

# Emotional Intelligence for Effective Business Leadership

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## Abstract

This paper is strictly based on emotional intelligence for effective business leadership and successful business organization. The study on Emotional intelligence investigates the potential impact on one's ability to understand the emotions and feelings of people in the organization. By conducting qualitative interviews and focus groups with some of the industrialist and business organizations, this research explores the impact of Emotional intelligence on the values, perceptions, health, and behavioral changes of the individual workgroup, it is suggested that people with high emotional intelligence identify and know about what they are feeling, how they need to react over certain things and issues that arise in the workplace. Furthermore, the study investigates that emotionally intelligent leaders will identify the workplace culture and act according to it, so as to maintain the organization efficiency. It helps in addressing situation tactfully and lead to avoid misunderstanding and conflicts. The most common impact of lack of EI is the poor coordination and lack of emotional stability with co-workers.

**Keywords:** Leadership, Emotional intelligence, motivation, conflict, workplace culture, works stress.

## Introduction

The core areas of emotional intelligence made up by four elements i.e. Awareness about self, self-management, awareness about nearby environment and its people and management of relationships. Emotionally Intelligent leaders deals with workplace stressful situations, conflicts and anxiety with ease, Emotional intelligence is the requirement of today organization culture that helps in avoiding conflicts, stress, anxiety and job satisfaction that helps in improving productivity and efficiency of the organization. Emotional Intelligence deals with the concept of ability to understand the emotions of own and the others at the workplace that will impact someone positively and negatively, emotions will take someone's ability to think and to make decisions. Business leaders who are emotionally drowned while taking any big decisions regarding their organization will be biased and thus not effectively implemented.

Due to advancement in every aspect of the business organization, it will be the requisite to remain in cutting edge competition where business leaders will need to take practical and flexible decisions; Emotional intelligence will play a major role in taking those decisions. Every organization consist of diversified groups of employee that have distinct belief and value system, where they perceived dispute or conflict according to their way of thinking, every leaders need to identify these kind of culprits need of their organization and handle the situations as in effective manner.

According to Carblis(2008) he acknowledges that changing patterns of economic competition have led to greater emphasis in soft skills which include; personal attributes of teamwork, work ethics, flexibility

and ease of adaptation to change. The emotional intelligence ideology brings into existence in 1990 and introduced firstly by Peter Salovey and John Mayer where they tell about the concept of social intelligence that is different from general intelligence of the people. Emotional intelligence is the key indicator that differentiates between an intelligent leader and the brilliant one.

### **Emotional Intelligence-A Pathway to Key to Success**

Emotional intelligence is a major role player and acts as a catalyst in every organizational development activity; it will impact every aspect and the process of the organization. Every organization should understand the relevance of emotional intelligence it will help in maintaining emotional integrity and wellness among employees. It will lead to lesser stress and increased leadership capacity. Leaders who demonstrate high emotional intelligence in the organization have potentially reduced negative effects on their thought process and strengthen their decision-making power. Business Leaders with a strongly held emotional intelligence will be able to manage stressful matters effectively, thus it helps in maintaining higher productivity and efficient utilization of resources of the organization. Emotions that any employee undergoes during their work duties impact not only their psychological health but also their physical health; it will lead to emotional burnout, health issues, etc., and bring a negative attitude towards the duties and responsibilities of the organization in general. Workers are prone to burnout which is caused by emotional exhaustion, diminished personal accomplishment, and depersonalization (Moon and Hur 2011, 1088).

Emotional intelligence will help in improving organizational climate and maintain harmony in the diversified culture prevailing in any organization. Emotional intelligence acts as a catalyst to know the qualities that need to be present in the leaders, to sustain their leadership quality in an organization in an effective manner. A leader's emotional intelligence works positively and negatively in the context of organizational goals. Emotional intelligence brings effective leadership and creates strong leadership; it helps them to become self-aware, take responsibility effectively, the build trustful relationships. Emotional intelligence helps the leaders build strong and trusting relationships with the team members and thus increase group cohesiveness among team members. Leaders who have good command over their emotions will understand the needs, feelings, and wants of their team members and thus have to maintain strong and trusting relationships with the team members. This will help in creating communication effectively and empathy towards the needs of the team.

