

The Role of Emotional Intelligence in Organizational Success

Ambarish Garg ^{1*}, Dr. Swati Saxena ^{2*}

¹Research Scholar, Department of Management, Mangalayatan University, Jabalpur.

²Associate Professor, Department of Management, Mangalayatan University, Jabalpur.

Abstract

It is thought that emotional intelligence (EI) helps people function at greater levels. Achieving greater performance levels with less resources has become crucial in light of the present pandemic and global economic crisis. In this article review the various literature's study on role of emotional intelligence in organizational success. This review concluded that the emotional intelligence (EI) plays a crucial role in organizational success, particularly in the public sector, where diverse policies and stakeholder interactions shape performance. This study highlights the positive impact of self-awareness on job performance, while inspiring performance also emerges as a key predictor. While self-management and awareness of others show mixed effects, EI remains strongly linked to employee behavior, career success, and overall organizational performance. Effective EI training enhances social networks and influences personal and professional interactions. Notably, the regulation of emotions is a major contributor to job performance, enabling employees to manage their moods and behaviors for optimal workplace success.

Keywords: Emotional intelligence (EI), Organizational Success and performance, Job performance, Leadership efficacy, etc.

1 Introduction

Human experiences are fundamentally shaped by emotion, which affects our everyday functioning in areas including learning, communication, cognition, and decision-making. Attempts to describe and

* ISBN No. - 978-81-983155-7-1

Emerging Trends in Commerce and Management: A Multi-Disciplinary Approach
(VOLUME-1)

comprehend emotions have been made by psychologists for ages. In recent years, academics and professionals have become more aware of emotional intelligence (abbreviated EI) as a unique and valuable resource in organisations [1]. According to recent research, emotional intelligence (EI) is a significant predictor in a number of critical areas, including psychology (e.g., self-efficacy, job satisfaction), behaviours (e.g., organisational citizenship behaviour, workplace deviant behaviour, ethical behaviour), and work outcomes (e.g., career success, leadership effectiveness, job performance). Thus, we contend that EI plays a significant role in shaping organisational development and future expansion [2], [3].

Affective propensity to successfully employ emotional information to accomplish desired outcomes is the definition of emotional intelligence as an individual-level trait. The ability of members of an organisation with high EI to effectively influence the social environment at work and attain high performance via emotional regulation is also seen to be the primary reason why early EI research concentrated on the individual level [4]. Nonetheless, it should be remembered that an organisation is a social structure made up of connections, and the flow of emotional information will have an impact on behaviour at both the individual and cross-level levels [5]. On the one hand, the emotional intelligence (EI) of high-power individuals may have a major effect on team or organisational success as emotional variables constantly influence the choices and actions of organisational members. However, EI may influence other people's emotional or behavioural reactions in social communication. It is also possible to combine individual EI to create a greater degree of group EI [6]. These group norms that efficiently and adaptably handle emotions have cross-level impacts because they not only control the internal emotional states of individuals or teams, but they also have an external impact on the environment of other teams or organisations. EI may be thought of as a hidden "driving force" that influences organisational development as it is an antecedent of organisational performance [7], [8].

A. Emotional intelligence

The capacity to recognise, utilise, comprehend, control, and regulate emotions is referred to as emotional intelligence (EI) or emotional quotient (EQ). The ability to identify and categorise emotions, use emotional information to shape behaviour and thought processes, and modify emotions to fit changing circumstances are all components of high emotional intelligence [9]. This encompasses emotional intelligence. Daniel Goleman, a psychologist and scientific writer, coined the phrase in 1964 and it became well-known after his 1995 best-selling book *Emotional Intelligence*. Emotional intelligence is intrinsic, according to some experts, but it can also be learnt and developed [10], [11].

B. The relationship between emotional intelligence and organizational behavior

One important thing to think about is how emotional intelligence affects organisational behaviour. Using a variety of strategies, as described below, leaders with emotional intelligence may influence the behaviour of their employees and shape the culture of the company they work for [12].

- The capacity to create a positive work atmosphere is one of the characteristics that distinguish emotionally intelligent leaders. The existence of psychological safety, respect, and trust are what

distinguish this setting. In the organisation, this encourages the creation of a culture that values open communication, collaborative working, and creative problem solving.

- Employees' perceptions of the emotional intelligence of their leaders are favourably connected with their degree of organisational commitment. Leaders that possess traits like empathy, understanding, and equality are more likely to encourage loyalty and commitment from their team members.
- Team dynamics are improved when leaders possess emotional intelligence because it promotes better communication, teamwork, and conflict resolution. As a result, the members of the organisation will experience higher levels of cooperation, peaceful interdependence, and group effectiveness.
- Leaders that are emotionally intelligent may provide assistance for their staff members' mental health. Those in positions of power are able to recognise and respond to signs of stress, provide psychological support, and create a workplace that prioritises employees' well-being while keeping their personal and professional lives in balance [13].

