

Emotional Intelligence & Relationship Management in Organisational Context

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Abstract

The main objective of the current study was to study the relation between Emotional Intelligence & Relationship Management in context of a formal organizational. The data were collected from employees working in manufacturing industries in the state of Odisha. Regression analyses were used to test the hypotheses. The analysis established the correlation between Emotional Intelligence & Relationship Management.

Key Words: Emotional intelligence, relationship management.

1. Introduction

The three broad dimensions of intelligence can be referred as social intelligence, intra personal intelligence & interpersonal intelligence. Social intelligence is defined as the capability to understand and manage men, women, for interaction and establishment of human relations. Intra personal intelligence concerns dealing with the self and symbolizing complex and highly differentiated sets of feelings within the self. Interpersonal intelligence relates to one's ability to deal with others and to notice and make distinctions among other individuals and, in particular, among their moods, temperaments, motivations and intentions. Emotional Intelligence combines an individual's intrapersonal and interpersonal intelligence. Relationship Management (RM) can influence major functions in an organisation like sales leadership, decision making, organizational change etc. RM is increasingly being considered as an important competence for leadership on account of the fact that at higher management level, the networking skill as well as relationship management of the leader greatly impact organisational outcome. This paper presents an overview of correlation between Emotional intelligence & Relationship

2. Literature Review

The concepts of Emotional Intelligence are not new, with research going back to the early part of the 20th century. The term "Emotional Intelligence" was introduced in 1990 (**John D Mayer, P Salovey, 1990**). But it was Daniel Goleman, a Harvard-trained psychologist and writer who really brought EQ into the mainstream. He wrote about EQ in *The New York Times* and his book *Emotional Intelligence* (1995). Even before Goleman, some of the EQ concepts have been studied for nearly a century, simply called by different names like social skills or social intelligence, but his book really kick started the business community's interest in Emotional Intelligence.

In *Working with Emotional Intelligence*, Daniel Goleman (1998) set out a framework of emotional intelligence (EI) that reflects how an individual's potential for mastering the skills of Self-Awareness, Self-Management are personal competence, Social Awareness, and Relationship Management are social competence that related to the job success. The first component of emotional intelligence is Emotional Self-Awareness, which contains of Emotional self-awareness, accurate self-assessment, and Self-confidence. It is means, knowing what one feels, or Knowing one's internal states, preferences, resources, and intuitions.

Mayer & Geher (1996), mentioned that emotional intelligence is different from general intelligence and that the former is differential intelligence that needs to be investigated in the future. John Mayer (**Mayer & Stevens, 1994**) uses the term meta-mood, the affective analogue of meta-cognition, for key aspects of Emotional Self-Awareness.

The second component of EI, Self-Management, that contains of Emotional self-control, Transparency, Adaptability, and Achievement orientation. The means of this factor is the ability to regulate distressing affects like anxiety and anger and to inhibit emotional impulsivity, or managing one's internal states and resources.

Studies of patients with discrete lesions to the amygdale show impairment of their ability to read nonverbal cues for negative emotions, particularly anger and fear, and to judge the trustworthiness of other people (**Davidson et al., 2000**). Other items are organizational awareness and service orientation. Lastly, the fourth EI component is Social Skill, poses a more complex picture, or adeptness at inducing desirable responses in others. In a fundamental sense, the effectiveness of our relationship skills hinges on our ability to attune ourselves to or influence the emotions of another person. This factor encompasses Developing others, Inspirational leadership, Change catalyst, Influence, Conflict management, and Teamwork and collaboration. EI is increasingly being recognized as an important issue in the workplace for three main reasons:

- Research has shown that for star performance in every field, EI is twice as important as cognitive abilities. For success at high levels, close to 90% of success is attributable to EI.
- Companies and individuals are becoming more interested in their search for competitive advantage and recognize the need to balance rational and emotional aspects of strategy.
- A major drive of interest has been the failure of IQ alone to account sufficiently for differences in success levels in individuals, both in educational and organizational contexts.

As per a study conducted by **Miao, C., Humphrey, R. H., & Qian, S, (2017)** Emotional Intelligence facilitates employees to obtain job resources and both job resources & Emotional Intelligence have impact on job satisfaction . The relationship between job satisfaction & EI doesn't get impacted by demographic profiles.

The study conducted by **Momm, T., Blickle, G., Liu, Y., Wihler, A., Kholin, M., & Menges, J.I. (2015)** has revealed that emotional ability enables employees to be more successful at work. People with emotional intelligence can better manage politics in organizations and the interpersonal relation at job. The findings imply that emotional abilities enable people to be more successful at work.

The practical implication of EI is manifold. As per a study conducted by **Miao, C., Humphrey, R. H., & Qian, S, (2017)** organizations can increase OCB (organization citizenship Behaviour) and reduce CWB (Counterproductive work behavior)by recruiting employees high in EI and by training employees in emotional competencies. Study has also been made on the relationship between Emotional intelligence & creativity at work. As per the study made by **Parke,**

M.R., Seo, M.G., & Sherf, E.N, (2015) EI can be considered as an important parameter to consider & assess creative potential of employees.

