A Study of the Role of Emotional Intelligence in Organizational Effectiveness in the Post Globalized Era

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Abstract:
Among all other things that mark the business in the post globalized world, the most intense are an organizations’ need to cope with massive rapid change, to manage huge amounts of information, to increase customer loyalty, need for more creative and innovative workforce, need to maintain self-motivated and committed workforce, need of people working together as group, need to make better use of the special talents available in a diverse workforce, to identify potential leaders in its ranks and prepare them to make up, to identify and recommend top talent, need to make good decisions about new market products & strategic alliances and preparing people for overseas assignments. These needs are the greatest challenges that face all organizations today – both public and private sector.

On deriving deeper into each of these needs we notice that achieving of all these needs directly depends on the consistent interaction with people and that too not necessarily of our choice. And when human beings are brought together to complete tasks, it becomes inevitable that emotions will play a role. “Don’t bring your personal problems to work” is one of the alternatives of the argument that emotions are inappropriate in the workplace. But it is not always possible to have business decisions on information, logic, calm cool reason, with emotions kept on a minimum. Emotional neutrality may seem to be an ideal, but it is unrealistic. To be more specific it is unrealistic to suppose that emotions shouldn’t be checked at the door when one arrives at work because every single decision that one makes and every single action that one takes is sure to have some kind of emotional impact whether intentional or unintentional on oneself and others. Here it would not be out of place to state that people who try to keep feelings out of sight usually come across as rigid, detached and fearful and fail to participate fully in the life of the workplace and it is not at all good for the health of an organization for such people to move into any management roles. The same holds fair enough in care of people who emote excessively. So, an ideal situation for the modern organizations would be acknowledging that emotions are always present and doing something intelligent with them and this has been given a term – Emotional Intelligence (EI) – within Human Resource Departments and is making its way fast into the Executive Board Rooms. Against this backdrop this paper attempts to present the fact that EI is linked with outcomes and improvement and that the use of EI can lead to better worklife results for anyone who consciously applies it.

Keywords: Emotional Intelligence, Self-Awareness, Self-Regulation, Empathy.

Introduction
Liberation, Privatization and Globalization have drastically changed the way business and industry function. The modern business scenario is marked by the phenomenon of joint ventures, mergers, acquisitions, trade pacts between nations, and strategic alliances in a significant manner and at a higher speed than ever before. Organizations are not any more enclosed within fixed boundaries; they are evolving continuously and are interacting with the external world more intensely than hitherto. Customers have become global, powerful, enlightened, discriminating and are aware of choices more than ever before. And the companies focus is on the importance of fixed costs, attracting and re-attracting employees, changing aspirations, technology up-gradation, financialization, speed response, and currency volatility. Due to the changing social aspects, information dissemination and changing aspirations transformation has taken place from a physical asset dominated economy to a service and information driven economy, in which intangible drive the market place due to which Human Capital has become the greatest single asset of an organization and employee competency has become the key factor for excellence.

Initially, breakfast meetings, customers, sales, targets, number crunching and deadlines seemed fun proposition. But, closely following at the heel of career growth; success and party time have come to the constant demands on mental and emotional reserves, to the point of depletion, as companies run at top speed. The frenetic business moves of the corporate world have made a foray into both personal and professional lives demanding an ability to cope with the pace and the pressures. In this situation an emotional resilience has become the need of the hours as it is now crucial for professional success. And this resilience heavily draws from the core of Emotional Intelligence (EI) which are the intangible qualities and competencies that determine a persons’ ability to fit into a particular structure or situation in an organization like a project team, a group discussion or a meeting because s/he has to get along with others, treat everyone with respect, accept responsibility for their actions, communicate ideas well in person and in writing, provide constructive feedback when others make mistakes, be willing to share their knowledge and coach others. Furthermore, s/he has to be even-tempered and well adjusted.

Carole Nicolaides, Founder and President of progressive Leadership Inc. says:
“Those professionals need to know how to handle themselves at work and how to relate themselves at work and how to relate with their customers and peers. From showing empathy and optimism of knowing what’s going on around them, these vital competencies are an integral part of a progressive or organizations.”

Of late even the Corporations around the world have begun to realize that the best financial
experts, most innovative design engineers, or savvy lawyers are incomplete with just knowledge and technical expertise.

As per the research of Turknett Leadership Group there is almost no difference in technical skill between the best leaders they have coached and those who are rated the lowest. The difference lies in their ability to facilitate teamwork, motivate others, and be an inspirational role model.

