

Emotional intelligence and leadership: A study on the employees of IT sector in Noida, India

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Abstract

Leadership is an emotion intense function, the ability to understand and connect with the emotions of the team can set the right tone for organizational performance. This research paper is a descriptive study which investigates the impact of the four components of Emotional Intelligence: Self-awareness, Self-management, Social awareness and Relationship management on the Leadership potential. It is a qualitative as well as quantitative study wherein 30 people at different Leadership positions in various IT companies located in Noida region were interviewed and quantitative data was collected from 177 employees working in different IT companies of the same region. The research results show there is an impact of some factors of Emotional intelligence and Leadership potential. The qualitative study enabled the identification of other factors that contribute to Leadership potential along with EI. This research further paves the way for more studies with a different geographical location and a different industry.

Subject Classification: 90B50.

Keywords: Emotional intelligence, Leadership potential, Self-awareness, Social awareness, Self-management, Relationship management, EI.

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1. Introduction

In this competitive world, organisations are trying to build upon their human assets and are striving hard to identify the factors that contribute to effective Leadership (Higgs, 2002). The role of the people in the success of a business is imperative and it becomes even more important when people are in managerial or Leadership role. It is impossible for organizations to achieve strategic goals without able Leadership. An effective leader is the primary driver for productivity and performance of the people. As the Leadership effectiveness has been thought to have a direct impact on the organisational performance, many researches have been carried out to identify the Leadership potential. Earlier studies have focussed on Intelligence Quotient (IQ) as a measure of the leader's potential but Goleman (1996) introduced and popularized this term 'Emotional Intelligence' and brought forward a new dimension in his best seller 'Emotional Intelligence: Why it can matter more than IQ'. This further paved the way for more researches and findings that stated that as one rises in the organisational hierarchy, Emotional Intelligence becomes more important than IQ and technical capabilities (Goleman, Boyatzis and McKee, 2002).

The importance of Leadership in an organization is gaining importance in this competitive age of technology. Recent researches have established the relationship between Leadership behaviours and EI (Cherniss, 2001) and many researchers have correlated EI with effective Leadership at middle and top-level management (Gardner and Stough, 2002). The earlier researches are either quantitative or literature based whereas this study uses both approaches-qualitative as well as quantitative to establish Emotional intelligence as an important predictor for Leadership which makes it novel and different. Moreover, the researchers have tried to propose their own model based on the components of Daniel Goleman which has not been used in many researches previously.

2. Objectives of the study

This study has been undertaken with the following objectives:

1. To study the concept of Emotional Intelligence and Leadership.
2. To analyse the impact of Emotional Intelligence on Leadership potential.
3. To identify various other factors that make effective leaders.
4. To propose a model of factors that impact Leadership potential.

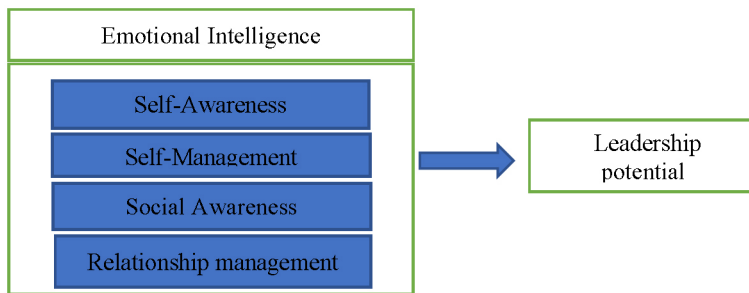


Figure 1

Model proposing relationship between EI and Leadership

3. Proposed Model of the study

The study tries to explore the relationship between Emotional Intelligence and Leadership potential taking its four predominant elements: Self-awareness, Self-management, Social awareness and Relationship management as inferred from previous researches based on Daniel Goleman (1996) model of EI and depicted through Figure 1.

4. Research methodology

4.1 Research design

This is a descriptive and exploratory study that tries to establish a relationship between the Leadership potential and Emotional Intelligence of people working in IT industry through primary data and theoretical purview generated through a semi-structured interview.

4.2 Data collection

Approximately 200 employees were contacted and 177 completely filled questionnaires (Google forms) were selected for analysis. 30 people at Leadership position in the same industry were interviewed (electronically and face to face) to collect qualitative data.