In a study made by **Koveshnikov, A., Wechtler, H., & Dejoux, C. (2014)**, it was found that there is a positive relationship between EI and cultural adjustment ability. This finding suggests that EI can be leveraged as a factor for selection of employees for international assignments. The three major component of Relationship Management is:

Empathy

The ability to understand & predict what another person is feeling is empathy. Empathy enables a leader to identify the internal need for providing feedback to another individual. It helps to understand people's developmental needs. The essence of empathy is the ability to perceive feeling of other people even if it is not expressed explicitly. It is difficult to enter into the mental terrain of an individual unless the leader is familiar with their emotional state. Empathy enables a leader to acknowledge and reward strength of an employee & help for limiting his weakness. Empathy is the level of sensitivity & intelligence which enables a leader to identify the intrinsic emotional stage of any individual.

Influence

Influence is the capability to incite desire in individuals to achieve shared vision & mission. It is the ability to convince, motivate & make people to support & work towards achieving a decided goal in the desired course of action. Influence is the act or power of producing an effect without apparent exertion of force or direct exercise of command. There can be instances of social influence also when a person's emotion, opinion & behaviour are affected by others.

Conflict Management

Conflict Management is the ability to convene individual, groups or teams having conflicting interest or perceived vision to come to a common goal or action. It is the skill to present a win-win situation to the conflicting parties so that they subscribe to a common agenda in the overall organisational interest. It is the practice of being able to identify and handle conflicts sensibly, fairly, and efficiently. Since conflicts in a business are a natural part of the workplace, it is important that there are people who understand conflicts and know how to resolve them. There are various strategies for conflict management at work place. Some of the strategies are as below:

Accommodating

The accommodating strategy essentially entails giving the opposing side what it wants. The use of accommodation often occurs when one of the parties wishes to keep the peace or perceives the issue as minor. For example, a business that requires formal dress may institute a "casual Friday" policy as a low-stakes means of keeping the peace with the rank and file. Employees who use accommodation as a primary conflict management strategy, however, may keep track and develop resentment.

Avoiding

The avoidance strategy seeks to put off conflict indefinitely. By delaying or ignoring the conflict, the avoider hopes the problem resolves itself without a confrontation. Those who actively avoid conflict frequently have low esteem or hold a position of low power. In some circumstances, avoiding can serve as a profitable conflict management strategy, such as after the dismissal of a popular but unproductive employee. The hiring of a more productive replacement for the position soothes much of the conflict.

Collaborating

Collaboration works by integrating ideas set out by multiple people. The object is to find a creative solution acceptable to everyone. Collaboration, though useful, calls for a significant time commitment not appropriate to all conflicts. For example, a business owner should work collaboratively with the manager to establish policies, but collaborative decision-making regarding office supplies wastes time better spent on other activities.

Compromising

The compromising strategy typically calls for both sides of a conflict to give up elements of their position in order to establish an acceptable, if not agreeable, solution. This strategy prevails most often in conflicts where the parties hold approximately equivalent power. Business owners frequently employ compromise during contract negotiations with other businesses when each party stands to lose something valuable, such as a customer or necessary service.

Competing

Competition operates as a zero-sum game, in which one side wins and other loses. Highly assertive personalities often fall back on competition as a conflict management strategy. The competitive strategy works best in a limited number of conflicts, such as emergency situations. In general, business owners benefit from holding the competitive strategy in reserve for crisis situations and decisions that generate ill-will, such as pay cuts or layoffs.

3. Study Model & Hypothesis

Depending upon the theoretical background & above research support, the following hypothesis have been formulated:

H1: Emotional Intelligence is positively correlated to Relationship management (RM)

4. Study Methodology

A total number of 280 samples were studied in diverse set of organisation both in private & public sectors in & around Bhubaneswar in the state of Odisha. The organisations were shortlisted as per convenience of the author of the study for

the sake of collection of data. The employees in a specific organisations were selected based on random sampling basis. The demographic profile of the sample under study are as below:

Table 1: Demographic Profile

		Frequency	%
Gender	Male	78	27.8
	Female	202	72.2
	Total	280	100.0
AGE	Upto 30	30	11.0
	31-40	90	32
	41-50	110	39.2
	Above 50	50	17.8
	Total	280	100.0

Maximum sample were in the age group of below 41-50 yrs (39.2 %). 32.0 % of the samples were in the age group of 31-40 years where as 17.8 % of the total samples were in the higher age group i.e. > 50 years. Out of the total sample 27.8 % were female & 72.2 % were male employees.

5. Data Collection

The data were collected on site and through structured questionnaire from employees as well as from supervisors. All the questions were framed by the author based on literature study on the topic. The questionnaire covered 3 (three) sections:

Controlled variables : The demographic details were collected regarding Age & Gender.