C. Components of emotional intelligence

There are four essential components that make up the concept of emotional intelligence [12]:

- The capacity of an individual to regulate and control their emotions, impulses, and actions is referred to as self-management. Even in the presence of challenging circumstances, individuals who possess strong self-management abilities are capable of effectively managing tension, adapting to changing circumstances, and maintaining a constructive perspective.
- Social awareness is the ability to understand and demonstrate empathy for the feelings, needs, and perspectives of others. Leaders with high social awareness can recognise and understand the emotional states of their team members and foster an environment of trust, empathy, and collaboration.
- Relationship management include the ability to create and maintain positive relationships, influence people, and effectively resolve disagreements. A leader with strong relationship management skills may motivate and inspire their team, resolve issues in a positive way, and create a welcoming and inclusive work atmosphere.

2 Literature Review

(Kour & Ansari, 2024) [12] This study's main goal is to examine the importance of emotional intelligence (EI) in connection to organisational behaviour and leadership effectiveness. The study's specific objectives are to investigate the components of emotional intelligence, how they affect leadership behaviour, and how they relate to organisational behaviour. This research concludes by highlighting the significance of emotional intelligence in organisational behaviour and leadership performance. The results highlight how emotional intelligence improves several facets of employee happiness and organisational behaviour. The paper also makes recommendations for future research directions, such as intercultural differences, longitudinal investigations, investigating moderating and intervening variables, creating treatments, and doing comparative analyses.

Emerging Trends in Commerce and Management: A Multi-Disciplinary Approach
(VOLUME-1)

(SHARMA, 2023) [14] Examine what influences engineering product firms' business environments and assess how emotional intelligence affects the success of their organisations. Schedules for interviews and the questionnaire will be used to gather the data. With SPSS, a number of statistical tests will be used to analyse the gathered data. The rationale of integrating Emotional Intelligence (EI) intervention with engineering product personnel will be supported by these results. Despite the fact that emotional intelligence (EI) is considered a critical component of organisational efficiency, there are relatively few secondary research in the area of engineering product firms in the subject literature.

(Supramaniam & Singaravelloo, 2021) [15] examines how organisational performance (OP) in the Malaysian public sector is affected by emotional intelligence (EI). 375 valid answers were obtained via a survey instrument that was given to 700 ADOs located in Putrajaya among five chosen ministries. The SMART-PLS method analysis of the obtained results confirms the substantial positive impact of EI on OP and point to the necessity of raising civil servants' EI by incorporating EI indicators and measures into "workforce planning, succession planning, learning and development, recruitment, and organisational development". Emotional intelligence (EI) should be actively used to raise awareness and maturity so that government officials can accept the demanding agile workplace of today.

(Krén & Séllei, 2021) [9] The objective of our research was to determine whether emotional intelligence can influence organisational performance in financially successful organisations. We obtained information about leaders from Genos EI online surveys and interviews, and we collected data on organisational success from the national TAX system. Our findings indicate that certain emotional competencies are correlated with performance. Specifically, self-awareness, self-management, and awareness of others appeared to affect organisational performance. In our regression analysis, self-awareness was identified as a predictor variable of performance. The relationship between emotional intelligence and performance should be further investigated by incorporating additional performance indicators and leadership styles.

(Baporikar, 2020) [16] Examine how employee emotional intelligence (EI) contributes to better organisational performance. A sample of forty workers was chosen from the company using a qualitative method and a case study research design; after pilot testing, data was collected using a questionnaire. Thematic analysis is used in an interpretive research paradigm, and SPSS is used for the analysis. The results show that workers who are aware of the best practices and enhance organisational performance may benefit from an awareness of emotional intelligence (EI) and how it affects performance. It was also observed that Emotional intelligence (EI) is a strong predictor of work and organisational success, but only if it is promoted and led by individual performance, which is divided into task and contextual performance.

(Rao & Ailen, 2017) [17] An effort has been undertaken to determine the personality intelligence (EI) of managers and how EI affects employee performance. A standardised questionnaire was utilised to gather data from 500 managers in the IT sector, which was then analysed to make inferences. The results of the statistical research showed a favourable correlation between job performance and emotional intelligence. It has been discovered that knowing an employee's emotional intelligence level will help to

achieve the intended result and give managers and staff the appropriate training to help them control their emotions and accomplish organisational goals effectively.

3 Conclusion

Emotional Intelligence (EI) plays a critical role in driving organizational success, particularly in the public sector, where diverse policies and interactions shape daily operations. Self-awareness enables individuals to understand and regulate their emotions effectively, leading to improved job and organizational performance. Linear regression analysis confirms that self-awareness positively influences performance, while inspiring leadership also emerges as a key predictor. However, in certain cases, self-management and awareness of others may have a negative correlation with performance. The study highlights that EI is not only linked to work performance and career success but also significantly impacts employee behavior and workplace dynamics. The integration of EI in recruitment, workforce planning, and leadership development can enhance organizational performance. Additionally, EI training fosters helping behavior and quality interactions, extending beyond professional settings into personal lives. Regulation of emotions is identified as a major contributor to job performance, as individuals who manage their emotions effectively exhibit appropriate behaviors in workplace interactions. Overall, the findings emphasize that advancing EI within organizations can lead to improved employee engagement, productivity, and overall success. By embedding EI in organizational strategies, public administrators and leaders can better meet stakeholder expectations and navigate the complexities of a globally connected environment.

