

Relationship between Emotional Intelligence and Transformational Leadership of Managers

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Abstract: This study seeks to explore the relationships between social skills, motivation and empathy (emotional intelligence interpersonal components) and transformational leadership in organizations giving emphasis on managers-subordinate interaction on a team basis. Employee's perceptions' regarding their manager's emotional intelligence with transformational leadership is also considered. Emotions are caused by Psycho physiological Experience, when every individual's state of mind is influenced by external and internal environments. Management of the emotions should be constructively enhanced for the better living and well being. Enhancing both inter-personal and intra-personal competencies by Emotional intelligence develops to sustain nature's ability to manage oneself and among the social environments. This study explores the linkage between emotional intelligence and transformational leadership of organizations by managers and its impact on teamwork with their subordinates. By and large this study insists that supervisors' emotional intelligence mechanisms such as social skills, motivation, and empathy are positively associated with transformational leadership increasing team effectiveness with subordinate.

Keywords: Emotional Intelligence, Leadership, Managers, Team management, Organizations

I. Introduction

Interest among social scientists on emotions as a domain of intelligence has grown in recent years. Emotional intelligence (EQ) refers to one's ability to be aware of one's own feelings, be aware of others' feelings, to differentiate among them, and to use the information to guide one's thinking and behavior. This definition consists of three categories of abilities: evaluation and expression of emotion, regulation of emotion and using emotions in decision-making. Goleman provided a similar definition: "the capacity for organizing our own feelings and those of others, for motivating ourselves, and for managing emotions well in ourselves and in our relationships". In particular the supervisors who possess interpersonal intelligence may be associated with transformational leadership for several reasons. Transformational leaders have an emotional impact on subordinates. They position for something having a vision of the future, and able to communicate that vision to subordinates, and motivate them to realize it giving emphasis on team effectiveness. This study was an effort to explore the relationship between:

- Social Skills, Motivation, and Empathy Components of EQ
- Transformational Leadership in Organizations giving emphasis on Manager-Subordinate Interaction concerning Teams

In particular, this study investigates employees' perceptions regarding their supervisor's EQ as well as transformational leadership. A supplementary contribution of the research was that it was conducted in a national cultural context that was different from other cultural environments, in which research on EQ and transformational leadership has so far taken place. The study was conducted in Greece, which is a country with considerably different culture from the countries of other clusters. The national culture can affect management styles the way in which organizational behaviour factors relate to each other. Given cultural differences, a central issue is whether managers in Greece significantly differ on the relationships between EQ and

transformational leadership. In this article, first a review of the literature on EQ, transformational leadership and team effectiveness will be presented and then the hypotheses and methodology part will be explained regarding sample, procedure and measurement. Finally after providing research findings and discussion session, limitations and directions for future research will be addressed.

II. The Conception of Emotional Quotient (EQ)

Studies on intelligence over many years focused mainly on the adaptive use of cognition, but in recent years theorists such as Gardner (1983, 1999) and Sternberg (1985, 2002) have suggested more encompassing approaches to conceptualizing intelligence. Sternberg suggests that there are other dimensions of intelligence-social intelligence, EQ, or practical intelligence or what scholars refer to as “street smarts”-which indicates that an individual is not limited simply because he or she has a below average academic intelligence or IQ. Although Gardner (1983, 1999) did not use the term EQ, his concepts of intrapersonal and interpersonal intelligences provided the basis for the conceptualisation of EQ. whereas intrapersonal intelligence is the ability to understand one’s own emotions, interpersonal intelligence is one’s ability to understand the emotions of others. Goleman (2001) suggested that this intelligence is associated with social competencies, such as empathy and social skills. Several researchers have attempted to develop measures of EQ (e.g., Bernet, 1996; Bar-On, 1997; Cooper and Sawaf, 1997; Schutte et al., 1998; Mayer et al., 2000; Boyatzis and Goleman, 2001; Law et al., 2004; Rahim et al., 2002). Goleman (1995) is the progenitor of the EQ construct. In his role as a consultant in organisations, Gardner (1983); see also Goleman, 1995; Goleman et al., 2002) found that EQ is twice more important than technical skills and IQ for jobs at all levels. He also reported that EQ plays an increasingly important role at the highest levels of a company. It appears that EQ relates to a number of non-cognitive skills, abilities, or competencies that influence a manager’s capacity to deal with environmental demands and pressures. Davis et al. (1998) concluded from their three studies that, “as presently postulated, little remains of EQ that is unique and psychometrically