Dependant variable : Relationship Management as dependant variable was measured by questionnaires consisting of 14 Questions .

Independent Variable: Emotional Intelligence as Independent variable was measured by questionnaires consisting of 16 Questions .

6. Data Analysis & Findings

To analyse the data , t – test , ANOVA & pearson correlation was performed . The descriptive statistics are given below

7. Descriptive Statistics

Table 2: Level of Relationship Management Competence Exhibited by Respondents

Relationship Management	Frequency	%
Low	70	25.0
Moderate	123	44
High	87	31.0
Total	280	100.0

Out of 280 respondents, 123(44.0%) displayed moderate Relationship management, whereas 70 respondents displayed low RM. It is observed that majority of the respondents displayed Moderate Relationship management competence.

Table 3: Emotional Intelligence Level Exhibited by Respondents

Relationship Management	Frequency	%
Low	65	23.3
Moderate	118	42.1
High	97	34.6
Total	280	100.0

Interpretation: It was observed that Emotional Intelligence level of majority of the respondents 118 out of 280 (42.1%) is in moderate category. The percentage of respondent in Low & High category is in the level of 23.3 % & 34.6 % respectively.

Table 4: Correlations between Emotional Intelligence & Parameters of Relationship Management

		Emotional Intelligence	Relationship Management	Conflict Management	Influence	Empathy
Emotional Intelligence	Pearson Correlation	1	.621(**)	.513(**)	.577(**)	.583(**)
	Sig. (2-tailed)	.	0	0	0	0
Relationship Management	Pearson Correlation	.621(**)	1	.461(**)	.571(**)	.521(**)
	Sig. (2-tailed)	0	.	0	0	0
Conflict Management	Pearson Correlation	.513(**)	.461(**)	1	.612(**)	.531(**)
	Sig. (2-tailed)	0	0	.	0	0
Influence	Pearson Correlation	.577(**)	.571(**)	.612(**)	1	.708(**)
	Sig. (2-tailed)	0	0	0	.	0
Empathy	Pearson Correlation	.581(**)	.521(**)	.531(**)	.708(**)	1
	Sig. (2-tailed)	0	0	0	0	0

Note: ** Denotes significant at 1% level

Interpretation: The above shows that the components of Relationship Management i.e empathy, Influence & Conflict Management have positive correlation with each other and also with total Relationship Management. The correlation coefficient between Empathy and influence is .708 indicating 70.8 % positive relationship between the two is significant at a level of 1 % .

Similarly the positive relationship between Empathy & conflict Management as well as Empathy with Relationship management is 53.1 % and 52.1 % and is significant at a level of 1%. The correlation coefficient of Influence with conflict management & relationship management is 61.2 %, & 57.1 % respectively and is significant at 1 % level.

The correlation coefficient between conflict management and empathy, & conflict management with total relationship management is .531, & .461 respectively and hence a positive relation with 53.1 %,& 46.1 % at a significant level 1 % .

8. Findings

There is positive relation between all the components ie. Empathy, Influence, Conflict Management with each other. There is also positive relationship is observed between each of the components and overall Relationship management. It is observed that there is positive relationship between Emotional Intelligence & components of Relationship Management. The correlation coefficient between Emotional Intelligence & Relationship Management is .621 which indicates a positive relation of 62.1 % at significant level of 1 %.

9. Discussion & Conclusion

Emotional intelligence augments positive relationship management competence & hence better work outcomes. The relationship between Emotional Intelligence & Relationship Management in Indian context was studied based on data collected from employees employed in and around Bhubaneswar & the study reveals that significant relationship exists between the two. The above study also concurs with findings of the previous research on the subject.

The findings corroborates the study made by Momm, T., Blickle, G., Liu, Y., Wihler, A., Kholin, M., & Menges, J. I. (2015) which revealed that People with emotional intelligence can better manage politics in organizations and the interpersonal relation at job. The findings imply that emotional abilities enable people to be more successful at work through higher relationship management competence.

The result that EI has a predictive correlation with relationship management concurs with the findings of the previous researchers (Goleman, 1995). Goleman's research shows that emotional well-being is the strongest predictor of relationship management competence.

All the three factors of Relationship Management i.e. Empathy, Influence & Conflict Management were found to have strong relation with each other. The study is limited to specific organisation in and around Bhubaneswar. In Indian context, extensive research on the subject is not available and hence it is felt further research on the subject may be beneficial for both academic and practical purpose.

The findings are also in implicitly in line with previous study made by Koveshnikov, A., Wechtler, H., & Dejoux, C. (2014), which established that there is a positive relationship between EI and cultural & environmental adjustment ability which is influenced by relationship management competence.

It has been observed that Emotional Intelligence has positive impact on Relationship Management and hence it has immense implication on HR areas. Mostly leaders in higher management with higher Emotional Intelligence must have higher degree of relationship management and hence can influence & inspire employees to share common vision. The findings also are of significant value for selection of executives for higher management level.

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