transformational and transactional leadership (Bass, 1985; Bass & Avolio, 1994) and emotional intelligence. They concluded that EI is positively related to three components of transformational leadership (idealized influence, inspirational motivation, and individualized consideration) and contingent reward (a component of transactional leadership) with highest correlation between EI and inspirational motivations.

In the year 2000 a group of McClelland’s colleagues headed by Mary Fontaine and Ruth Jacobs, having studied 3871 business executives, revealed outstanding data supporting the relationship between EI and different leadership styles (Goleman, 2000). The research found
six leadership styles namely, coercive, authoritative, affiliative, democratic, pacesetting and coaching.

Table 4: Leadership Style, EI and Organizational Effectiveness  
(Goleman, 2000)

<table>
<thead>
<tr>
<th>Leadership Styles</th>
<th>EI Competencies</th>
<th>Impact on Climate</th>
<th>When Appropriate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coercive</td>
<td>Drive to achieve; initiative, emotional self-control</td>
<td>Strongly negative</td>
<td>In a crisis, to kick-start a turnaround, or with problem employees.</td>
</tr>
<tr>
<td>Authoritative</td>
<td>Self-confidence; empathy; change catalyst</td>
<td>Most strongly positive</td>
<td>When change requires a new vision, or when a clear direction is needed.</td>
</tr>
<tr>
<td>Affiliative</td>
<td>Empathy, building bonds; conflict management</td>
<td>Highly positive</td>
<td>To heal rifts in a team or to motivate during stressful times.</td>
</tr>
<tr>
<td>Democratic</td>
<td>Collaboration; team leadership; communication</td>
<td>Highly positive</td>
<td>To build buy-in or consensus, or to get valuable input from employees.</td>
</tr>
<tr>
<td>Pacesetting</td>
<td>Conscientiousness; drive to achieve; initiative</td>
<td>Highly negative</td>
<td>To get quick results from a highly motivated and competent team.</td>
</tr>
<tr>
<td>Coaching</td>
<td>Developing others; empathy; emotional self-awareness</td>
<td>Highly positive</td>
<td>To help an employee improve performance or develop long-term strengths.</td>
</tr>
</tbody>
</table>

The experts identified the underlying emotional competencies for each style and the impact of each of these styles on organizational climate. Four styles - the authoritative (sometimes called the ‘visionary’), the affiliative, the democratic and the coaching generally drive climate in
a positive direction. Two styles - the coercive and the pacesetting tend to drive climate downward, particularly when leaders overuse them (though each of these two can have positive impact if applied in appropriate situations). Their research indicated that out of the six leadership styles, the authoritative one was most effective while the coaching one was least used. The study indicated that leaders who had mastered four or more – especially the authoritative, democratic, affiliative and coaching styles – had the very best climate and business performance. And the most effective leaders are flexible to choose between different leadership styles as needed. At present we find the leader who is sensitive to the situation and is able to change and adapt to the styles according to the demand of the situation, would be successful one.

Palmer et al. (2001) examined the relationship between EI and effective leadership based on a sample of 43 participants. They concluded that the ability to monitor and the ability to manage emotion in oneself and others were both significantly correlated to the individualized consideration component of transformational leadership. The authors suggested that two underlying competencies of effective leadership are the ability to monitor emotion in oneself and others and the ability to manage emotion.

Caruso et al. (2002) have also discussed theoretical relationships between EI and effective leadership. They argued that leaders who are able to use emotions to guide decision-making are able to better motivate their subordinates. Finally these authors suggested that the ability to successfully manage emotions allows the leader to handle the stress of the job, the frustrations, disappointments and joys.
Results obtained by Palmer et al. (2001) were found to be replicated in a study by Gardner and Stough (2002) conducted on 110 senior level managers. The analysis revealed the components of transformational leadership (idealized attributes, idealized behaviors, inspirational motivation, intellectual stimulation and individualized consideration) were positively correlated with that of EI. The components of understanding emotions and emotional management were found to be the best predictor of transformational leadership styles.

Roberts (2002) of University of Delhi conducted a study on 110 top executives of an American based multinational company to determine the relationship between EI, burnout and conflict resolution styles. Analyzing the data it was observed that managers with high level of EQ were able to cope better with stress at personal and organizational levels, and therefore, were less prone to emotional burnout. The study concluded by saying that today’s fast changing, more open and fluid style of work put a premium on the combination of intellect and EQ, especially when it comes to trusting and teaming with others to solve problems.

