Emotional Intelligence and Effective Leadership

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Abstract

Emotional Intelligence has become increasingly popular as a measure for identifying potentially effective leaders, and as a tool for developing effective leadership skills. There is little empirical research that substantiates the efficacy of emotional intelligence in these areas. The aim of the present paper is to explore the relationship between emotional intelligence and effective leadership to evaluate the tendency of emotional control of the working class both male and female at a managerial level in a private and public sector of Pakistan mainly Banking sector. A survey of 50 people is conducted by distributing. Random sampling technique is used to answer the instrument of the study. SPSS software was used to analyze the data collected based on descriptive statistics (mean, standard deviation, percentage. The result indicates that the relationship between leadership style and Emotional Intelligence is positive and significant.

Key words: Leadership, Stress, Performance, Motivation, Communication and Emotional Intelligence.

1. Introduction

One of the most applied constructs which emotional intelligence has been associated with is that of leadership. The leadership literature has produced countless theories outlining which characteristics compose the most effective leader, however, current academic research in the area describes two distinct types of leaders: transformational and transactional (Mandell & Pherwani, 2003). Transformational leader stimulates interest among colleagues, inspires a different outlook on the work, generates an awareness of the goals of the organization, develops others to higher level of ability and motivates others to consider the interests of the group over their own interests. Along these lines, transformational leadership is said to be comprised of the following four dimensions: idealized influence, inspirational motivation, intellectual stimulation and individual consideration (Bass & Avolio, 1994). Alternatively, the transactional leader is one whom rewards (or disciplines) staff on the basis of their performance. They emphasize work standards, task completion and employee compliance while relying heavily on organizational rewards and punishments to influence employee performance (Bass & Avolio, 1994).

Researchers investigating the effects of transformational and transactional leadership have found that transformational leadership predict higher ratings of effectiveness and satisfaction (Hater & Bass, 1998), higher group performance (Keller, 1995) and higher amount of effort on the part of subordinates (Seltzer & Bass, 1990) compared to transactional leadership.
Researchers on the area of leadership have likewise proposed that effective transformational leaders must possess social and emotional intelligence. These elements are considered critical to inspire employees and to build strong relationships.

The foremost contributor to the area of emotional intelligence and leadership is Daniel Goleman, who has written several books on implementing emotional intelligence in an organization, including Working with Emotional Intelligence (1998) and The Emotionally intelligence Workplace (2001). Goleman posits that leaders high in emotional intelligence are key to organizational success and leaders must have the capacity to sense employee’s feelings at their work environment, to intervene when problems arise, to manage their own emotions in order to gain the trust of employees and to understand the political and social conventions within an organization (Goleman, 2001). A leader has the capacity to impact organization performance by setting a particular work climate.

Research has found that the most effective leaders integrate four or more of the six styles regularly, substituting one for another more appropriate style depending on the leadership situation. This has been found to be the case in studies of insurance companies, where leaders were adept at all four of the positive styles of leadership and at schools where heads of schools who used four or more of the leadership styles experiences superior performance among students compared to comparison schools. Performance was poorest in those schools were only one or two styles of leadership were used (Hay/McBer, 2000).

1.1 What is emotional intelligence?

The most widely accepted model of emotional intelligence (EI) has been influenced by several scientists and researchers. Sternberg’s (2003) theory of multiple intelligences suggests that interpersonal and intrapersonal intelligence are unique, and different from the mathematical and logical type recognized today as ‘IQ’, or general intelligence. Peter Salovey and John Mayer first proposed their own theory of EI in 1990 and Reuven Bar-On (1988) has placed EI in the context of personality, health and well-being. With his 1995 mega best-seller Emotional Intelligence: Why It Can Matter More Than IQ, Daniel Goleman brought to prominence the notion of emotional intelligence and ‘emotional quotient’ (EQ) as an alternative to the more traditional measures of IQ. Goleman (1998) reformulated EI in terms of a theory of organisational and job performance. According to Goleman (2000), ‘a leader’s singular job is to get results’. But even with all the leadership training programs and ‘expert’ advice available, effective leadership still eludes many people and organisations. One reason, says Goleman, is that such experts offer advice based on inference, experience and instinct, not on quantitative data. The discussion of EQ often begins with an emotional challenge from Aristotle: ‘Anyone can become angry— that is easy. But to be angry with the right person, to the right degree, at the right time
2. Problem Statement

