

Title of the Paper:**Role of Emotional Intelligence in Organizational Effectiveness: A Comparative Analysis**

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Abstract

Emotional Intelligence (EI) can best be described as the ability to monitor one's own and other people's emotions, to differentiate between different emotions and label them appropriately and to use emotional information to guide thinking and behavior. Earlier Salovey et al. (1990) have proposed three models of EI such as the 'ability model' that focuses on the individual's ability to process emotional information and use to navigate the social environment. Secondly, the 'trait model' encompasses behavioral and self-perceived abilities and is measure through self-report. Finally, 'the mixed model' is a combination of both ability and trait EI. However, EI concerned the way in which an individual processes information about emotion and emotional responses which reveals that there are different ways in which competencies such as empathy, learned optimism, and self-control contributed to important outcomes in the family, the workplace, and other life arenas. The role of emotional intelligence in contributing towards organizational effectiveness is still comparatively examined and look forward further research. Simultaneously, the increasing interest on theme emotional intelligence within the literary works of management being studied in the eastern part of India is mildly available. Thus, this paper intends to give an empirical study of role of emotional intelligence in organizational effectiveness by comparing among selected Indian manufacturing and service sector. Further, in this study, we attempt to find out the relationship between emotional intelligence and organisational effectiveness among manufacturing and service sector.

Keywords: Emotional intelligence, organizational effectiveness, relationship management etc.

Introduction

In today's contemporary environment characterized as BANI world expressed as Brittle, Anxious, Non-Linear and Incomprehensible where systems are becoming fragile and situations are changing rapidly, which makes organisations challenging to achieve their goals, requiring resilience, adaptability and proactive measures to navigate this uncertain scenario effectively. In this context, organizations effectiveness is translated into assessing its agility, resilience, continuous learning abilities, employee engagement, communication and stakeholder satisfaction while managing anxiety of employees and developing a culture of innovation and collaboration. This scenario demands organisations to respond in humanely

manner towards a BANI world as suggested by Jamais Cascio, futurist, namely resilience, empathy, creativity and intuition. Emotional Intelligence being one of the psychological factor plays important role as it allows individuals and leaders to navigate the uncertain and complex world by managing their own and other's emotions, and adapting to rapidly changing situations, making it a crucial skill for developing resilience and stability in a volatile setting. Individuals having high degree of emotional intelligence is able to manage their anxiety level, make informed decisions and cope uncertainty with improved resilience. Emotional Intelligence influences greatly in achieving organizational effectiveness in terms of creating better workplace, enhancing motivation, improving job performance, team effectiveness, leadership performance, interpersonal relationships and organisational culture.

Moreover, in India is seen as fastest growing economies in the world and evolving growth has been witnessed in manufacturing and service sector in recent times. Both sectors contribute in improving the national income and offering job opportunities to people. In this context, effective and efficient workforce becomes the primary requirement to make organisation effective for its growth in these changing times. Emotional intelligence is much discussed topic in respect to human-centric approach as per Industry 5.0 goes. With regard to today's changing and complex business environment, employees those are emotionally intelligent can become aware and manage their emotions as well as of others and can respond wisely as per the circumstances and their decision-making, problem solving, regulating emotions, interpersonal relationship level and creativity etc.

Literature Review

Sharma & Singh (2019) defined Organizational effectiveness by mentioning that it differs depending on the organizational context and the approach from which it has been examined, thus there is no single definition is consensus on and that uses all the main domains. In this regard, the authors proposed four types of Organizational effectiveness assessments such as i) Attitudinal or Behavioral Measures, ii) Financial Measures, iii) Operational Measures and iv) Structural Measures. Among these forms, Attitudinal or behavioral measures had mostly contributed to different literature.

Basol and Dogerlioglu (2014) found that extent of specialisation of organizational roles into components and related accountability of the same among employees tend to ascertain the organizational effectiveness.

Rosenthal (1977) found that empathy is a vital part of Emotional Intelligence that highly contributes to the personal and occupational success.

Boyatzis (1982) reported that managers channelize their personal values in serving superiorly in attaining the company's goals due to their social awareness and good

relationship management, being the EI component. Self-awareness, another dimension of EI was found to be the prominent feature that differentiate superior from others and expected in working with diverse workforce and in dynamic organizational environment.

In respect to organizational effectiveness, Dulewiz & Higgs (2000) said for emotional intelligence that it explains increased variance in execution norms than IQ and managerial competence. Findings showed that emotional intelligence aids to best practice to occupational success than IQ level does.

Goleman (2001) observed that empathetic individuals can read emotional cues and identify nonverbal stimulus like eyes, tone or facial expressions.

Mayer et al (2004) asserted that high EI individuals can better recognise emotions, use in thought, understand their interpretations and manage emotions resulting in to open and agreeable behaviour.

Broad studies found by Dweck (1999) that learning and execution objectives or goal-oriented intentions assumes different kinds of affective, cognitive and behavioural reactions when people experience misfortune on a difficult assignment.

Similarly supported by Buck et al (2017) that there is a positive correlation between goal orientation and emotional intelligence dimensions.

Psychological safety or security assists individuals to manage and withstand from stress, life challenges, life threatening circumstances (Hobfoll, 1989).

McAdams & Bryant (1987) explains that there is a significant relation between interpersonal belongingness and their evaluations of happiness and emotional prosperity.

Objectives

1. To measure the Emotional Intelligence level of employees working in manufacturing and service sectors
2. To find out the significant difference between how emotional intelligence impact on organizational effectiveness in manufacturing and service sectors.