4.3 Sampling

Convenience Sampling was used to collect 177 quantitative responses and 30 qualitative responses.

4.4 Instruments

Emotional Intelligence Scale: Emotional Intelligence scale was constructed by using Emotional Competence Inventory (ECI). ECI is based on four major emotional competencies: Self Awareness, Social Awareness, Self -management and Relationship management as identified by Dr. Daniel Goleman.

Leadership Potential scale: Leadership potential scale was developed using Leadership Potential Indicator (LPI).

4.5 Data analysis tools

The collected data was analysed using MS- Excel and SPSS (IBM SPSS Statistics 29.0.0). Regression analysis was used to establish the relationship between the variables under study.

5. Review of Literature

5.1 Emotional Intelligence

The term “Emotional Intelligence” had been used occasionally around mid-twenties and the interest in this topic gained momentum in the last decade underlying its importance in the success of an individual and organisation. Subsequently researches on emotions and their interaction with cognition were on a rise (Mayer et al., 2000a) and scientific articles to define EI were written. Although Emotions and Intelligence were thought to be antagonistic in the sense that emotional experiences hamper our thought process and hijack our mind, true in many instances but often it is seen that emotional outbursts process and direct the attention towards more important agendas thus promoting intelligence (Mayer et al., 2000). EI represents capabilities and skills that integrate emotions and intelligence to develop our thought process such as the ability to perceive and identify emotions appropriately (Mayer, Roberts, & Barsade, 2008). Mayer & Salovey (2007) have given an integrative approach to EI i.e. Four branch model of Emotional Intelligence in which the abilities from four dimensions are combined: 1. Perceiving emotions accurately, 2. Facilitating using emotions, 3. Understanding emotions and 4. Managing emotions. Goleman (1996) model of Emotional Intelligence was built upon the following skills which can be categorized into two groups- Personal competencies which include: 1. Self-awareness: Recognizing one’s own emotions 2. Self-regulation: Managing emotions and impulses 3. Motivation: emotions that guide goal achievement; and Social Competencies that include: 4. Empathy:

Recognizing other's emotions 5. Social skills: Managing relationships. He defined Emotional Intelligence as the ability to control one's emotions and moods, to empathize and to motivate self and others. There are two EI scales based on Goleman model: Emotional Competence Inventory (ECI) and Emotional and Social Competence Inventory (ESCI). EI measurement tool for this research is also based on Goleman model.

5.2 *Leadership*

The concept of Leadership has attracted the attention of researchers for centuries, starting from Confucius, Chinese philosopher who insisted that leaders should be virtuous and look after their people (Confucius, Circa 475BC/1998) to the 19th century researcher, Carlyle who proposed the "Great man" theory of Leadership postulating leaders as exceptional people with charisma, wisdom, skills and intelligence (Carlyle, 1841/2011). Alberto Silva (2016) affirmed that "Leadership is an interactive process of influence which occurs when some people accept a person as their leader for the achievement of some common goals in a given context." Leadership can be described as an ability to hold together a group to deliver better performance than the competitors. Thus, Leadership potential can be measured in terms of team performance. (Hogan R. & Kaiser R. B., 2005). The proposed theories on Leadership put forth various characteristics which make effective leaders; compiling these give the following important traits: decisiveness, integrity, vision and competence (Kouzes & Posner, 2002). Integrity is another virtue of a good leader—living up to your words, having unbiased approach and not taking undue advantage of others leads to Credibility. There exists a positive correlation between subordinate's trust on their superior and their organisational performance, commitment, and satisfaction (Ferrin & Dirks, 2002).

5.3 *Emotional Intelligence and Leadership*

Leadership has been defined as an "emotion laden process" (George, 2000) so it can be deliberated that EI is necessary for Leadership. Various researchers have tried to establish correlational effects between Leadership and EI in different organizational settings. (Schulze, R., & Roberts, R. D. (Eds.), 2005; Rosete and Ciarrochi, 2005). Research suggested that EI definitely helps in explaining and understanding Leadership behaviours, emergence and effectiveness (Walter et al., 2011). Studies suggest that EI is an important characteristic of effective leaders. In a study on 'The relevance of emotional intelligence for Leadership performance'