A leader with strong emotional intelligence can connect and collaborate with other people, according to the needs of the team members. A leader with strong and positive emotional intelligence will have the ability to coach, control conflicts and stress, and help with the emotional burnout of the team members. Effective leadership not only deals in the area of technical expertise but mostly effective leaderships have a one level up and strongly conveyed emotional intelligence that deals with to recognize, understand, and maintain their own emotions and others' too. Emotional intelligence of basically have four components, these four components play an essential part in emotional intelligence creation;-

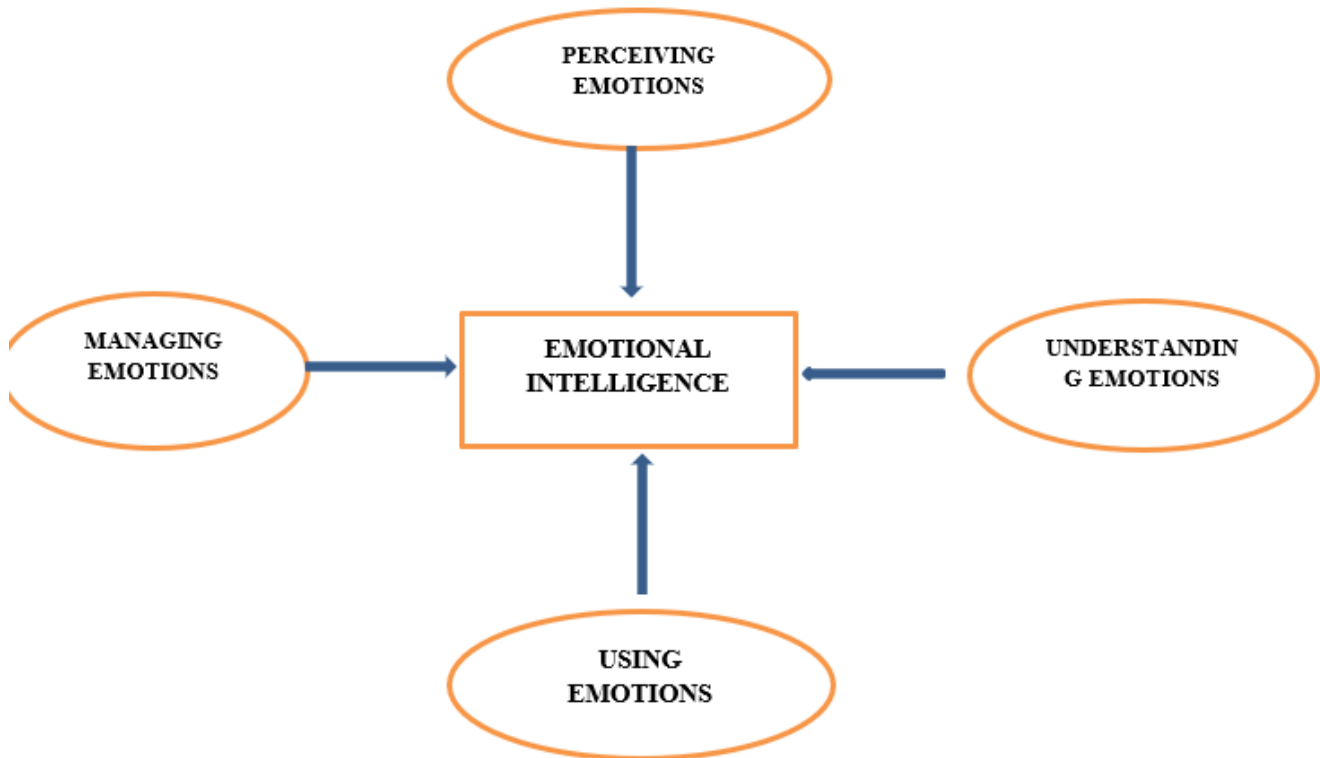
- a) **Self-awareness**- Self-awareness means the person's ability to recognize their strength, weaknesses, emotions, beliefs, and values.
- b) **Self-regulations**-Self Self-regulations deal with how one can regulate or we can say control their own emotions, thoughts, or behaviors that are needed to act right and aligned with one's goals.
- c) **Social Awareness**- It deals in the area of understanding the needs, emotions, and feelings of other persons and the ability to understand and empathize with their perspective.

d) **Managing Relations** –It deals in the area of one's abilities to build strong interpersonal relationships among people and manage stress and conflicts.

**Importance Of Emotional Intelligence for Effective Organization Leadership-**

Emotional intelligence in business leaders are they key aspect and necessary for the successful running of any organization, as a satisfied employee brings a positive impact on organizational work it helps the business leaders-

1. To have difficult conversations with the employees without hurting their feelings.
2. To act and manage emotions when feeling stressed and depressed.
3. To resolve the conflicts effectively and efficiently.
4. To provide better mentoring, counseling, and motivation to all employees.
5. It helps in increasing and creating a coordinating and collaborative environment.