Methodology

This study is of descriptive in nature and based on quantitative approach to examine and compare the organizational effectiveness and emotional intelligence of employees employed in selected manufacturing and service sectors in region of Rourkela, Odisha. This paper attempts to undergo comparative study of emotional intelligence and its different components like self-awareness, self-management, social awareness and relationship management on organizational effectiveness in manufacturing and service sectors. The independent variable for this study was emotional intelligence and dependent variable as considered as

organizational effectiveness. Primary Data were collected from some of selected manufacturing and service sector located in Rourkela, Odisha. Simple random sampling technique was used to identify total 502 respondents from both the sectors. Primary data was collected through structured questionnaire based on five-point Likert scale format including 52 items for getting the responses against emotional intelligence and organizational effectiveness.

Results and Discussions

Let us take the following hypothesis that

H1: There is significant difference between employees' Emotional Intelligence level in manufacturing and service sector

Table 1 . Emotional Intelligence level of employees of manufacturing and service sector

Dimensions of EI	Nature of Organization	N	Mean	S. D	S. E	S	t
Self-Awareness	Manufacturing	252	301.37	156.05	8.847	140.155	4.984
	Service	250	238.99	122.38			
Self-Management	Manufacturing	252	314.97	157.42	9.056	143.45	5.189
	Service	250	248.5	128.16			
Social Awareness	Manufacturing	252	294.13	162.012	9.0022	142.64	4.294
	Service	250	239.44	120.33			
Relationship Management	Manufacturing	252	301.37	156.05	9.009	142.7004	4.149
	Service	250	248.5	128.16			

Table 1 shows that the calculated value of t is greater than table value of t hence H1 was accepted. In other words, there was statistically significant difference observed in overall emotional intelligence level including its dimensions like self-awareness, self-management, social awareness and relationship management in manufacturing and service sector.

Thus, it has been observed that employees in manufacturing sector have higher level of emotional intelligence than employees in service sector. It was found that person possessing high self-awareness results in personal success and managing oneself is helpful when they are in trouble. Employees with increased self-management are more adaptable and are good performers in the job. Among the four dimensions of EI, self-management is found to be higher in manufacturing sector than in service sector followed by self-awareness, social awareness and relationship management. Employees having high social-awareness are understandable and react to others' emotions effectively and serve more. Relationship management includes a set of competence and social skills that helps in influencing and

analyzing others and influencing for desirable response from employees and help employees to be more alert and respond to others' views. In regard to manufacturing companies the process of working is well defined and task accomplishment is determined by machines being more mechanical in nature. Employees are working under hazardous and unsafe conditions directly dealing with operations and maintenance of machines. Manufacturing firms abide the legal compliance to ensure the welfare and safety of their employees. This necessitates the employees employed in manufacturing sector to possess high degree of emotional intelligence in terms of self- awareness and self-management skills in this organizational context. While in service perspective, the jobs are highly interdependent and determined by the knowledge and skills of the employees working in banking, financial services, etc. where sound marketing skills and communication skills of employees plays a vital role in attaining their targets. In manufacturing companies, the reporting system demands tall chain of command to be followed by the employees with less interaction with other employees where as in service sector, work demands high interaction among diverse types of employees. In this context, it becomes important that employees need to be empathetic being socially aware and high in relationship management with their management, supervisors and colleagues. Hence, findings of the study reveal that employees in manufacturing possess high emotional intelligence than those of service sector.

H2: There is a significant difference of Organizational effectiveness level of manufacturing and service sector employees

Table 2. Organizational effectiveness level in manufacturing and service sectors

Construct	Nature of Organization	N	Mean	S. D	S. E	S	t
Organizational Effectiveness	Manufacturing	252	338.535	167.41	9.349	148.14	7.4836
	Service	250	239.55	126.124			

Table 2 shows that the calculated t value is more than the table t value so, H2 is not rejected. The Organizational effectiveness in manufacturing sector was relatively more than in service sector. Employees working in manufacturing sector had a more consistent attitude towards organizational effectiveness as in comparison to employees working in service sector. There is difference in their views on organizational effectiveness which is due to different working conditions and nature of work in both the sectors. Employees in manufacturing sector are provided with well communicated targets that need to be achieved and spends mor time with machines, along with this the working pattern is systematic and routinized as per the administration. While employees in service sector are surrounded with

hectic schedule of work and more interaction with people where goal accomplishment is dependent on the skills of service providers. Other explanation could be that employees at manufacturing receive fair pay as per their legal compliances but service employees get as per their skills and contribution in achieving the goals. Therefore, findings of the study revealed that due to different working conditions, employees employed in manufacturing sector had good opinion towards organizational effectiveness than those working in service sector.

Conclusion

Emotional Intelligence is a vital soft skill of employees in order to improve their self-confidence, be successful in job, be effective leaders and influence on self as well as others motivation level (Cooper and Sawaf, 1997). It is evident that EI is one of the most crucial predictors of organisational success. India is growing developing economies in the world where job opportunities are cropping up rapidly and necessitates availability of quality human resources for making organisational effective in terms of flexible and resilient organisations. In current scenario, EI has gained increased attention in corporate systems. In this study, EI was measured in terms of four dimensions like Self-awareness, Self-management, social awareness and relationship management as provided by Goleman model. From this study, it can be concluded that EI influences in enhancing the organizational effectiveness in manufacturing and service sector. Every organization irrespective of its nature need to build EI skills of employees to work effectively in achieving its goals. As it is very clear that role of EI in achieving organizational effectiveness is very significant. So, assessment and predictability of EI leading to success is still a very important issue to be focused. From above discussion it is very much clear that the facets of EI align well within the framework of achieving goals of the organization and ultimately leading to job satisfaction.

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