The banking sector is very important as it is the major contributor of Pakistani economy in services industry and that the interest in this sector is very important. Despite the world global financial crisis and along with the bad economic conditions of the country this sector had produced stable results. Therefore, this sector needs professional leaders who can achieve maximum goals of both employees and organizations. An organization that is short of capital may resort to borrowing money, and one in a poor location has the option to move. However an organization with short of leadership has little chance for survival (Yousef, 1998). The relationships between Emotional Intelligence and leadership have attracted considerable attention. Previous researches focused on specific human resource behaviors. Yet not much study has been conducted to investigate the impact leadership style and Emotional Intelligence in particular banking sector of Pakistan. This study, therefore, will help to fill this gap and effort to improve the understanding of the role of leadership in Pakistani banking sector.

3. Background of the Study

Mayer and Salovey (1997) construct appears to be the framework most likely to produce a construct of emotional intelligence as it addresses emotion and intelligence criteria” (Jordan, 2000, p.123). The Mayer-Salovey Four branch model of emotional intelligence states that there are four branches of skills that are related to emotional intelligence. The first two branches, Perception and Facilitation are termed “Experiential Emotional Intelligence” because they relate most closely to feelings. They involve first the capacity to perceive emotions in others accurately and second the ability to use emotions to enhance how we think. The third and fourth areas of Emotional Intelligence skills are termed “Strategic Emotional Intelligence” because they pertain to calculating and planning with information about emotions. Research exploring the neural circuitry that governs emotional awareness (Lane, 2000), as well as additional emotional and social aspects of this concept (Bar-On et al., 2003; Bechera & Bar-On, in press; Bechera et al., 2000; Damasio, 1994; Lane & McRae, 2004; LeDoux, 1996), has begun to provide tangible evidence of the anatomical foundations of this wider construct which some have questioned as an intangible myth (Davies et al., 1998; Matthews et al., 2003; Zeidner et al., 2001). The third area Understanding emotions, involves knowing how emotions change in and of themselves, as well as how they will change people and their behaviors overtime. The fourth area Emotional management focuses on how to integrate logic and emotion for effective decision-making. These four skill areas are related to one another but they are functionally distinct as well.

3.1 Concept of Emotional Intelligence

<table>
<thead>
<tr>
<th>Scale</th>
<th>Description of the Scale</th>
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</thead>
<tbody>
<tr>
<td>Self-Monitoring (5)</td>
<td>The ability to be aware of, understand, accept, and express one's emotions.</td>
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<tr>
<td>Empathy (3)</td>
<td>The ability to recognize and understand others' emotions.</td>
</tr>
<tr>
<td>Assertiveness (2)</td>
<td>The ability to express feelings, assert one's self and to defend one's own rights.</td>
</tr>
<tr>
<td>Interpersonal effectiveness (2)</td>
<td>The ability to influence others to facilitate cooperation and to work effectively in interpersonal interactions.</td>
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<tr>
<td>Stress tolerance (2)</td>
<td>The ability to withstand stressors, tolerate situations and strong emotions without becoming over-anxious or over-reactive.</td>
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<tr>
<td>Problem-solving (2)</td>
<td>The ability to assess the consequences between what is experienced internally and subjectively and what exists externally and objectively.</td>
</tr>
<tr>
<td>Flexibility (2)</td>
<td>The ability to adjust one's feelings, thoughts and behavior in changing situations and conditions.</td>
</tr>
<tr>
<td>Openness to experience (2)</td>
<td>The ability to tolerate and create personal and social environment and to generate and implement potentially effective solutions.</td>
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<tr>
<td>Self-awareness (2)</td>
<td>The ability to be aware of the limitations of the self and to maintain a positive attitude, even in the face of adversity.</td>
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<tr>
<td>Self-esteem (2)</td>
<td>The ability to have a high regard for self and others and to know how one affects other people emotionally.</td>
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4. Hypothesis and Objectives of the Study

The objectives of this paper are to describe:

- The relationship between emotional intelligence and effective leadership
- Understanding of Emotional Intelligence
- Concept of Emotional Intelligence
- Why Emotional Intelligence is Needed in Leadership
- How to use Emotional Intelligence in developing Leadership

The hypothesis is given below as under:

**Hypothesis 1:** Emotional intelligence is positively associated in developing Leadership.

**Hypothesis 2:** Emotional intelligence is positively associated in Understanding Leadership

5. Literature Review

5.1 Why Emotional Intelligence is Needed in Leadership

Scholars began to shift their attention from describing and assessing social intelligence to understanding the purpose of interpersonal behavior and the role it plays in effective adaptability (Zirkel, 2000). This line of research helped define human effectiveness from the social perspective as well as strengthened one very important aspect of Wechsler’s definition of general intelligence: “The capacity of the individual to act purposefully” (1958, p. 7). According to Mayer and Salovey (1997) “Emotional intelligence involves the ability to perceive accurately, appraise, and express emotion; the ability to access and/or generate feelings when they facilitate thought; the ability to understand emotion and emotional knowledge; and the ability to regulate emotions to promote emotional and intellectual growth” (p. 10). People are often surprised to find that within the emotional intelligence paradigm there exists not one, but several theories (e.g. Bar-On, 2000; Goleman, 1995:1998; Mayer&Salovey, 1997).

In an effort to help clarify this situation, the *Encyclopedia of Applied Psychology* (Spielberger, 2004) recently suggested that there are currently three major conceptual models: (a) the Salovey-Mayer model (Mayer &Salovey, 1997) which defines this construct as the ability to perceive, understand, manage and use emotions to facilitate thinking, measured by an ability-based measure (Mayer et al., 2002); (b) the Goleman model (1998) which views this construct as a wide array of competencies and skills that drive managerial performance, measured by multi-rater assessment (Boyatzis et al., 2001); and (c) the Bar-On model (1997b, 2000) which describes a cross-section of interrelated emotional and social competencies, skills and facilitators that impact intelligent behavior, measured by self-report (1997a, 1997b) within a potentially expandable multi-modal approach including interview and multi-rater assessment (Bar-On & Handley, 2003a, 2003b). Emotional intelligence does not fit the classic historical models of leadership. The latter are usually associated with great figures of military history and conjure up charismatic and sometimes despotic images. However people often use the same language for leadership today bold, brave and tough with a strong sense of purpose and resolve. However this does not fit today’s needs because of few reasons:

- Today’s workforce does not accept the autocratic style often adopted by leaders following historical models of leadership.
- Leadership has to evolve to match a growing sense of democracy and independence in the workforce.
- Employees now have far more options and choices than the foot soldiers of yesterday.

5.2 The New demands Leaders have to meet

Leaders now need to manage and lead an empowered workforce and go beyond the consultative, co-operative and democratic styles of today. These new demands include:
• Consultation and involvement but leaders still get criticized for not having and communicating a compelling vision and purpose.
• Autonomy and freedom but leaders are still expected to take full responsibility when things go wrong.
• Opportunities for growth, challenge and glory but leaders must be on hand to coach and mentor us so that we develop our potential.
• Inclusion and team Spirit but we still want our leaders to give us individual recognition and acknowledgement.

5.3 Emotional intelligence and leadership effectiveness

Studies have demonstrated that leaders who consistently outperform their peers not only have the technical skills required, but more importantly, have mastered most of the aspects of Emotional Intelligence. In the Harvard Business Review landmark article ‘What Makes a Leader?’, Goleman (1998) states that the five components of Emotional Intelligence at Work are: Self-Awareness, Self-Regulation (or Management), Motivation, Empathy (Social Awareness), and Social Skills (Relationship Management). There is growing evidence that the range of abilities that constitute what is now commonly known as emotional intelligence plays a key role in determining success, both in one’s personal life and in the workplace. Research by Ruderman et al (2001) has uncovered links between specific elements of emotional intelligence and specific behaviors associated with leadership effectiveness and ineffectiveness. The study using BarOn EQ-i (Emotional Quotient Inventory) – an assessment.

5.4 How to use Emotional Intelligence in developing Leadership

There are now a number of models and questionnaires aimed at measuring emotional intelligence, often based on self-report questionnaires. However this approach has obvious limitations in identifying levels of self awareness.

