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**DETERMINING MANAGERIAL EFFECTIVENESS USING EMOTIONAL INTELLIGENCE AS A POWERFUL TOOL**

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**ABSTRACT**

*Selection procedure many a times give the complete glimpse of a candidate's personality who appears in the final interview with an intension to get selected. A person with high emotional intelligence has the ability to understand themselves and others and to adapt behaviours to a given context. Individuals with a high EQ and thus demonstrable personal and social competence may be oriented towards a transformational leadership style with an emphasis on motivating and influencing others. The study aims at determining managerial effectiveness on behalf of emotional intelligence. Today's scenario demands managers working with large teams. Managers use emotional intelligence as a tool to manage the inevitable aspect of team i.e. diversity. Results of the study have thrown light on emotionally intelligent managers who have proved themselves managerially effective with their personal, functional and interpersonal competency.*

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**INTRODUCTION**

Managerial effectiveness is a complex and multifaceted phenomenon. A manager, whether he relates to organisation, company, department or section, is a person who is responsible for getting things done through others. Getting things done by others in turn reflects efficiency and effectiveness. Efficiency is generally connected with “how” and “how much” of the task is to be performed. Some of the factors of efficiency in a person are intelligence, knowledge and imaginative power. A highly intelligent man may be clever, that does not make him wise as well.

A highly efficient manager may be competent but that does not make him necessarily effective.

Managerial effectiveness relates to the best use of experience, creativity and honest professionalism used alongwith managerial functions – planning, organising, staffing, directing, coordinating and controlling of the efforts for the determination and achievement of organisational objectives in the dynamic environment. Effectiveness has few alternatives in defining “doing the right”. "Effective manager" again has limited qualifiers beyond its conventional understanding in business and management functioning. Most of the people admire an 'effective manager; many people believe they can recognise them when they meet one, and many managers undoubtedly strive to be effective. Traditionally, performance has been viewed as a function of ability and motivation. Increasingly, the failure to boost performance reflects not a lack of motivation or ability, but inaccurate reading of the manager's role, which has changed significantly from what was needed yesterday, especially in the fast-paced, information-limited, and highly competitive technology-based organisations. Certain success traits that are related to the positive managerial approach for improving and increasing higher level performance and productivity with group cohesiveness are proactive attitude and managerial excellence.

The classic formulation of the five elements of management: forecasting/planning, organising, commanding, coordinating and controlling are considered as managerial functions (Fayol, 1916). These elements were resurfaced in other formulations also, such as 'executive tasks' Barnard (1938) and POSD-CORB list of managerial functions Gulick (1937), but also, later, 'dimensions' of managerial work Drucker (1974), 'areas' of managerial work Shakman and Robert (1977), nine 'managerial roles' Morse and Wagner (1978) and 'managerial functions Zaleznik (1964), Hill (1979), Sweeney (1981) and Carroll and Gillen (1987). Even Mintzberg (1973), regarded ten managerial roles as flowing unproblematically from the necessary functions of management, and Stewart (1986), has conceptualized managing as 'making decisions', 'getting the job done'

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and 'leadership', have shown themselves to be on the circulation list of Fayol's original memorandum. So have those who have emphasised one or other of the elements on Fayol's list as 'the' definitive managerial task such as co-ordination (Follett, 1941) or motivation and control, planning and decision-making (Simon, 1960; Cyert and March, 1963), organising (Urwick, 1952; Watson, 1994).

EQ has developed from a realisation that intelligence involves not only abstract and concrete ability but also social ability. Given an increased recognition of the importance of the relationship between leaders and followers – the definition of social or emotional intelligence may have a valence for constructions of leadership theory.

Salovey and Mayer (1990) defined social intelligence as *The ability to perceive one's own and others internal states, motives and behaviours and to act towards them optimally on the basis of that information (Salovey and Mayer, 1990).*

Gardner (1983) defined interpersonal intelligence as the ability to understand other people, what motivates them, how they work and how to work co-operatively. Intrapersonal intelligence is defined as: the ability to form an accurate reading of oneself and to be able to make use of this to operate effectively. It is from the constructions of interpersonal and intrapersonal intelligence that EQ has originated.

In 1990 Salovey and Mayer used the term “emotional intelligence” as a subset of social intelligence that involves the... *ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and action (Salovey and Mayer, 1990).*

Salovey and Mayer's (1990) construction of EQ comprises an aptitude for: *appraising and expressing emotions in self and others; regulating emotions in self and others; and using emotions in adaptive ways. Goleman (1998) translated the concept of EQ into two broad dimensions which he termed personal and social competence. Personal competence comprises: self awareness; self regulation; and motivation. Social competence relates to an individual's interaction with others and comprises: empathy; and social skills (such as communication, leadership and collaborating).*

Goleman (1998) considered leadership and EQ to be synonymous: *IQ and technical skills do matter, but mainly as threshold capabilities ... recent research clearly shows that emotional intelligence is the sine qua non of leadership. Without it, a person can have the best training in*

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*the world, an incisive, analytical mind, and an endless supply of smart ideas, but still will not make a good leader (Goleman, 1998).*

A person with high emotional intelligence has the ability to understand themselves and others and to adapt behaviours to a given context. Individuals with a high EQ and thus demonstrable personal and social competence may be oriented towards a transformational leadership style with an emphasis on motivating and influencing others. Some research suggests that an organisation that is characterised by EQ has increased employee co-operation, motivation, and productivity and increased profits (an association also reflected in transformational leadership literature (Bass, 1990).