**Factors Affecting Emotional Intelligence In Business Organization In Organizational Context-**

Certain factors will make a great impact on the emotional intelligence of the leaders while supervising their subordinates and performing tasks, these factors include-

- A. Job Autonomy-** Job autonomy is one of the factors that will impact the working efficiency of the leaders; as it allows them to freely make certain decisions at a certain level or extent and to give supervision as per their own, job autonomy provides freedom to do work with a certain level of control.
- B. Personal Growth-**Personal growth is one of the given emotional factors that will impact the leaders and employees of the organization, as everyone wants to see themselves at a certain level of growth in their career part, so while performing their tasks in the organization they will be focused on extremes on their personal growth, that sometimes lead to stress, anxiety and burnout conditions.
- C. Organizational Commitment-**Every organization has based on certain goals and objectives that constitute part of its policies, formulations of objectives, rules, and regulations, and every employee

will be committed to their organizational growth while providing their potential, sometimes performing the tasks and duties will create burnout conditions to the employee that will lead to bring their emotions burst out and they will act inappropriately.

- D. Environmental conditions-** Environmental conditions act as a major role player or one can say that brings an impact on the emotional conditions of the leaders and employees of the organizations, organizational politics, group conflicts, lack of defined responsibilities, role ambiguity, etc. will make a delusional effect on the mindset of the employees of the organization and will lead to a positive or negative impact on their feelings and emotions.
- E.** Emotional intelligence concept will be started by the concept of self-awareness where person will understand their own well beings and emotions. Its helps in knowing about one's need of understanding about themselves and others. Emotional intelligence consists of self-awareness, self-regulations, motivation, empathy and social skills required that one's acquired and perceived. In an organization workplace, any managers should need to identify about their self-need and see things objectively; effective leaders are often very emotionally intelligent.

### Literature Review-

1. Chiva and Alegre (2008) recognized that Goleman's (1995; 1998) work on EI is additionally extremely pivotal in building hypothesis regarding the matter. Goleman's (1998) work showed that EI capacities are multiple times significant and are at a higher position for accomplishing greatness than specialized and intellectual abilities.
2. Nelis, Quoidbach, Mikolajczak, and Hansenne (2009) "Emotional Intelligence Interventions to Increase Student Success" zeroed in on the development of emotional intelligence (EI) which alludes to the person contrasts in the insight, handling, guideline, and use of emotional data, which fundamentally affect significant life results. These discoveries recommend that EI can be improved and open new treatment roads.
3. Petrides and Furnham (2001) fostered the Trait Emotional Intelligence model which is a blend of emotionallyrelated self-perceived capacities and states of mind that are found at the most minimal degrees of the character pecking order. The trait EI basically concerns our view of our inward emotional world.
4. Ciarrochi et al., 2001; Petrides & Furnham, 2003; Sevdalis et al., 2007 Social and character research has shown a connection between trait EI and negative state of mind. In particular, people higher in trait EI are more capable of perceiving the source which triggers a negative state of mind or feeling and accordingly shows more effective mood management behavior.
5. In a research that accomplished between 19 organizations in the United Arab Emirates showed that there is a negative relationship between contrast and emotional intelligence. In this research when selected sample of emotional intelligence was measured, correlation coefficient was  $-.52$  and when an emotional intelligence was measured by employees , correlation coefficient was  $-.22$ , that the employees and administers idea about emotional intelligence rate of employees is different (Suliman& Sheikh, 2007: 208-220).
6. A research in 2008 among 186 executive managers in two selected organizations of Canada was accomplished. The results from T-Test showed that emotional intelligence rate of leader (selected sample) is more than emotional intelligence of the public. Also the results of this research showed

that in organizations that their leaders has high emotional intelligence, their profitability is higher (Stein & Sitarenio, 2009:87-101).