Mansi (2002) of University of Delhi conducted another study on 200 managers of an apex financial institution in the same year with the objective to determine what extent emotional intelligence affects decision making among managers. Emotional intelligence was found to be somewhat related to decision making of assistant managers but there was no significant relation between emotional intelligence and decision making for managers.

Higgs and Aitken (2003) conducted a study on 40 senior managers working within the New Zealand Public Service (NZPS) in order to assess to what extent an individual's level of EI predicts leadership
potential. It measured the relationship between EI and eight areas of CEO competencies - Strategic leadership, leading capability building, leading political and stakeholder interface, leading change, intellectual leadership, leading culture building, building relationships and reputation, and building personal learning. The study provides evidence that EI may be a predictor of leadership potential.

Abraham Carmeli (2003) conducted a study on 262 senior managers employed as chief financial officers in the local government authorities in Israel. The objective of the study was to determine the relationship between emotional intelligence and work outcomes (job performance and withdrawal intentions), work behavior (organizational citizenship behavior) and work attitudes (job involvement, job satisfaction). The study revealed that EI correlated positively with work performance while negatively with withdrawal tendencies. Managers with higher EI displayed higher level of organizational citizenship behavior and overall job satisfaction.

Mandell and Pherwani (2003) examined the predictive relationship between EI and transformational leadership style and the gender differences. EI was found to significantly predict transformational leadership style. Gender, however, did not predict transformational leadership style over and above EI. These results indicate that EI could be used to identify leaders who demonstrate positive transformational leadership qualities.

Rosete and Ciarrochi (2005) conducted a study on 41 senior level executives in Australia in order to investigate the relationship between emotional intelligence (EI), personality, cognitive intelligence and leadership effectiveness. It was revealed that higher EI was associated
with higher leadership effectiveness, and that EI explained variance not explained by either personality or IQ.

Darolia and Darolia (2005) studied the role of emotional intelligence in coping with stress and emotional control behavior. The results showed EI helps in coping with stressful situations.

Malekar (2005) studied the relationship between three attributes of emotional intelligence, such as, social relationships, empathy and motivation and organizational effectiveness in managing employees. As a result, a matrix of managing human capital from the perspective of emotional intelligence has been prepared. Such matrix can be used at the time of evaluation of a candidate for a higher position as well as in a performance appraisal situation.

Punia (2005), in a study, found that leaders with higher emotional intelligence see changes as opportunities for betterment and they cherish not stability but ongoing development of individual workers and of the organization itself.

Dalip Singh (2005) explored the nature of management practices, which exist in organizations managed, by Indian managerial system and those that prevail in organizations being managed through Japanese, American and European managerial system. It was observed that there is positive relationship between emotional intelligence and managerial effectiveness. It was further observed that the European managers are high on both emotional intelligence and managerial effectiveness compared to their American, Indian and Japanese counterparts. The results have also found Indian managers are high on emotional intelligence after Europeans while the managerial effectiveness of the Indian organizations comes after European and American system.
Dasborough (2006) argued that leaders shape workplace affective events, which in turn produce emotional responses in employees. It was further argued leaders should apply EI to generate emotional uplifts and spread emotional contagion. It is suggested that organizational commitment and effectiveness may increase as a result.

Singh (2007) conducted a study on 340 software professionals of a large company in India in order to investigate the relationship between EI and leadership effectiveness. EI was found to be positively and significantly related to organizational leadership. The Relationship Management aspect of EI was found to be the most important predictor of leadership. Therefore, the author argues, employees need to develop their relationship skills in order to become effective leaders.

Koman and Wolff (2008) conducted a study on 349 aircrew and maintenance military team members with the objective of examining the relationships among team leader EI competencies, team level EI, and team performance. Results revealed that leaders with high EI competencies increase both their own personal performance as well as that of the teams they lead.