## **METHOD**

**The Study** - It is an exploratory study focused at understanding that candidates who scored high in emotional intelligence at the time of personnel selection showed high managerial effectiveness at their work.

**Sample**- The study was carried out on 150 executives working in manufacturing and service industry, who were selected on random basis. The respondents belonged to the senior and middle level. The extraneous variables of age, sex, education and other variables were controlled by randomization and elimination.

**Tools for Data Collection** - Two standardized tools were used for measuring emotional intelligence and managerial effectiveness. The emotional intelligence Scale developed by Goleman and Managerial Effectiveness Scale developed by Dhar and Jain. Both the scales have high reliability and validity coefficients. The Scale of emotional intelligence was administered at the time of personnel selection and scale of managerial effectiveness was administered at the time of appraisal. Dimensions of managerial effectiveness were also considered and correlations were calculated between the dimensions of managerial effectiveness i.e. functional effectiveness (FE), interpersonal effectiveness (IPE) and personal effectiveness (PE), and emotional intelligence (EI).

**Tools For Data Analysis** –Simple correlation was used for examining the relationship between variables under study.

## **RESULTS**

The results of the study indicate that emotional intelligence has positive correlation with managerial effectiveness.

**Table1 : Showing Coefficients of correlation**

|                                    | <i>Managerial Effectiveness (ME)</i> | <i>Functional Effectiveness (FE)</i> | <i>Inter- Personal Effectiveness (IPE)</i> | <i>Personal Effectiveness (PE)</i> |
|------------------------------------|--------------------------------------|--------------------------------------|--|------------------------------------|
| <i>Emotional Intelligence (EI)</i> | 0.734 *                              | 0.780 **                             | 0.824 **                                   | 0.855                              |

\* Significant at 0.05 level

\*\* Significant at 0.01 level

## DISCUSSION

Results of the study indicate positive correlation between emotional intelligence and managerial effectiveness. Managerial skills and subsequent performance in many individuals is a potential that emerges stable emotional stability. More basic attributes of the individual abilities, motivation, and personality influence the kinds of experiences manager has and the kinds of skills that develop as a function of experience. Lusch and Serpkeuci (1990) had suggested that store managers, who were higher in emotional intelligence, were able to manage their own stress and stay unaffected and have the most profitable stores in terms of the measures as sales per square feet in a national retail chain. Results indicate that managers with high emotional intelligence are functionally effective where they prove themselves on behalf of their duties and responsibilities, had been able to overcome problems because they had good interpersonal relationship with team members and were personally effective also.

Emotional intelligence and managerial effectiveness have been found 0.734, which is significantly correlated at 0.05 level, which proves that emotionally intelligent managers are more effective. While existing studies detail what managers are like, what they do, and how they make decisions, the effects of ones' feelings or their moods and emotions. Only those managers are successful who are effective leaders and, more generally, the role of emotions in this process, are often not explicitly considered in the leadership literature, with the notable exception of work on charisma (Conger and Kanungo, 1998). Motivation theory and research have ignored how workers' moods and emotions influence their choice of work activities, levels of effort, and levels of persistence in the face of obstacles, research have adequately considered how ones' moods and emotions influence their effectiveness as good managers. Two preliminary studies suggest that leaders' feelings may play an important role in managerial context. The growing body of literature exploring the role of moods and emotions in human and organisational affairs (Forgas, 1995) suggests that, rather than being simply an additional factor to consider, feelings play a much more central role in the managerial process. A growing body of literature suggests

that moods and emotions play a central role in cognitive processes and behavior. Experienced partners in a multinational consulting firm were assessed on the EI competencies plus three others. Partners who scored above the median on 9 or more of the 20 competencies delivered \$1.2 million more profit from their accounts than did other partners – a 139 percent incremental gain (Boyatzis, 1999). Motivated, committed and proficient people are extensively valuable because they can often make things work despite less than perfect systems. The higher productivity in an organization lies in a larger investment in creating committed people. When high level of commitment is reflected at the time of interview it gives ways to innovate and open paths for organizations to take constructive challenges with the employees. Employee commitment should be viewed as a business prerequisite of managerial effectiveness. Organizations that have difficulty in retaining and replacing competent employees will find it hard to optimize performance. Therefore the performance benefits grow from increased managerial effectiveness and some of them listed as follows.

- Increased job satisfaction (Vandenberg and Lance, 1992).
- Decreased intention to leave (Balfour and Wechsler, 1996).
- Increased job performance (Mathieu and Zajac, 1990).