References

- [1] M. J. Mustafa, C. Vinsent, and S. K. Z. Badri, "Emotional intelligence, organizational justice and work outcomes," *Organ. Manag. J.*, vol. 20, no. 1, pp. 30–42, 2023, doi: 10.1108/OMJ-08-2021-1322.
- [2] B. Dong, X. Peng, and N. Jiang, "Exploring the Domain of Emotional Intelligence in Organizations: Bibliometrics, Content Analyses, Framework Development, and Research Agenda," *Front. Psychol.*, vol. 13, no. March, pp. 1–19, 2022, doi: 10.3389/fpsyg.2022.810507.
- [3] C. Doğru, "A Meta-Analysis of the Relationships Between Emotional Intelligence and Employee Outcomes," *Front. Psychol.*, vol. 13, no. April, pp. 1–12, 2022, doi: 10.3389/fpsyg.2022.611348.
- [4] W. C. Watanabe, M. Shafiq, M. J. Nawaz, I. Saleem, and S. Nazeer, "The impact of emotional intelligence on project success: Mediating role of team cohesiveness and moderating role of organizational culture," *Int. J. Eng. Bus. Manag.*, vol. 16, pp. 1–14, 2024, doi: 10.1177/18479790241232508.
- [5] I. Olsson, "Revealing the Effect of Emotional Intelligence on Organizational Effectiveness: Perspectives from Industrial-Organizational Psychology," *Int. J. Psychol. Stud.*, vol. 16, no. 2, p. 70, 2024, doi: 10.5539/ijps.v16n2p70.

Emerging Trends in Commerce and Management: A Multi-Disciplinary Approach
(VOLUME-1)

- [6] I. Coronado-Maldonado and M. D. Benítez-Márquez, “Emotional intelligence, leadership, and work teams: A hybrid literature review,” *Heliyon*, vol. 9, no. 10, 2023, doi: 10.1016/j.heliyon.2023.e20356.
- [7] P. N. Lopes, “Emotional Intelligence in Organizations: Bridging Research and Practice,” *Emot. Rev.*, vol. 8, no. 4, pp. 316–321, 2016, doi: 10.1177/1754073916650496.
- [8] K. Srivastava, “Emotional intelligence and organizational effectiveness,” *Ind. Psychiatry J.*, vol. 22, no. 2, p. 97, 2013, doi: 10.4103/0972-6748.132912.
- [9] H. Krén and B. Séllei, “The role of emotional intelligence in organizational performance,” *Period. Polytech. Soc. Manag. Sci.*, vol. 29, no. 1, pp. 1–9, 2021, doi: 10.3311/PPSO.15879.
- [10] P. Shah, “a Study on Impact of Emotional Intelligence on the Overall Working in the Organization,” vol. 8, no. 4, p. 3824, 2020, [Online]. Available: www.ijcrt.org
- [11] S. Côté, “Emotional Intelligence in Organizations,” *Annu. Rev. Organ. Psychol. Organ. Behav.* vol. 1, pp. 459–488, 2014, doi: 10.1146/annurev-orgpsych-031413-091233.
- [12] K. Kour and S. A. Ansari, “the Role of Emotional Intelligence in Leadership Effectiveness and Organisational Behavior,” *Rev. Gest. Soc. e Ambient.* vol. 18, no. 2, pp. 1–14, 2024, doi: 10.24857/rgsa.v18n2-121.
- [13] A. International, “Artificial Intelligence as a Catalyst for Leadership Development : Enhancing Emotional Intelligence in Leaders,” pp. 263–269, 2024, doi: 10.69968/ijisem.2024v3si2263-269.
- [14] R. SHARMA, “A STUDY OF EMOTIONAL INTELLIGENCE AND ORGANISATIONALEFFECTIVENESS IN ENGINEERING PRODUCT COMPANIES,” 2023.
- [15] S. Supramaniam and K. Singaravelloo, “Impact of emotional intelligence on organisational performance: an analysis in the Malaysian public administration,” *Adm. Sci.*, vol. 11, no. 3, 2021, doi: 10.3390/ADMSCI11030076.
- [16] N. Baporikar, “Emotional Intelligence a Critical Factor in Organizational Performance,” *Int. J. Bus. Strateg. Autom.*, vol. 1, no. 4, pp. 10–39, 2020, doi: 10.4018/ijbsa.2020100102.
- [17] M. S. K. Rao and V. R. Ailen, “Emotional intelligence and its impact on organizational performance of IT companies in India with special reference to Hyderabad.” *Int. Res. J. Commer. Arts Sci.*, vol. 8, no. 7, pp. 238–246, 2017.