sound. Thus, questionnaire measures are too closed related to established personality traits; whereas objective measures of EQ suffer from poor reliability”. Another issue is that in organizational studies, supervisors are often asked to assess their own managerial skills, but studies by Kruger and Dunning (1999) and Shipper and Dillard (2000) reported that unsuccessful supervisors overestimate their skills compared to successful supervisors. Also three studies reported that under-estimators of their managerial skills are likely to be more effective than over-estimators (Atwater and Yammarino, 1992; Van Velsion et al., 1993; Church, 1997). As a result, if the supervisors are asked to self-assess their EQ, some of them will probably provide misleading information. Other author’s support that there should be a more restrictive model of EQ based on ability and distinguished from personality (Salovey and Mayer, 1994; Mayer et al., 2000). In this direction some authors redefine Goleman components of EQ (Rahim et al., 2002, 2006). Descriptions of these proportions are:

- **Self-Awareness** is associated with the ability to be aware of which emotions, moods, and impulses one is experiencing and why. This also includes one’s awareness of the effects of his or her feelings on others.
- **Self-Regulation** refers to the ability to keep one’s own emotions and impulses in check, to remain calm in potentially volatile situations, and to maintain composure irrespective of one’s emotions.
- **Motivation** represents the ability to remain focused on goals despite setbacks, to operate from hope of success rather than fear of failure, delaying gratification, and to accept change to attain goals.
- **Empathy** refers to one’s ability to understand the feelings transmitted through verbal and nonverbal messages, to provide emotional support to people when needed, and to understand the links between others’ emotions and behavior.

- *Social Skills* is associated with one's ability to deal with problems with-out demeaning those who work with him or her, to not allow own or others' negative feelings to inhibit collaboration, and to handle affective conflict with tact and diplomacy.

In order to understand the emotional processes and deal with them effectively, one needs to have self-awareness and self-regulation. Empathy and social skills involve one's ability to perceive others' emotions, feelings, and needs and help others to regulate their emotions to achieve desirable goals. Motivation is needed to help an individual to remain focused for attaining goals (Druskat and Wolf, 2001).

III. Team Effectiveness by Transformational Leadership

Managers are featured with a obligation to develop, execute and if essential challenge a range of new tasks, business procedures, projects to be managed and teams to be led. Perhaps the most difficult aspect for a supervisor of being a work team leader is motivation of team members. Work teams may be more successful in achieving organizational goals if their members are empowered to do their jobs. Conversely, if their authority and responsibility are restricted, employees may well reduce their levels of commitment. They might continue to perform satisfactorily but with little enthusiasm for improving quality and productivity. Informal meetings between supervisors and subordinates on a regular basis empower joint decision-making and participative management. Moreover, the existence of accurate job description on departmental basis is associated positively with effective task allocation and the absence of role conflict. Team effectiveness within the organisation is achieved further when tasks are allocated to employees through a transparent process that takes into account the organizational goals as well as the subordinates' abilities and preferences. Successful management actively not only promotes a team spirit, but also installs team mechanisms and the means to develop in team skills. Teamwork is also enhanced when such a process also considers training and skills

development. The job design literature has been clear in suggesting that a favorable climate is necessary for job design efforts to be successful since it moderates the relationship between job complexity and satisfaction.

