CHAPTER 1
INTRODUCTION

In the present complex business scenario, organisations are compelled to give emphasis to improving effectiveness at individual, collective, as well as organisational levels. Organisational effectiveness is generally measured by objective considerations such as profitability, productivity, growth, turnover, etc. But effectiveness is also characterised by certain socio-psychological factors, such as job involvement, job satisfaction, organisational commitment, organisational attachment, consensus, etc., (Argyris, 1960). Studies have established that it is only when such socio-psychological factors are taken care of, the goals of profitability, productivity etc., can be achieved and sustained over a long time.

Individual’s occupational stress is an important impediment that has long been recognised and examined. A large number of research studies have been done on occupational stress. These studies can broadly be classified into three streams. The first stream consists of studies in which the antecedents of stress are explored (stimulus). The second stream consists of studies in which the consequences of stress are investigated (response). The third stream consists of studies that have explored the individual difference variables that moderate stress and its consequences (stimulus-response) (Frone, 1990). Majority of the studies belong to the first two streams where the factors contributing to stress and the impact of stress on individual/organisation have been explored. But due to the complexity of work environment it is being recognised that it is not possible to drastically change the stressful situations or stressors. Instead our approach to the problem is to be changed. That is to say, how individuals approach or perceive the situation play an important role in the stress process. An individual’s perception or appraisal of the situation very
much depends on how he/she recognises and evaluates his/her emotions. Hence emotions play an important role in the stress coping process.

Of late, Emotions and Emotional Intelligence have been recognised as very important in achieving organisational effectiveness as it is related to most of the organisationally relevant variables. Goleman (1995) recognised that effectiveness of workers, work group and the whole organisation is influenced by emotional and social competencies. Therefore, there is a need for scientific study in exploring the role of emotions and emotional intelligence in organisations to achieve effectiveness. Muchinsky (2000) opined that the time has come for researchers to acknowledge emotions as a legitimate domain of scientific inquiry.

Emotional intelligence represents a set of dispositional attributes (i.e., self-awareness, emotional management, self-motivation, empathy, and relationship management) for monitoring one’s own and others’ feelings, beliefs, and internal states in order to provide useful information to guide one’s and other’s thinking and action (Goleman, 1995; Salovey & Mayer, 1990). Individuals with high score on emotional intelligence are able to relate with others with compassion and empathy, have well-developed social skills, and use this emotional awareness to direct their actions and behaviour. Emotional intelligence dimensions have been considered as critical for effective performance in most jobs (Bradbury, 2002). When it comes to improving organisational effectiveness, management scholars and practitioners have begun to emphasise the importance of manager’s emotional intelligence (Harrison, 1997; Hesselbein et al, 1996).

The ability to manage feelings and handle stress is an important aspect of emotional intelligence that has been found to be important for success. Emotional intelligence includes, among other abilities, abilities to handle the day-to-day problems and stress. Goleman (1995) says that
emotional intelligence includes abilities of self-awareness, impulse control and delaying gratification and handling stress and anxiety. According to Bar-on (1997), emotional intelligence is an array of non cognitive capabilities, competencies, and skills that influence one’s ability to succeed in coping with environmental demands and pressures. Matthew & Zeidner (2001) suggest that successful coping with stressful encounters is central to emotional intelligence. Hence it is presumed that emotional intelligence is a stress-moderating variable and emotionally intelligent people are better able to control their stress level.

The modern world, which is said to be a world of achievements, is a world of stress. One finds stress everywhere, whether it be in a family or an organisation- economic, social or political. Right from the time of birth until the last breath drawn, an individual is invariably exposed to various stressful situations. The extent of stress, however, varies from individual to individual. Even though all the individuals working in an organisation are exposed to the same environment, where the stressors, i.e. factors contributing to stress, are the same, the levels of stress experienced by some people are very high when compared with others. It depends on how they appraise the situation as stressful. This means that individual-difference variables are viewed as either mediators or moderators in the stress phenomenon (Cox & Ferguson, 1991). Mediating variables are facilitating mechanisms in the stress process (Baron and Kenny, 1986) whereas moderator variables try to reduce or control the stress level in the stress process.