7. Poon in a study that was accomplished on graduated students of business from 3 universities of Malaysia, conclude that for employees with moderate to high emotional intelligence, job commitment effect on success in the improvement of job course. Also the results of this study showed that there is a positive relation between organizational commitment and job satisfactory (Poon,2004,pp374-390).
8. Petrides et al. (2004) proposed a conceptual distinction between the ability based model and a trait based model of EI. —Trait EI model refers to an individual's self-perceptions of his emotional abilities. This definition of EI includes behavioral tendency and self-perceived abilities and is measured by self-report. Trait EI should be investigated within a personality framework. An alternative name for the same construct is trait emotional self-efficacy.
9. Dr.Carmen Ferrandiz(2005)[5] proven in his research work that an important role is played by emotional intelligence in the academic performance of a student; emotional intelligence comprises a large set of abilities that have been studied by psychologists for many years. Thus emotional intelligence can be measured through tests of specific abilities
10. Bell (2008) [6] conducted a study to examine the relationship between emotional intelligence and academic achievement in African American female college students. His research concluded that emotional intelligence did not play a significant role in their academic performance. But, stress management being one of the components of emotional intelligence, was weakly correlated with academic performances of the students
11. In July 2013 S Chamundeswari [9] found in his research that many researches done by other researchers have concluded that those people are likely to live contented life and perform well in life who could manage their own feelings well and deal effectively with others too. Moreover, happy people are more likely to retain information in comparison to those who are dissatisfied and unhappy.
12. Juan.F.Ramirez(2016) [4] in his paper demonstrated that students with higher EI scores are likely to perform better academically. The research conducted contributed to the importance of the implementation of EI training. Juan's results indicated that EI practices in undergraduate college programs can effectively and positively improve academic success. Respondents in his study identified the four EI components of personal and social competencies as key elements in achieving academic success. They are Self-awareness, Self-management, Social awareness and Relationship management. The participants 'lived experiences in this research provided a better understanding of the importance of incorporating EI practices in their curriculum.

### **Objective of the Study-**

The study is based on impact of emotional intelligence of the leaders on the success of the organization as well as its potential impact on the health and decision making abilities of the person.

1. To know the role of Emotional intelligence on the working efficiency and growth of the employee.
2. To identify various factors that will impact the emotional intelligence of the people.
3. To identify how a strong emotionally intelligent person deals with workplace conflicts, disputes, and stress.
4. To find out the impact of Low emotional intelligence on employee emotional well-being and job sat-

isfaction.

### **Research Methodology**

The current study attempt to explain the concept of emotional intelligence on the leadership capabilities of the organization members, and about knowing impact on the working efficiency, psychological, physical, mental wellness, health and level of job satisfaction among the employees and how strongly possessed and presence of emotional intelligence of the leaders as well as employees of the organization will lead to higher productivity, increase in efficiency and create a positive atmosphere within and outside of the organization.

The nature of the study of this research is purely in a qualitative form, which based on interviews, discussions and focused group approach and also secondary data will be collected in the form of conceptual and descriptive way, which is based on previously done researches in this area, all the data is collected from the secondary source of information like e-journals, websites, newspaper, government publications and various e-resources.

Purposive sampling method should be taken in which sample of 40 members of the business organization should take place by which qualitative data for related to the emotional intelligence role and impact should be known through interviews responses and contextual observations.

Data collected through interviews and observations will be analyzed by thematic analysis method by which analyses of the change in behavior and pattern of the person should be seen, and thus helps in identifying varied impact on the various aspects of the person whether it is physical, psychological or emotional.

### **Result and Finding**

It is found that the emotional intelligence play a major role in the person efficiency while performing any task in the organization, if the person will be emotionally drowned he will take inappropriate decisions and it will impact on their physical health. If the person has a quality to control their emotions and they know about how to act or react on certain situations it will help them to cope up with various discrepancies of the work culture and environment. Emotionally intelligent person brings positivity in the organization, increased productivity, lesser disputes and higher job satisfaction. The finding reveal about how much and many times the person feel emotionally drained, and what they do to cope up from these. Participants expressed varied perceptions over emotional intelligence role and impact on their personal and professional fronts, one of the participants answered that I will distinctively react in every situation, as I am too much sensitive to my emotions and sometime due to some issues at personal as well as professional fronts I feel depressed and my work efficiency became down.

### **Conclusion**

Emotional intelligence plays a major and vital role in the success of any organization, it showcases how the organization and its people will work together and function to succeed, emotional intelligence plays a major role in every human interaction with each other, Emotional intelligence will help in creating the positive mindset and work culture in the organization. Any organization with a low emotional intelligence culture would be affected by a lack of coordination and support that leads to an inefficient workforce and impacts their capacity to work and complete the given tasks, so strongly held emotional intelligence is the base and requirement of today's world. The person having a sense of self-awareness

will be able to understand their strength and weaknesses and thus know about their actions that will impact others. Emotionally intelligent leaders are capable of knowing how to deal with complex situations with ease and cope with the stress and anxiety of the workplace. To maintain optimism in the workplace environment and boost work efficiencies, the presence of a high level of emotional intelligence among employees is the need of every organization to sustain itself in this competitive world and maintain harmony internally as well as externally of the organization.

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