5.5 Emotional Intelligence in Leadership

1- Self Awareness

If you are self aware, you always know how you feel and you know how your emotions and your actions, can affect people around you. Being self aware in a leadership position also means having a clear picture of your strengths and weaknesses. And it means having humility.

How to improve Self Awareness

Keep a Journal

Journals help improve your self-awareness. If you spend just a few minutes each day writing down your thoughts, this can move you to a higher degree of self-awareness.

Slow down

When you experience anger or other strong emotions, slow down to examine why. Remember, no matter what the situation, you can always choose how you react to it.

2- Self Regulation

Leaders who regulate themselves effectively rarely verbally attack others, make rushed or emotional decisions, stereotype people or compromise their values. Self regulation is all about staying in control. According to Goleman, ‘This element of emotional intelligence also covers leader’s flexibility and commitment to personal accountability.’

How to improveSelf Regulate

Know your Values

Do you have a clear idea of where you absolutely will not compromise? Do you know what values are most important to you? Spend some time examining your ‘code of ethics’. If you know what’s most important to you, then you probably would not have to think twice when you face a moral or ethical decision you will make the right choice.

Hold yourself Accountable
If you tend to blame others when something goes wrong, stop. Make a commitment to admit to your mistakes and face the consequences, whatever they are. You will probably sleep better at night and you will quickly earn the respect of those around you.

**Practice being Calm**

The next time you are in a challenging situation, be very aware of how you act. Do you relieve your stress by shouting at someone else? Practice deep breathing exercises to calm yourself. Also try to write down all the negative things you want to say and then rip it up and throw it away. Expressing these emotions on paper and not showing them then to anyone is better than speaking them aloud to your team.

3- **Motivation**

Self Motivated leaders consistently work toward their goals. And they have extremely high standards for the quality of their work.

**How to improve Self Motivation**

**Re-Examine**

why you are doing this – It’s easy to forget what you really love about your career. So, take some time to remember why you wanted this job. If you are unhappy in your role and you are struggling to remember why you wanted it, try the Five Why’s technique to find the root of the problem. Starting at the root often helps you look at your situation in a new way.

Make sure that your goal statements are fresh and energizing.

**Know where you Stand**

Determine how motivated you are to lead. Our leadership Motivation Assessment can help you see clearly how motivated you are in your leadership role. If you need to increase your motivation to lead and it then directs you to resources that can help.

**Be Hopeful and find something Good**

Motivated leaders are usually optimistic, no matter what they face. Adopting this mindset might take practice but its well worth the effort. Every time you face a challenge or even a failure, try to find at least one good thing about the situation. It might be something small, like a new contact or something with long term effects, like an important lesson learned. But there is almost always something positive. You just have to look for it.

4- **Empathy**

For Leaders having empathy is critical to managing a successful team or organization. Leaders with empathy have the ability to put themselves in someone else’s situation. They help develop the people on their team, challenge others who are acting unfairly give constructive feedback and listen to those who need it.

**How to improve Empathy**

**Put Yourself in someone else Position**

It’s easy to support your own point of view. After all, it’s yours but take the time to look at situations from other peoples perspectives.

**Pay attention to your body Language**

Perhaps you listen to someone you cross your arms, move your feet back and forth, or bite your lip. This body language tells others how you really feel about a situation and the message you are giving is not positive. Learning to read body language can be a real asset when you are in a leadership role because you will be better able to determine how someone truly feels. And this gives you the opportunity to respond appropriately.

**Respond to Feelings**

You ask your assistant to work late – again. And although he agrees, you can hear the disappointment in his voice. So, respond by addressing his feelings. Tell him you appreciate how willing he is to work extra hours and that you are just as frustrated about working late. If possible figure out a way for future late nights to be less of an issue.

5- **Social Skills**
Leaders who do well in this element of emotional intelligence are great communicators. They are just as open to hearing bad news as good news and they are experts at getting their team to support them and be excited about a new mission or project.

Leaders who have good social skills are also good at managing change and resolving conflicts diplomatically. They are satisfied with leaving things as they are but they are not willing to make everyone else do the work. They set the example with their own behavior.