This fact contradicts widely held belief that Intelligence or Intelligence Quotient (IQ) wholly determines professional success in life. History itself is replete with many examples of those who have made an indelible mark despite not having impressive intellectual credentials. It is surprising to note that people with high IQ fail to achieve what those with lesser IQ coupled with qualities like initiative, adaptability, drive for achievement, understanding for people, empathy etc., succeed.

It is worth mentioning at this point how Indra Nooyi, apparently termed as an average student of IIM-C raced her way to success to covet the enviable CEO position of PepsiCo. Dhirubhai Ambani, without any formal exposure to management education went on to be the architect of Reliance Empire by the sheer dint of hard work and excellent people management skills.

What sets apart Indra Nooyi or Dhirubhai Ambani or Jamsheed Irani Tata from the brand of other managers with far more academic excellence lies in their ability to balance the qualities of head and heart. Thus at the base of every success story are the qualities of emotional resilience which is popularly known as Emotional Intelligence (EI). Understanding of attitudes, perceptions, persuasion, intentions, emotional maturity, eagerness to learn, willingness to share one’s knowledge with others, flexibility to new ideas, keenness to collaborate with the peers, empathy come under the umbrella of EI. And the organizations are increasingly looking at the possession of these qualities and hence the Emotional Intelligence in both current and prospective employees.

Origin of Emotional Intelligence

Though the term Emotional Intelligence (EI) is a recent coinage by modern academicians, the concept of “Sthitha-prajna” (emotional stability), similar to the concept of EI, can be traced in the second chapter of Srimad Bhagavad-Gita, one of the most profound renderings of Hindu view of human life written in approximately 900 B.C. It is a specific conversation between Lord Krishna and Arjuna (third Pandava) in the battlefield of Kurukshetra. Pandavas were fighting against their cousins, the Kauravas, to restore their kingdom from them. Before the battle started, Arjuna, was unwilling to fight against his close relatives, friends and respected ‘Guru’ in enemy’s side. To win the battle he had to kill them. He got confused about his rightful duty and he refused to join the battle. At this time, Lord Krishna who was driving Arjuna’s chariot enlightened him about the eternal truth of life. According to Lord Krishna, Arjuna suffered from this indecisiveness due to confusion and a false sense of insecurity. He advised Arjuna to become ‘Sthitha-prajna’ (steady-minded person). He explained that an individual achieved his/her goal only when the mind became steady, poised and balanced. Evidently, the concept of ‘Sthitha-prajna’ (steady-minded person) talked about a unique interdependence between ‘emotion’ and ‘intelligence’ for effective decision-making which was most essential in excelling in every sphere of life. Srimad Bhagavad-Gita, as a whole, advises all to balance between ‘emotion’ and ‘intelligence’. Even Mahatma Gandhi’s principle of non-violence lays great emphasis on controlling one’s emotions. The three monkey’s picture with closed eyes, ears and mouth indicates how an emotionally intelligent person should react to unprecedented situations. Thus, the importance of both emotion and intelligence in making decisions and achieving success in life was, therefore, well-accepted in ancient India.

The term Emotional Intelligence (EI), though made its sporadic appearance in the psychological literature during 1970’s and 1980’s, it is not all that new to even the western world. The Greek Philosopher Aristotle (384-322 BC) too reported to have made a reference to EI. “Those who are not angry at the things they should be angry at the thought to be fools, and so are those who are not angry in the right way, at the right time, or with the right persons; for such a man is thought not to feel things nor to be pained by them; and, since he does not get angry, he is thought unlikely to defend himself…” Since then, intellectuals have been working on ‘feelings’ either to prove or disprove the importance of ‘emotions’. However, this was only after the publication of the work of Daniel Goleman in 1995 on EI in which he has presented a lot of interesting information on the brain, emotions and behavior that psychologists, management consultants, researchers, and educators have started taking interest in this concept and explored possibilities of its application in different spheres of human life.

What is Emotional Intelligence?

The conventional definition of this phenomenon talks about including the literary meanings of both the terms namely ‘emotion’ and ‘intelligence’. According to Webster’s New World Dictionary – “emotion is used to designate a state of consciousness having to do with the arousal of feelings” were in feeling refer to ‘any of the subjective reactions, pleasant or unpleasant’ that one may experience in a situation whereas “intelligence is the ability to acquire and retain knowledge”. Its possession implies the use of reason or intellect in solving problems and directing conduct. Hence, EI is the efficiency with which a person is able to control his or her emotions. This skill enables one to manage feelings and relate to the feelings of others. It helps in being dispassionate and objective, eliminating rage, depression and fear and thereby creating a positive environment. It is also required
for anger management, de-stressing, problem-solving, decision making, resolving conflicts and motivation and to be harmonious with the environment.

