



## Impact of Emotional Intelligence on Organizations

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### Introduction:

Now-a-days organizations are facing cut throat competition in, Changing working environment and Culture, Encouraging Cosmopolitanism (employing different regions people), Upgrading new technology, Increasing work pressure, Performance based pay, 360 performance, etc.. In these conditions to navigate our lives, it is our fears and envies, our rages and depressions, our worries and anxieties that steer us day to day more stressful declining our performance levels reducing productivity of firms.

HR managers are having a tough time in selecting a right person at right place. As we all know that whole recruitment process is an expensive process in any organization. In spite of India called as “Young Country” with skilled man power and large pool of educated unemployed students. Organizations are facing crunch of apt student who suits their requirement with adequate skill and expertise.

“Howard Gardner” a psychologist and author of “Frames Of Mind” said, to work in an organization. The pencil and paper work alone will not help. There are many tasks to perform like.....

- Participative management
- Decision making/problem solving
- Bending & mending relationships
- Working in group/teams effectively
- Putting people at ease
- Leadership skills (initiative/responsible)

But for decades a lot of emphasis has been put on certain aspects of intelligence such as Logical reasoning, Mathematical skills, Quantitative aptitude skills, Understanding analogies, Verbal skills etc...in recruiting employees and admission tests in to premiere educational institutes.

Even the most academically brilliant among us are vulnerable to undone by unruly emotions. The price we pay for emotional literacy in professional life is Conflict with peers, Poor decision making, less efficient in team etc. and in personal life failed marriages, frequent clashes with parents & siblings deteriorating health and mental peace.

In US Emotional Intelligence is a concept evolved from psychology early 1950-1969. In 1970-1989, where psychologist focused on how emotions and thoughts influenced one another. Mayer and Salovey were the pioneers in it, In 1995 Daniel Goleman wrote a book on EI, it was hugely sold, many business leaders preferred to implement in their organizations.

According to Goleman, Emotional Intelligence encompasses the following five characteristics and abilities.

**SELF AWARENESS:** Knowing your emotions, recognizing feelings as they occur discriminating between them. The key to success is knowing oneself i.e. self awareness is knowing one's internal states, preferences, resources, solutions etc. It indicates the ability to recognize, understood & accept one's own moods, emotions, drives, strengths and short comings as well as to see how these affect other people.

### MOOD MANAGEMENT:

Handling feelings so they are relevant to the current situation and you react appropriately. It refers to managing & handling impulses, distressing feelings & upsets rather than denying or representing these feelings. Self control helps in staying composed, focused, calm and helps think clearly even under pressure.

### SELF MOTIVATION:

“Gathering Up” your feelings, directing yourself towards a goal, despite self-doubt inertia and impulsiveness. It refers to striving to impose to meet a standard of excellence. They are result oriented. To take calculated risks & readily face any type of challenges

### EMPATHY:

Recognizing feelings in others & tuning in to their verbal & non-verbal cues. Sensing other feelings & perceptiveness, and taking an active interest in their concerns, it is the ability to put oneself in to another's shoes and look at things or think from his point of view.

### MANAGING RELATIONSHIPS:

Handling inter personal interaction, conflict resolution negotiation. Adeptness at inducing desirable responses in others. Developing others, sensing others development needs and bolstering their activities. They recognize other's strengths and accomplishments and help them in developing their personality. They provide useful feedback give timely coaching, offer challenging assignments.

Millennium manager's roles are diversified from regular managerial functions to others things like:

- o The ability to accurately perceive emotions,
- o To access and generate emotions so as to assist thought process,
- o To understand the information of those emotions and manage them and solve their problems on the basis of them.

Emotions' and 'Emotional Needs' are given main importance for better relationships of internal and external customers.

Relationship in Business: Emotions like sad, negative, irritation, frustration, aggressiveness, short temper, ego, envy etc..., play a negative role in work place. Emotions are contagious; a single person can influence the emotions of others in a team. Somehow through facial expressions such as happiness, sadness, anger and fear were universally recognizable in human beings. The mental ability of EI can be evaluated by two tests.

1. Specific ability test.
2. General integrative test.

Most of the big organizations like XEROX, IBM, GE, TCS have their own measure of evaluating EQ (Emotional Quotient), they relate it that higher levels of EI are associated with better performance in the following areas.

1. Participative Management.
2. Pulling people at Ease.
3. Balance between personal life and work.
4. Straight Forwardness & Composure.
5. Decisiveness
6. Doing whatever it takes
7. Adaptability.
8. Confronting Problem Employees

Organizations believe that EI be useful as a mental ability test, which means it is part of a broader class of mental capacities that also include creativity, verbal fluency, possibility thinking, mental absorption etc...

EI has proven better predictor of success. The people who manage their own feelings well can deal effectively with others who are more likely to live content lives.

EI influence organizational effectiveness in:

- Employee Recruitment & Retention,
- Development of Talent,
- Team Work,
- Innovation,
- Customer Loyalty,
- Productivity,
- Efficiency,
- Sales / Revenues,
- Quality of Service.

MSCEIT (Mayor Salovey Caruso EI Test), used to performance measure of EI which helps in:

- Accurately perceiving a person's emotions facilitates the prediction, understanding of that subsequent actions and
- Understanding the emotional states of others makes to know their attention, sincerity, seriousness, decision making and behavioral responses.

#### CONCLUSION:

90% of top performers are high in EQ, EQ alone explains 58% of a leaders job performance.

Now-a-days, a person is exposed to many cultures and influenced by many things. Organizations earlier used to give tangible benefits to the internal / external customers, these days customers are looking for fulfillment of their emotional needs. Organizations in a long run to maintain customer loyalty they need to take care of employees emotional needs and behave empathetically.

In real life, the companies who had experienced the importance of EI are:

**COCA-COLA: Division leaders who developed Emotional Quotient competencies out perform their targets by more than 15% division leaders who didn't develop their EQ.**

**L'OREAL: As realized a \$91,370 increase per head for sales people selected for EQ skills.**

The group also had 63% less turnover than before.

**US Air Force reduced recruiter turnover from 35% annually to 5% annually by selecting candidates high in EI.**

Outcomes of improving emotional intelligence.

- Have better social support,
- More successful and avoid inter arguments & flights,
- Lower level of aggression and less conflicts,
- Involved in more social networks,
- Less likely to addict drugs & alcohol,
- To motivate oneself,
- To control impulses,
- To persist in the face of frustrations,
- To regulate moods.

## REFERENCES

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