by Dulewicz C., Young M., Dulewicz V. (2005), it has been shown that Emotional intelligence competencies (EQ) has a more significant contribution to the overall performance of leaders than Intellectual competencies (IQ) and Managerial competencies (MQ). Mandell and Pherwani (2003) also found a strong relation between transformational Leadership style and EI. Dulewicz (2000) in his study proposed that EQ is necessary for successfully accomplishing Leadership tasks like setting values and vision, dealing with the stakeholders and managing people. Leaders with high EI have the capability to recognize, understand, manage and predict emotions in such a manner that it facilitates team work (George, 2000). Cooper (1997) in his study on business leaders had identified 'four cornerstones' of EI demonstrated by: emotional fitness, emotional depth, emotional literacy and emotional alchemy. A similar kind of study was conducted by Harrison & Clough (2006) on high profile leaders where they found that among other characteristics, high EI was an important trait possessed by them. In a study on 40 managers participating in a Leadership development centre, it was found that EI was associated with many aspects of Leadership and it could be a good indicator of Leadership potential (Higgs & Aitken, 2003). Daniel Goleman (1998), a pioneer in the field of Emotional Intelligence had stated that a high degree of EI has been identified in successful leaders and managers. He also concluded that EI accounts for 80-90% competencies which distinguish successful leaders from average ones.

6. Data Analysis & Interpretation (Quantitative)

6.1 Analysis of the demographic variables

The analysis of demographic variable Age shows that majority of respondents- employees of IT sector was in the age group of 25-35 (39.5%) followed by respondents who were less than 25 years of age (26.6%). The analysis of Gender shows that there were more males (55.9%) in the study than females (44.1%). There were 16.4% team leaders followed by 14.7% middle level managers and 12.4% senior managers. Majority of respondents (64.4%) were post graduates followed by 20.3% graduates. The distribution of respondents according to their years of experience was quite varied with majority in the experience range of less than 5 years (39.5%) followed by 5-10 years of experience (22.6%) and 10-15 years (18.1%).

6.2 *Analysis of Reliability*

The items in the Self-awareness scale were consistent and reliable as depicted by the Cronbach alpha's value of 0.708. in Table 1. The Self-management scale and Relationship management scale was acceptable with a Cronbach alpha value of 0.605 and 0.626 respectively. The Reliability statistics table showed a Cronbach alpha of 0.828 for Leadership potential which indicates that the scale is strongly reliable. However, Cronbach alpha value for social awareness was 0.452 which is slightly less than the target value of 0.6.

6.3 *Regression Analysis*

R value depicts the correlation between dependent variable and independent variables. As the R value was 0.726 (greater than 0.4), it can be taken for further study. R square value of .527 as shown in Table 1, indicates that our predictors show 52.7% of the variance in Leadership potential. In other words, the selected constructs could explain 52.7% Leadership potential.

Table 1
Regression analysis: Model summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.726 ^a	.527	.516	.39058
a. Predictors: (Constant), social awareness, relationship management, self-management, self-awareness				

ANOVA value determines whether the proposed model is significant enough to determine the outcome. As shown in Table 2, p value is <.001 so the result is significant. The independent variable (Emotional Intelligence) has an impact on the dependent variable (Leadership potential).

Table 2
Regression analysis: ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	29.250	4	7.312	47.934	<.001 ^b
	Residual	26.239	172	.153		
	Total	55.489	176			

a. Dependent Variable: Leadership potential

b. Predictors: (Constant), social awareness, relationship management, self-management, self-awareness

The data in Table 3 denotes that Relationship management ($\beta=0.325$, $t=3.808$, sig. $<.001$) and Self-management ($\beta=0.372$, $t=4.587$, sig. $<.001$) have an impact on Leadership potential. However, Self-awareness (sig. 0.084) and Social awareness (sig. 0.496) do not seem to have any significant impact on Leadership potential as the significance value was more than 0.05.