Consequently, EI can be defined as a person’s ability to understand one’s own emotions and those of others with whom s/he will be interacting on a daily basis and acting/reacting meaningfully using these emotions. Daniel Goleman, the internationally renowned author, psychologist and a corporate consultant, defined EI as an “ability to manage emotions at all times with components such as self-awareness, self-management, social awareness and relationship management”. He declares EI as the mightiest weapon in achieving success in a workplace.

He went on to set five elements of EI competencies that determine one’s potential and have proven to contribute more to workplace achievement than technical skills, cognitive ability, and standard personality traits:

- Self-Awareness
- Self-Regulation
- Self-Motivation
- Empathy
- Social Skills

Self-Awareness: Self-awareness has been defined ‘being aware of both our mood and our thoughts about the mood’. Self-awareness guides an individual to fine-tune the on-the-job performance style to become more acceptable and socially networked, which are the key factors for success in an organizational context today. Goleman proposed the sub-components of Self-Awareness which are the vital foundation skill as – Emotional Awareness, Accurate-Self-Assessment, and Self-Confidence.

- Self-Regulation: An individual should try to regulate the feelings and the consequent reactions as per the situational requirements. Having higher level of self-regulation means that an individual does not dwindle under the negative emotional feelings and become depressed, agitated, angry and frustrated; rather s/he converts this feeling into a more positive one by justifying the cause and effect relationship existing in the situation. It needs to be understood that human beings have to suffer from emotional outbursts, but an individual’s emotional intelligence, more specifically, the self-regulation component, helps him/her to activate the defense mechanism as soon as possible. Goleman proposed the sub-components of Self-Regulation which are the vital foundation skill – Self-control, Trustworthiness, Conscientiousness, Adaptability, and Innovation.

- Self-Motivation
Self-motivation in the context of EI basically stresses on the role of “self” to get charged up for performance. The strengths from within is required to be mobilized enough, to get going. There is no point to worry about the things one cannot control i.e. about the external factors; rather one should concentrate to improve on one’s own strengths i.e. the internal factors like self-motivation and be optimistic that their strength will help them to win against the external odds. Goleman proposed Achievement-drive, Commitment, Initiative and Optimism as the sub-components of Self-Motivation.

- Empathy:
The skill of empathy starts when an individual relates oneself with the other person and builds a relationship with him/her. In fact, Self-Awareness and Self-Regulation are the building blocks in the journey towards becoming empathetic towards others. People, who manage to communicate negative criticism with empathy and sensitivity, eventually manage to maintain their credentials as trusting, honest well-wishers. Goleman proposed Understanding Others, Service Orientation, Developing Others, Leveraging Diversity and Political Awareness as the vital sub-components of Empathy.

Social Skill:
Social skill is the ability to handle another person’s emotions artfully which underlies several competencies viz: wielding effective tactics of persuasion, sending clear and convincing messages, negotiating and resolving disagreements, inspiring and guiding, initiating, promoting or managing change. Goleman proposed the sub-components of Social Skill which are the vital foundation skill – Influence, Communication, Conflict Management, Leadership, and Change Catalysts.

Role-based Effectiveness of Emotional Intelligence

Top Executives:
The constant pressure to outperforming their own selves often leads to anxiety, fear, stress and even guilt and depression among the top executives who are at the helm of the strategic decision-making responsibilities. EI makes these executives not only aware of the emotional disturbances but also helps them to handle them positively and constructively. Furthermore, it helps these executives to demonstrate empathy and compassion, making them more acceptable to the followers.

Middle Level Managers and Supervisors:
They are the line managers, who have direct contact with the people at the organizational level. Naturally, the effectiveness of their behavior is directly related to the employees’ level of satisfaction, motivation and retention. Therefore, they need to balance the top management’s expectations and those of the lower level employees. They also need to constantly create harmony between concerns for tasks and people.
Hence they have a dual role, both as nurturing leaders as well as task-oriented managers. This definitely demands high EI which not only helps the managers to remain cool and calm in trying situations with their subordinates and bosses, but also facilitates to regulate their own emotions as and when required.

**Team Leaders:**

Team leaders are accountable for creating a positive work environment where all the team members work towards achieving the team goals which ultimately leads to achieving organizational goals. In the process, negative fall-out effects of task-obsessive behaviors, power relationships and sometimes, non-availability of sufficient resources, are required to be minimized. Failure to do so may result in frustration, anxiety, suspicion, resentment and/or diissonance among the team members. EI helps Team Leaders to maintain a positive and stable attitude and optimism in trying situations. Moreover, by improving their own emotional intelligence and motivation, they motivate their teams to high levels of sustained performance and achievement.

