

Impact of Emotional Competencies in Performance Levels – A Case Study of Nationalised Banks of Kochi, India

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The paper assesses and analyses the manner in which emotional competencies and performance are related and how emotional competencies and its clusters distinguish among low, medium and high managerial performances. Respondents were middle level managers randomly selected from five nationalised banks located in the various parts of the 'Queen of Arabian Sea' & the commercial capital (Cochin, now known as Kochi) of Kerala state, in India. They were interviewed with an emotional competencies' inventory, a standardised questionnaire and performance was determined by a number of factors like their remuneration package for a year, incentives provided by the bank, other fringe benefits given by the bank, experience acquired, higher qualification possessed by the manager and so on. Data were subjected to the standard deviation units from the mean method to identify the low, medium and the high performers. Results showed that the high managerial performers had significantly more emotional competence and its four clusters than the relatively lower managerial performers.

Key words: Emotional competencies and Managerial performers

1. Introduction

Emotional intelligence is becoming increasingly popular within industrial and organizational psychology as a measure for identifying potentially successful candidates, and as a training and development tool for enhancing employee performance particularly in leadership, sales and customer service roles. There have been innumerable research studies to understand the usefulness of Emotional Intelligence in the work place (Goleman, 1995 a; Mayer and Salovey, 1997; Jac, 1997; Sitarenios, 1998; Goleman, 2001; Cherniss and Adler, 2000; Lagrange and Roodt, 2001; Slaski and Cartwright, 2002; Sitarenios, 2002; Singh and Jain, 2004; Donald- feidler and Bond, 2004). All these works provide a number of guiding principles for the implementation and development of Emotional Intelligence in order to improve performance measures within occupational settings.

Although psychologists have been studying the different facets of Emotional Intelligence in organisations for years, the concept as it is presently understood is relatively new.

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They describe the approaches in which emotional intelligence is indispensable to success in the work places. Emotional Intelligence in the work place has its relevance in selecting and developing a career; and also stresses its impact on individual performance and organisational effectiveness.

Emotional intelligence is the capacity for recognising our own feelings and those of others, for motivating ourselves and for managing self and others' emotions effectively. An emotional competence is a learned capacity based on Emotional Intelligence that contributes to effective performance at work.

The Managerial performer is one who performs managerial action with his self-discipline to produce the required results in an organisation.

The present study is empirical in nature and compares the emotional intelligence competences of managers reported to have low, medium and high levels of performance.

2. Literature Review

Emotional competence is a learned capability that results in outstanding performance at work (Singh, 2003). According to Singh, our emotional intelligence is what determines our potential to learn practical skills. Our emotional competence shows how much of this potential is translated into on the job capabilities, emotional competencies are clustered into groups, each based on common underlying emotional intelligence ability. These underlying emotional intelligence abilities are vital if people are to successfully learn the competencies necessary to succeed at the work place. Gardner.L from Swinburne University, Australia, points out in his work "*Examining empirical relationships between leadership styles and emotional intelligence*", that emotional intelligence correlated highly with all components of transformational leadership, with the components of Understanding of Emotions (external) and Emotional Management from the SUEIT the best predictors of this type of leadership style. Another study by Stough .C titled "*the current status of i/o psychology applications of emotional intelligence*" shows the relationship between emotional intelligence and job performance and various emotional intelligence training programs designed to increase individual's emotional abilities. Thus, Emotional intelligence is becoming an increasingly popular construct in organizational Psychology and has been proposed to be useful in selection, training, development and coaching of employees.

3. Objectives

1. To measure and examine the manner in which emotional competencies and performance are related.
2. To identify how emotional competencies and its clusters distinguish among low, medium, and high managerial performances.

4. Methodology and Research Design

The sample comprised of 250 (50 from each selected bank) middle level hierarchy male managers from five nationalised banks located in the various parts of the commercial capital, Cochin of Kerala state in India. The selected banks were:

- ✓ State Bank of India
- ✓ State Bank of Travancore
- ✓ Union Bank of India
- ✓ Syndicate Bank
- ✓ Central Bank of India

The age of the respondents was between 25 to 60 years; all of them were having at least graduation as qualification.