The mediator-focused research emphasises the processes that intervene between stressors and strain. Strain refers to maladaptive behavioural, psychological, and somatic response to stressors resulting from prolonged and intense experienced affect reactions and physiological arousal (Kahn et al, 1964). A mediator-focused approach to understanding the stress
response is provided in the cognitive appraisal theory of Lazarus and his colleagues (DeLongis et al, 1988). Lazarus proposed that appraisal processes mediate the relationship between the environment (stressor stimuli) and the person, and result in emotional and adaptational outcomes. This theory focuses on the individual’s appraisal of a situation as stressful and treats cognition and emotion as interdependent factors concurrently involved in the mediating process (Folkman et al, 1979). In the transactional model of stress, Lazarus and Folkman (1984) suggest that it is the interaction of the person and environment that creates a felt stress for the individual. It is thus clear that stress arises out of the transaction between the people and the environment, and emotions play an important role in the stress coping process.

The two major coping strategies generally adopted by individuals in the stress process are problem-focused and emotion-focused coping strategies. Problem-focused coping is more likely when situational demands are appraised as controllable and emotion-focused coping may be used more frequently and more effectively when stressful situations are appraised as unchangeable or uncontrollable (Folkman and Lazarus, 1980, Roth and Cohen, 1989). But in the present business environment of globalisation, takeovers, mergers and downsizing most of the stressful situations are unchangeable, i.e. problem-focused coping is not always possible. Individuals who have control over their emotions can effectively apply emotion-focused coping. In other words, individuals with high score on emotional intelligence are expected to successfully apply emotion-focused coping in stressful situations.

In the past few decades, empirical researches on stress have increased manifold. One of the major areas of research appears to be organisational stress in general and role stress in particular. The concept of organisational stress was first evolved in the classic work of Kahn et al., (1964). Organisational stress originates from organisational demands, which
are experienced by the individual. Because of its negative effects in the workplace, organisational stress has significant implications for organisations. Research studies have shown that although most of the costs of stress are health related, physical and mental, there is considerable loss due to the effect of stress on organisations as stress leads to low productivity, high absenteeism, more tiredness, low enthusiasm for work, low creativity, and high dissatisfaction with work (see, for example, Cooper & Marshall, 1978; Matterson & Ivancevich, 1987). A number of research studies on organisational stress have focused on its relationship with job satisfaction. These studies generally indicate that job stress and satisfaction are inversely related (Hollon & Chesser, 1976). Similar findings of the indirect effect of stress on turnover intentions through job satisfaction have been reported by Hendrix, Ovalle, and Troxier (1985). It has also been found that stress has a negative relationship with mental health (Gavin, 1975), psychosomatic symptoms (Gavin Axelrod, 1977), psychological well-being (Tetick & LaRocco, 1987), commitment (Erickson, Pugh, & Gunderson, 1972), attitudes toward role senders (Miles & Petty 1975), job threat and anxiety (Tosi, 1971), non-work satisfaction (Lance & Richardson, 1988) and job involvement (Hollon & Chesser, 1976). Brief, Schuler and Van Harison (1981) have also reported that stress could result in decreased job satisfaction and low level of performance and effectiveness. Organisational stress is positively related to turnover, turnover intentions, absenteeism (e.g., Jamal, 1984) and tension (Kemery et al. 1985).

Stress is often described as the silent killer because the effects of stress are not readily apparent, they may either go undiagnosed or take a long time before they are manifested leading to permanent damage. Stress can affect anyone and its impact on physical and psychological well-being is well studied. It is also well documented that stress-related illnesses severely impact employers as well as individual employees (Singh, D. 2003).
Stress, particularly occupational stress, is a menace to every organisation. Managers are the main targets of attention as they are the key people in every organisation and organisations' performance very much depends on the performance of managers. Studies on organisational behaviour reveal that stress among managers in organisations is becoming an important matter of concern since it has an adverse effect on health, mental and social well-being and effectiveness. It is for this reason that organisations are expending a huge amount for reducing the stress level of its human resource by way of providing various types of training programmes.

It is now clearly established that emotional intelligence is very important in organisations and the ability to manage feelings and handle stress is an important aspect of EI. Even though a number of studies have been done to prove that EI is related to organisationally relevant variables like leadership effectiveness, job satisfaction, performance, career success etc., and the theoretical grounding for emotional intelligence-stress-relationship seems sound, only a few studies have been done to establish this linkage. Hence, there is a need for scientific studies to establish this linkage and this study is an attempt to empirically examine the relationship between EI and organisational role stress among managers.