**Sales Professionals:**

Sales people, working with the external stakeholders have to often work in difficult situations, given pricing and quality of the product, quantity and delivery schedule of the order, and sometimes face the customer dissatisfaction about the products and services. These situations often lead to anxiety, fear, frustration, anger and depression. When sales decline, sales people are de-motivated and customers are dissatisfied. Enhancing EI skills allows the sales person to have more control over their emotions and, thus the adverse situation they may be in. They can stay mentally focused and remain optimistic despite intense pressure and adversities. Being able to empathize with the customer allows for faster, more effective problem-solving through timely initiation of concrete action and better communication. Developing strong relationships with customers, in trying situations, ensures relatively higher sales and better cooperation, even when if problem arise.

**Self-managed Teams:**

Self-managed teams are constantly under pressure to work smoothly when deadlines are tight, resources are scarce and when team structures are impermanent, tentative and flexible in nature. Often, the team members feel frustrated, anxious and angry when one or some team members would fail to perform up to the mark, affecting the team performance. They feel agitated when they are required to meet the deadline despite a heavy resource crunch and may also feel uncomfortable with the new team members. EI can help in dealing with the emotional turmoil of the team members and help in promoting team cohesion and trust.

**Customer Care Executives (CCEs):**

These people have to deal with the customers (potential, satisfied, dissatisfied) and have the responsibility to protect the organization’s reputation in public. While dealing with dissatisfied customers they often have to absorb verbal abuse, insult and even personal allegations. It can degenerate into tension, nervousness, anger and depression. If the representative cannot control his/her own emotions, the resultant interaction with a dissatisfied customer may upset both of them, or it may even cause the organization to lose that customer. EI helps the CCE’s to manage their reactions, in tense situations, to manage angry customers, maintain a calm, polite and sincere attitude and conversation with customers, and also to empathize with the upset customer, leading to better effective problem-solving and protect future relationships of the company with the customers.

**Technical Staff:**

They mostly work with machines for long hours to complete projects within deadlines. These situations may lead to anxiety, frustration and high stress and sometimes agitation with little concern for human relationships. Communication is hampered, reduce their feeling levels and pushing them into an isolated existence. Use of EI can prevent eruption of such situations by helping them to be in touch with their own emotions and empathy for others.

**Administrative Staff:**

The administrative staff acts as the support system, with regard to implementing organizational policies, within the bounds of rules and regulations, for ensuring performance of various functions. Constant pressure from all quarters of the organization that they meet their requirement at the earliest (even while remaining within the rules and policy framework) makes them often feel overwhelmed, confused and irritated. Procrastination and willful indifference may become the convenient stance in such situations; errors and mistakes increase, and feelings like, as if they have no control, may also lead to a depressive state where complaining and absenceism increases. Health, attitude and morale suffer. Enhanced EI skills enable such people to handle gracefully multiple demands, interruptions and meet tight deadlines. Processes, databases and projects run more smoothly, details do not fall through the cracks and professional staff is freed to focus on their work.

In the light of the above facts, it becomes evident that EI plays a significant role in coping with the organizational change, motivating workforce to perform better while also encouraging creativity and innovation, requiring the ability to perceive and understand the emotional impact of change on self and others. This becomes more relevant because it is said that 1% improvement in emotional climate creates 20% increase in revenues.

**Suggestions to Improve Emotional Intelligence**

1. Try to be flexible and adapt quickly to the changing world
2. Be aware of your emotions; when feeling angry taking a 10 minute walk can clear the mind
iii. Include humor and laughter at work.
iv. Develop attitude of optimism which will certainly have positive impact on others.
v. Express emotions, talk with friends. Don’t keep things bottled inside.
vi. Good self-start with adequate sleep and nutrition and regular exercise or yoga.

**Conclusion**

To sum up, EI is all about managing negative emotion, frustration and depression and maintaining healthy relationship with colleagues which ultimately play a vital role in projecting a positive attitude towards work behavior in a more acceptable manner and getting the work done efficiently along with winning hearts. Moreover, EI competencies, as discussed above, represents a set of attributes for monitoring self and others’ feelings to help individual in taking affective measures and action in a given situation. Of late, both industry and academia have realized that over time knowledge and skill can be acquired through training, development and learning. But to improve performance, one has to increase not only his/her knowledge but also the understanding of how that knowledge may be applied or the skill to apply it.

In short, they have accepted the relevance and importance of these competencies for excellence in performance. And many of the organizations are exposing their employees to suitable training interventions with inputs which include both cognitive and behavioral knowledge to enhance their awareness and abilities through increased use of EI.

**References**

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