Momeni (2009) undertook to study the relation between the EI of managers and the organizational climate that they create on a sample of thirty managers from manufacturing car companies in Iran. Results revealed that the higher a manager's EI, the better the climate in the workplace. Among the four EI dimensions, social awareness and self-awareness have the greatest influence on organizational climate.
2.8. Research Gap and Relevance of Present Study

The review of literature has pointed to the growing interest in the area of emotional intelligence in the context of business. Studies on leadership have pointed to its importance in the lives of leaders. Most of such studies have taken place in order to assess the role of EI on transformational and charismatic leadership conducted in large organizations. The review of literature does not reveal any study relating EI to leadership behavior except that by Goleman (2000), as far as the researcher’s findings are concerned. Even though, in recent years, there has been a growing interest on transformational and transactional leadership, behavior of leaders is still very relevant in the realm of leadership. No study seems to have attempted to relate EI with task and relationship behaviors of leaders outside established organizational set ups. Research to study the EI of the leaders of unorganized sector, small firms and sole proprietors are few and far between. But this area deserves the attention of researchers. This is an obvious gap in existing research. The present research work has made a humble effort to fill such gap and enrich the existing body of knowledge by conducting a study with a sample of Government approved civil contractors who run business on sole proprietorship basis in Birbhum district of West Bengal. Thus the present study ventures to a virgin area and is expected to reap new ideas and views which will help the advancement of this discipline.
SUMMARY

During the early twentieth century psychologists divided intelligence into three categories, namely, verbal-propositional, spatial-performance and social intelligence. Intelligence though referred to as power to combine and separate concepts, judge, reason and engage in abstract thinking and represented by ‘g’ factor, it included intellective as well as non-intellective elements way back in 1940s. Following a series of research works and having recognized the emotional side of intelligence the view held by scientists regarding intelligence has changed a great deal. Howard Gardner has pointed to seven varieties of intelligence namely, linguistic, logical-mathematical, bodily-kinesthetic, spatial, musical, interpersonal and intrapersonal intelligence. Parallel to such research in intelligence was the constant search for factors that led to workplace success. Research has pointed to non-academic factors or non-cognitive aspects of intelligence contributing more towards workplace success. Psychologists Salovey and Mayer integrated two fields of work namely emotion and intelligence and thereby coined the term emotional intelligence. Their model includes abilities such as perceiving and expressing emotion in oneself, emotion facilitating cognitive process, employing emotional knowledge to understand and analyze emotions and regulation of emotions. They have established emotional intelligence as separate and distinct from so called Intelligence Quotient (IQ). Bar-On established his model of emotional intelligence as one of psychological well being and adaption. His views have been more or less echoed by the model propounded by Higgs and Dulewicz consisting of self-awareness, emotional resilience, motivation, impersonal sensitivity, influence, intuitiveness and conscientiousness. Goleman integrated emotional intelligence and workplace success. He points to the notion that effective
leaders are distinguished by high degree of emotional intelligence. His model includes competencies such as self-awareness, self-regulation, motivation, empathy and social skills. Research in India on emotional intelligence started just about a decade ago. A number of research works were carried out under the University of Delhi. Dalip Singh has given a comprehensive definition of emotional intelligence which has been well accepted in the Indian context. His model includes three psychological dimensions such as emotional sensitivity, emotional maturity and emotional competency.

Leadership has remained much explored area of research for about a century. Early studies identified traits such as intelligence, initiative, self-confidence, masculinity, drive and tolerance etc. leading to effective leadership. But it was hard to single out a list of traits that always led to effective leadership. The focus eventually shifted from the traits of individual leaders to the functions that leaders performed within their groups and the behavior they displayed towards their subordinates. A series of research identified two universal and independent dimensions of leader behavior, namely, task oriented and relationship oriented behavior. Success or otherwise of these behavioral dimensions, as identified by further research, depend on manifold situational variables such as leader member relations, position power, task structure, development level of subordinates, quality of decisions, degree of participation in decision making, acceptance of such decisions by the subordinates and few others. Since 1980s a new era in leadership research has dawned with focus on leading through emotions among other factors. Theories such as charismatic, transformational began to surface attempting to explain how certain leaders are able to achieve extra ordinary levels of follower motivation, admiration, commitment, dedication, loyalty, performance
etc. During middle of 1990s Daniel Goleman have successfully correlated emotional intelligence and leadership in business and pointed to emotional intelligence as the *sine qua non* of leadership. Since then a number of studies have been undertaken in order to assess the impact of emotional intelligence on leadership though most of which have concentrated on the transformational leadership approach. The present study has attempted to correlate emotional intelligence and behavioral styles of leadership in the context of sole proprietorship business units.
References

Books


**Journals, Magazines and Periodicals**


Papers


Research Monograph


Thesis and Dissertation