**How to improve Social Skills**

**Learn conflict Resolution**

Leaders must know how to resolve conflicts between their team members, customers or vendors. Learning conflict resolution skills is vital if you want to succeed.

**Improve your Communication Skills**

How well do you communicate? A leader must have the ability to communicate well with others and for the communication it is necessary to have the best listening skills.

**Learn how to Praise others**

As a leader you can inspire the loyalty of your team simply by giving praise when it’s earned. Learning how to effectively praise others is a fine art, but well worth the effort.

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6. **Methodology**

Leadership is about influencing people while providing guidance and direction as needed (Hersey, 1984, 1997 and 2008). Effective leaders tend to be expert in terms of how they respond to workload, discipline, handle stress, communicate the goals of organizations by bringing innovation, polishing the performance of their subordinates. Emotional intelligence should enable leaders to empathically address their followers, thus building high-quality leader–follower relations and strengthening followers’ identification with and trust in the leader (Kellet, Humphrey, & Sleeth, 2006; Wolff, Pescosolido, & Druskat, 2002). In this study the following variables are used and relationship was found out with the effective use emotions to intelligently handle situations, employees and customers by using the SPSS version 20.

For the purpose of this study, a copy of questionnaire was distributed to 50 individuals belongs to different professionals like doctors, nurses, medical staff and bankers. The surveys were all confidential. No names were mentioned and no payment was given to respondents for completing the questionnaire. There were 37 males and 13 females age between 25-50 and experience range was 1-15, 15-30 and 30-50. The main task of this study was to find out the impact of different factors on effective leadership and emotional intelligence.
7. Analysis of texts and documents

Responsibility

The relationship between effective leadership and emotional intelligence with that of responsibility can be illustrated from this diagram which is showing that it is normally dispersed towards standard deviation that is close to mean and having positive skewness, this shows responsibility is an important factor as 40% and 42% of the respondents were Agree and Strongly Agree respectively about the impact of responsibility in effective leadership.

Workload

The relationship between effective leadership and emotional intelligence with that of workload is shown from below diagram which is close to normally dispersed towards standard deviation that is close to mean and having positive skewness, this shows how work load effect the performance and managing of emotions as 34% and 58% of the respondents were Agree and Strongly Agree respectively about direct impact of workload in effective leadership.

Self Control

The effect of self control on effective leadership and emotional intelligence is shown from above diagram which is dispersed towards left and difference of .46 between mean and standard deviation but still positive skewed this also shows how work load effect the performance and managing of emotions as 46% and 42% of the respondents were Agree and Strongly Agree respectively about direct impact of self control in effective leadership.

Stress

The impact of stress on effective leadership and emotional intelligence is shown in this diagram which is dispersed almost normal and difference of .46 between mean and standard deviation and positive skewed this also shows how stress effect the performance and managing of emotions as 52% and 38% of the respondents were Agree and Strongly Agree respectively about direct impact of stress in effective leadership.

Discipline

The impact of discipline on effective leadership and emotional intelligence is shown from above diagram which is dispersed almost normal and difference .712 between mean and standard deviation and positive skewed, this also shows how discipline effects in managing of emotions as 56% and 20% of the respondents were Agree and Strongly Agree respectively.

Performance

The relationship between performance and effective leadership and emotional intelligence is shown in this diagram which is dispersed normal and positive skewed, this also shows how that performance motivate the intelligence of the leader and managing of emotions as 56% and 20% of the respondents were Agree and Strongly Agree about direct impact of stress in effective leadership.
8. Limitation and Recommendations

We select the Topic “Effective Leadership and Emotional Intelligence” to find out the relation between emotional intelligence and factors effecting it that further effect organizational performance. It is matter related to person to person behavior, psychology and dealings with each other and particularly in respect of a leader how he controls his emotions or in other words how his emotion intelligently to achieve the target in today play’s rapidly changing environment due to globalization and technological advancement. It is a huge phenomenon. Emotional intelligence is developed by many competencies. So we have to cover major variables at a time like responsibility communication discipline stress and working environment. It was very hard to find out the enough results of every variable, but we tried by different resources to narrow the gap. Although our effort was at the initial level because it was our first attempt to get and research on selected topic and then shape in an article. We have sample of 50 respondents including heads of different institutions and managers in public organizations of Pakistan. This sample size was not enough for coverage of this wide topic. In the end we can conclude that after taking the required information from the public sectors professional in different industries of Pakistan it is evident emotions are to be controlled in a proper way to perform in the right direction for a leader to be effective for his or her organization and in his personal life it also helps to sort out the solutions in different scenarios.