Table 3
Regression analysis: Coefficients

Coefficients ^a						
Model B		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	.442	.287		1.539	.126
	Relationship management	.325	.085	.299	3.808	<.001
	selfawareness	.159	.091	.146	1.740	.084
	selfmanagement	.372	.081	.344	4.587	<.001
	socialawarenew	.054	.080	.046	.683	.496

a. Dependent Variable: Leadership potential

7. Qualitative data analysis

An interview guide was prepared with questions to assess respondent's perspective on Emotional Intelligence and Leadership potential; and to identify more factors on which Leadership depends. Out of 23 respondents, 23 were Male and 7 were Females and the respondents were in the age group of 25-45 years. Most people interviewed were Team leaders followed by Senior managers and then middle level managers. All the respondents agreed that Emotional Intelligence was an essential element of effective Leadership. The most important component identified was Self-management. The interview guide also had questions on other factors that influence Leadership potential. The researchers have tried to compile the factors (Table 4) stated by giving a common corresponding trait that best describes them.

Table 4
Others factors that impact Leadership potential as stated by the respondents

Leadership trait	Characteristic stated by the respondents	Respondents
Agility	Learning willingness, Change readiness, Adaptability	Senior managers
Analytical skills	Intelligence quotient (IQ), Strategic decision making, Data driven problem solving	Team leaders
Motivation	Commitment, Internal drive, Focus, Perseverance, Dedication	Middle level managers
Ethics	Ethical decision making, Equality, Fair treatment, Morality, Trust	Middle level managers Team leaders
Autonomy	Independence, Rationality, Power	Senior managers

8. Conclusion

In a study based on extensive and systematic literature review, the researchers concluded that most of the studies establish a strong relationship between EI and leadership, some stating a strong correlation between EI constructs as relationship management and social awareness on leadership while others emphasizing on the impact of self-management on leadership (Gómez-Leal, R., et al., 2022). As inferred from the data analysis that out of four factors of Emotional Intelligence, two factors:

Self-management and Relationship management have a significant impact on the Leadership potential whereas self-awareness and social awareness do not have an impact on the independent variable under study. These competencies can be used to sense other’s response and influence them to make a favourable and productive decision. Hackett and Hortman (2008) conducted similar research on 46 assistant principals in the US using ESCI (Emotional and Social Competency Inventory) and it was found that all four EI domains correlated with transformational leadership. In another study on IT employees, researchers have concluded that commitment has the highest impact on an employee’s performance. (Vijh, G. et al, 2022). The success of a team is based on its leader’s commitment. Based on qualitative and quantitative data analysis, the researchers have tried to assimilate the most important factors that impact Leadership potential to develop the following model shown in Figure 2.

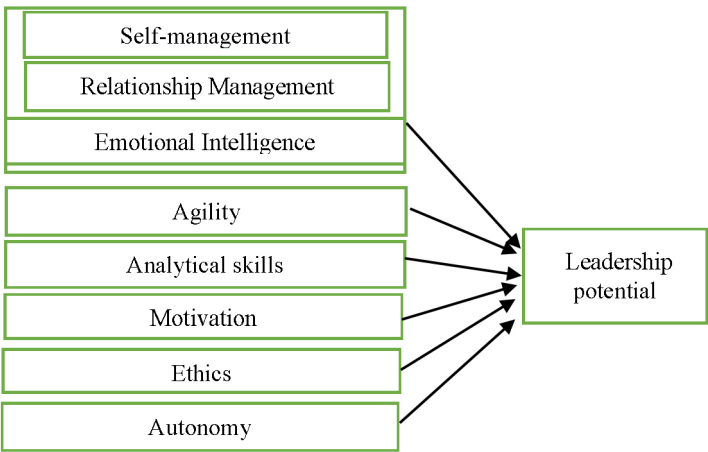


Figure 2

Model based on the factors that impact Leadership potential as inferred from the study

9. Implications of the study

As already discussed, Emotional Intelligence plays a quintessential role in effective leadership as it improves self-regulation, effective communication, fosters productive relationship building and enables better emotion processing for handling challenges. As the individual can manage his emotional cues to derive positive responses from others,

it leads to better management and team cohesion. IT sector is the most promising and emerging sector of the economy. Due to its attractiveness, more people wish to be associated with IT industries which in turn leads to competition and turbulence. The ability to manage relations and create networks enables one to initiate and manage change, resolve conflicting thought process and bind together teams through positive criticism and feedback. This study opens avenues for further research taking different population- different sector or location or to investigate the reasons for such findings. It would be interesting to study how EI impacts employees of different industries. Further research can be carried out taking each individual factor into consideration and establishing a relationship through quantitative or qualitative analysis. More valuable information can be generated through studies using different models of EI proposed by other researchers.

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