5. Tools selected for the study

The Emotional Competence Inventory (ECI) developed by Boyatzis, Goleman and Rhee (in the year 2000) measures 20 competencies organized into four dimensions: Self-awareness - concerns knowing one's internal states, preferences, resources and intuitions. It includes, (Emotional Awareness, Accurate Self Assessment, and Self Confidence), Self-management - refers to managing one's internal states, impulses and resources. It includes, (Self Control, Trustworthiness, Conscientiousness, Adaptability, Achievement Orientation, and Initiative), Social awareness - refers to how people handle relationships and awareness of others feelings, needs, and concerns. It includes, (Empathy, Organisational Awareness, and Service Orientation) and Social skills or relationship management - concerns the skill or adeptness at inducing desirable response in others. It includes, (Developing Others, Leadership, Influence, Communication, Change Catalyst, Conflict Management, Building Bonds, and Teamwork and Collaboration). Cronbach's alpha internal consistency co-efficients for the emotional competencies inventory (ECI) clusters and competencies range from 0.73 to 0.92, with an overall average internal consistency coefficient of 0.85. Criterion validity, concurrent validity and predictive validity of each of the ECI competencies were established (Sala, 2002).

Statistical tools used in this study were Mean, Standard deviation, one-way ANOVA, and Scheffe test respectively with the help of SPSS – 12 [Software Package for Social Science].

6. Procedure

The subjects were met personally and handed over the emotional competencies inventory along with another list of questions relating to their performance, which was determined by number of factors like their remuneration package for a year, incentives provided by the bank, other fringe benefits given by the bank, experience acquired, and higher qualification possessed by the manager. They were requested to read all the statements carefully and answer them honestly.

To analyse the level of performance on emotional competencies, the performance average score is classified into three groups as low, medium and high using one standard deviation units from the mean method. The following criterion is used for

classification: [Group (A) Low] = those below mean – 1 standard deviation, [Group (B) Medium] = those between mean – 1 standard deviation and mean + 1 standard deviation, [Group (C) High] = those above mean + 1 standard deviation.

7. Analysis

The details are presented in **Table 1**

Classification of the sample based on level of performance

Group	Number of cases	Percentage
[Group (A) Low]	43	17.20
[Group (B) Medium]	161	64.40
[Group (C) High]	46	18.40
<i>Total</i>	<i>250</i>	<i>100</i>

Table 2: F values of emotional competencies for low-medium-high performance groups

Serial Number	Emotional competency inventory variables and dimensions	F values
1	Emotional self awareness	4.46**
2	Accurate self awareness	3.32*
3	Self confidence	6.91**
(A)	Self awareness	6.47***
4	Self control	3.62
5	Trustworthiness	0.40
6	Conscientiousness	6.70***
7	Adaptability	8.03***
8	Achievement orientation	1.60
9	Initiative	2.40
(B)	Self management	4.24**
10	Empathy	3.70*
11	Organisational awareness	0.80
12	Service orientation	3.26
(C)	Social awareness	3.01*
13	Developing others	6.40***
14	Leadership	2.15
15	Influence	0.50
16	Communication	4.90**
17	Change catalyst	3.30*
18	Conflict management	0.06
19	Building bonds	2.10
20	Teamwork and collaboration	3.05*
(D)	Social skills	2.24
	Total EQ	3.94*

***significant at 0.001 level, **significant at 0.01 level

*significant at 0.05 level

(Source: based on primary data)