9. Conclusion

Implementation of emotions intelligently in any organization by a leader to be effective and efficient plays a vital role to leader effectively. There are so many studies which reflect that Emotional Intelligence also have impacts on organizational goals. Our study reflects that emotional intelligence can help to reduce Stress improve performance and sense of achievement by motivating the subordinates within the organization and helps to enhance the productivity of the employees to meet organizational end goals in an ethical way by putting positive impacts on the society as a whole.

We believe that emotional intelligence is one of the useful tools which helps a leader to judge people more clearly and closely and build a connection between people. And it develops a sense of sensitivity, balance feeling and a strong mix of cognitive capacity (logical, conceptual and creative thinking), people skills (Interpersonal skills, influence skills and communication skills).Our study has taken some steps towards understanding the connection between effective leadership and emotional intelligence, and pointing the key role affective factors which play pivotal in enhancement towards quality of leadership in organization.

We finished our modest effort by this quote of Hazrat Ali (A.S) “Whoever wants to be a leader should educate him before educating others. Before preaching to others he should practice himself. Whoever educates himself and improves his own morals in superior to the man who tries to teach and train others”.

References


Salovey, P, Mayer, J (1990), "Emotional intelligence", Imagination, Cognit ion and Personality, Vol. 9 pp.185-211.


**APPENDIX**

<table>
<thead>
<tr>
<th>EQ-i SCALES</th>
<th>The EI Competencies and Skills Assessed by Each Scale</th>
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</thead>
<tbody>
<tr>
<td>Intrapersonal</td>
<td>Self-awareness and self-expression:</td>
</tr>
<tr>
<td>Self-Regard</td>
<td>To accurately perceive, understand and accept oneself.</td>
</tr>
<tr>
<td>Emotional Awareness</td>
<td>To be aware of and understand one’s emotions.</td>
</tr>
<tr>
<td>Assertiveness</td>
<td>To effectively and constructively express one’s emotions and oneself.</td>
</tr>
<tr>
<td>Independence</td>
<td>To be self-reliant and free of emotional dependency on others.</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Self-Actualization</td>
<td>To strive to achieve personal goals and actualize one’s potential.</td>
</tr>
<tr>
<td>Interpersonal</td>
<td>Social awareness and interpersonal relationship:</td>
</tr>
<tr>
<td>Empathy</td>
<td>To be aware of and understand how others feel.</td>
</tr>
<tr>
<td>Social Responsibility</td>
<td>To identify with one’s social group and cooperate with others.</td>
</tr>
<tr>
<td>Interpersonal Relationship</td>
<td>To establish mutually satisfying relationships and relate well with others.</td>
</tr>
<tr>
<td>Stress Management</td>
<td>Emotional management and regulation:</td>
</tr>
<tr>
<td>Stress Tolerance</td>
<td>To effectively and constructively manage emotions.</td>
</tr>
<tr>
<td>Impulse Control</td>
<td>To effectively and constructively control emotions.</td>
</tr>
<tr>
<td>Adaptability</td>
<td>Change management:</td>
</tr>
<tr>
<td>Reality-Testing</td>
<td>To objectively validate one’s feelings and thinking with external reality.</td>
</tr>
<tr>
<td>Flexibility</td>
<td>To adapt and adjust one’s feelings and thinking to new situations.</td>
</tr>
<tr>
<td>Problem-Solving</td>
<td>To effectively solve problems of a personal and interpersonal nature.</td>
</tr>
<tr>
<td>General Mood</td>
<td>Self-motivation:</td>
</tr>
<tr>
<td>Optimism</td>
<td>To be positive and look at the brighter side of life.</td>
</tr>
<tr>
<td>Happiness</td>
<td>To feel content with oneself, others and life in general.</td>
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