Correlated value of emotional intelligence and functional effectiveness dimension of managerial effectiveness has been found to be  $0.780$  which is significantly correlated with at 0.01 level that identifies the managerial capabilities of identifying problems, making analysis and knowing exactly what to be done proves that managers have efficiency of co-ordinating tasks, set models for others and has power of understanding and managing conflicts. They are well aware of their duties and responsibilities which contributes to effective leadership by focusing on different aspects like-development of collective goals and objectives, instilling in others an appreciation of the importance activities, generating and maintaining enthusiasm, confidence, optimism, co-operation, and trust encouraging flexibility in decision making and change and maintaining a meaningful identity for an organisation.

Correlation value of emotional intelligence and interpersonal effectiveness dimension of managerial effectiveness has been found  $0.824$  which is significant at 0.01 level, which signifies that managing emotions of people at work leads to healthy relationship and better understanding. George and Bettenhausen (1990) found that the extent to which leaders of existing work groups

experienced positive moods was positively related to levels of prosocial behavior performed by group members and negatively related to group turnover rates. George (1995) found that work groups led by sales managers, who tended to experience positive moods at work provided higher quality customer service than groups led by managers who did not tend to experience positive moods at work. While these two studies help in filling the gap, they do not illuminate the role of moods and emotions in the leadership process per se but rather suggest that feelings may be an important factor to consider. A study of 130 executives found that how well people handled their own emotions determined how much people around them preferred to deal with them (Walter V. Clarke Associates, 1997).

Correlated value of emotional intelligence and personal effectiveness dimension of managerial effectiveness is found to be 0.755, which indicate positive relation between the two. Managers who are emotionally intelligent exhibits personal effectiveness. Competency research in over 200 companies and organisations worldwide suggests that about one-third of this difference is due to technical skill and cognitive ability while two-thirds is due to emotional competence (Goleman, 1998). In top leadership positions, over four-fifths of the difference is due to emotional competence. One of the foundations of emotional competence -- accurate self-assessment -- was associated with superior performance among several hundred managers from 12 different organisations (Boyatzis, 1982). According to Mayer and Salovey (1993) emotional intelligence allows of an individual to think more creatively and to use emotions to solve problems. Emotional intelligence probably overlaps to some extent with general intelligence. The emotionally intelligent person is skilled in four areas: Identifying emotions, using emotions, understanding emotions, and regulating emotions. Goleman (1995) takes a somewhat broader position in describing emotional intelligence. According to him emotional intelligence consists of five factors: Knowing one's emotions, managing emotions, motivating one's recognising emotions in others, and handling relationships. Goleman (1995) argues that the emotionally intelligent worker is skilled in two key areas that he has presented in his emotional competence framework. These are "personal competence" – how one manages oneself and "social competence" – how one manages relationships. Personal competence conveys self awareness (of internal states, preferences, resources, and intuitions), self regulation (of internal states, impulses and resources) and motivation (tendencies that facilitate reaching goals).The

social competence conveys empathy (awareness of others feelings, needs, and concerns), social skills (adept at inducing desirable responses in others).

IQ does predict academic achievement and occupational status, but it still only predicts about 20 percentage of personal variation in these areas. Goleman (1995) explains the use of emotional intelligence (EI) of managers, teachers, researchers, parents, or the general public as an umbrella concept, which includes many well-known psychological constructs that have already been thoroughly investigated. Autum (1996), had reported that whole area of non-cognitive factors as related to performance at work (e.g., personality, emotional intelligence, creativity, etc.) certainly present an opportunity for ongoing research by the Public Service Commission. It is broadly recognized that non-cognitive factors are important determinants of work behavior, especially in a rapidly changing work environment. What remains is to determine which constructs and assessment methods offer value, contribute to merit based staffing, and increase understanding of job performance.

Robinson et al. (2004) define employee engagement as “a positive attitude held by the employee towards the organization and its value. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee.” The two way relationship is well reflected at the time of selection process where interviewer detects emotional intelligence status in aspiring managers.

The following are the benefits of an engaged employee to an individual.

- 1-Professional and personal development is augmented by learning and applying new skills.
- 2-Emotionally intelligent managers put in their efforts of working together perspectives by coordinating with people from different nationalities, backgrounds and cultures and form lifelong bonds.
- 3-One can be the star of the organizational performance and thus becoming the distinguished employee within your organization through balancing emotions and being managerially effective.
- 4-The engaged employee becomes a part of the solution and thus enjoys the hands-on and dedicated experience which he acquires on the job itself.
- 5-An engaged employee has high risk taking capability.

6-Engagement makes the employee effective agents in their own professional work and employees feel that they contribute to the economic value of their organizations by being emotionally intelligence and managerially effective.

## **CONCLUSION**

The study has contended the fact the managers who were emotionally intelligent showed managerial effectiveness reflecting their functional, interpersonal and personal effectiveness. A manager with high emotional intelligence has the ability to understand themselves and others and to adapt behaviours to a given context. Individuals with a high EQ and thus demonstrable personal and social competence may be oriented towards a transformational leadership style with an emphasis on motivating and influencing others. Today's scenario demands managers working with large teams. Managers use emotional intelligence as a tool to manage the inevitable aspect of team i.e. diversity keeping intact their functional, interpersonal and personal effectiveness.

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