Table 3: Mean and Standard deviation for low-medium-high performance group

Emotional competency inventory variables/ dimensions	[Group (A) Low] 43		[Group (B) Medium] 161		[Group (C) High] 46	
	Mean	Standard deviation	Mean	Standard deviation	Mean	Standard deviation
Emotional self awareness	8.15	1.71	8.87	1.76	22.51	2.07
Accurate self awareness	16.10	2.89	17.23	3.21	17.88	4.26
Self confidence	16.63	2.83	18.86	3.72	19.38	4.46
Self awareness	40.88	7.43	44.96	8.69	59.77	10.79
Self control	11.24	2.24	12.46	2.62	12.39	3.09
Trustworthiness	11.17	2.06	11.56	2.37	11.36	2.64
Conscientiousness	15.90	2.53	17.17	2.73	17.85	2.12
Adaptability	12.19	3.35	12.93	3.12	14.54	2.71
Achievement orientation	16.34	3.68	17.15	2.97	17.46	3.42
Initiative	14.39	4.46	15.18	3.82	16.22	4.91
Self management	81.23	18.32	86.45	17.63	89.82	18.89
Empathy	18.95	4.16	19.58	4.27	21.13	4.60
Organisational awareness	11.00	2.79	11.52	3.07	11.77	3.26
Service orientation	19.05	3.88	20.71	4.13	21.14	4.68
Social awareness	49.00	10.83	51.81	11.47	54.04	12.54
Developing others	14.19	3.27	15.51	3.03	16.47	3.39
Leadership	11.56	2.58	12.40	2.42	12.47	2.43
Influence	18.40	3.86	17.71	4.45	18.19	6.63
Communication	16.02	3.28	16.71	3.22	18.09	4.13
Change catalyst	19.24	3.76	20.49	3.55	21.26	4.68
Conflict management	13.63	3.10	13.59	3.92	13.77	3.78
Building bonds	11.68	2.32	12.48	2.41	12.33	2.09
Teamwork and collaboration	25.15	4.13	25.88	3.85	25.44	5.03
Social skills	129.87	26.3	134.77	26.85	138.02	32.16
Total EQ (Self awareness + Self management + Social awareness + Social skills)	300.98	62.88	317.99	64.64	341.65	74.38

(Source: based on primary data)

8. Results, discussion and conclusions

The scores obtained by the three groups (low, medium, and high performances) on emotional competencies and its four clusters are taken for analysis, and the results of the one way ANOVA, the mean, and the standard deviation for different variables are given in the tables 2 and 3. The results indicate significant differences between the groups on certain variables under study.

Scheffe test shows that high performers have significantly more scores on emotional self-awareness, accurate self awareness, self confidence, conscientiousness, adaptability, empathy, developing others, communication, change catalyst and overall EQ than the low managerial performers. They also have high score on self-confidence, adaptability, developing others than medium performers. Self confidence, self control, conscientiousness, team building and collaboration are high in medium performers than low performers.

The analysis clearly shows that high performers group scores high in all variables. Three variables namely conscientiousness, adaptability and developing others are statistically very significant (at 0.001 levels). The mean scores of emotional competency inventory variables are very high in [Group (C) High] compared to other groups, which categorically states that there is a theoretical significance in showing that each variable has an integral significant impact on performance level of managers.

A close examination of scores of emotional competency variables in Table 3 gives a clear picture that, as performance levels increase, the mean score of the EC variables also increase and vice versa. The results show that the highest performing managers have significantly more 'emotional competencies' than other managers. The present finding also shows the trends of earlier researchers in this field like Jac (1997) EI as predictor of job performance; emotional skills are highly related to overall success and EI skills are significantly related to job performance (Sitarenois, 1998); Slaski and Cartwright (2002) demonstrated higher EQ had better management performance; Johnson and Johnson consumer company found that the highest performing managers had significantly more 'emotional competence' than others (Cavello & Brienza, 2002); and Sitarenios (2002) assessed EI skills of high, medium and low performance employees and compared only the high and low performance groups. The results show that emotional intelligence skills are significantly related to job performance.

The model of emotional intelligence competence by Boyatzis et.al. (2000) reflects four clusters: (1) Self-awareness - concerns knowing one's internal states, preferences, resources and intuitions. It includes emotional awareness, accurate self assessment, and self confidence, (2) Self-management - refers to managing one's internal states, impulses and resources. It includes, self control, trustworthiness, conscientiousness, adaptability, achievement orientation, and initiative, (3) Social awareness - refers to how people handle relationships and awareness of others feelings, needs, and concerns. It includes, empathy, organisational awareness, and service orientation and (4) Social skills or relationship management - concerns the skill or adeptness at inducing desirable response in others. It includes, developing others, leadership, influence, communication, change catalyst, conflict management, building bonds, and teamwork

and collaboration. To verify this, four clusters of low, medium, and high performers are subjected to one-way ANOVA (table 2) and respective mean and standard deviation are in table 3.

The analysis shows that high performance group scores high in all four clusters but three of them are statistically significant, even though the fourth cluster is also high mean difference in high performers.

9. Conclusion

There is a theoretical significance in showing that each competence in itself has a significant impact on performance. Emotional competencies seems to operate to support powerfully in synergistic groupings, with the evidence suggesting that mastery of a 'critical mass' of competencies is necessary for superior performance (Singh, 2003). To conclude, high performers have high emotional competencies in all respects.

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