Moreover, defining factors for team effectiveness refer to leadership style of supervisors. The function of leadership in management is fundamentally determined by the organizational culture of the company. It has been argued that supervisors' beliefs, values and interpersonal competences are of critical importance to the overall style of leadership that they adopt. Theoretical contributions suggest that components of EQ may be associated with effective leadership. Existing literature support that dimensions of supervisors' EQ influence supervisor's transformational leadership, subordinates' outcomes and job performance. Following Burns, Bass proposed that transformational leadership is associated with distinct dimensions of charisma or idealized influence (extent of pride, trust, and respect engendered by and emotional identification with the leader), intellectual stimulation (extent the leader encourages followers to question their own way of doing things and become innovative), and individualized consideration (extent the leader provides personal attention and encouragement for self-development of followers). The transformational leader has the capacity to motivate subordinates to do more than normally expected. Transformational leaders raise subordinates consciousness about new outcomes and motivate them to transcend their own interests for the sake of the team. They create an atmosphere of change, and they may be obsessed by visionary ideas that excite, stimulate, and drive other people to work hard. The true transformational leader often does not fit within a traditional organization and may lead a social movement rather than a formal organization. Leaders who possess empathy are likely to recognize subordinates' need, take active interest in them, respond to changes in their emotional states, and to work together to attain goals on team basis. Empathy is likely to be associated with individualized consideration. Social skills that are associated with enabling followers to engage in desirable behaviors are likely to be associated with intellectual stimulation. Employees are likely to respect and

emotionally identify with a leader who is considerate and is willing to help subordinates to be effective, enhance utilization of integrating style for handling conflict and improve their job performance.

IV. Relevance on Relationship

As it was stated scholars and writers in management are beginnings to emphasize the importance of EQ on transformational. In general transformational leaders who possess EQ are likely to exhibit behaviors associated with increasing effectiveness and handling conflict with subordinates for positive outcomes on teamwork. Several scholars use the term EQ to include emotional awareness, accurate self-assessment, self-confidence, trustworthiness, conscientiousness, adaptability, innovation, and so on. Also, studies reported that self-awareness is an essential ability for enhancing managerial. Self-awareness is also a prerequisite for self-regulation, empathy, and social skills. Goleman, indicates that in workplace self-awareness positively influences self-regulation, empathy, social skills, and motivation; and self-regulation, in turn, influences social skills, motivation and empathy. Moreover, Goleman suggested that EQ is also associated with competencies, such as social skills, motivation and empathy.

In order to understand the emotional processes and deal with them effectively, one needs to have also social skills, motivation, and empathy. Empathy and social skills involve one's ability to perceive others' emotions, feelings, and needs and help others to regulate their emotions to achieve desirable goals. Motivation is needed to help an individual to remain focused for attaining goals. As it was stated, the objective of the present study was to investigate the relationships of three dimensions of EQ -social skills, motivation and empathy- to transformational leadership. An attempt was made to overcome some of the limitations of existing measures of EQ by using a new measure which involved asking employees to assess

their supervisor's EQ and transformational leadership. We selected social skills, motivation and empathy dimensions of EQ for the present study because we believed that:

- Manifestations of social skills, motivation and empathy in an organizational context will have a significant influence on employees' perceptions of their supervisor's transformational leadership
- A limited number of studies to our knowledge investigated the relationships between the two constructs in domestic or cross-cultural context

The leaders who acquire interpersonal intelligence may be linked with transformational leadership for numerous reasons. Social skills that are associated with enabling followers to engage in desirable behaviors are likely to be associated with intellectual stimulation. Employees are expected to respect and emotionally recognize with a transformational leader who is considerate and is willing to help employees to increase team effectiveness and improve their job performance. Moreover, leaders who possess empathy are likely to recognize followers' needs, take active interest in them, and respond to changes in their emotional states. Empathy is likely to be connected with individualized contemplation. Motivation, in the process of attaining goals, could be useful in a supervisor-subordinate conflict, which must be handled functionally for positive outcomes. Therefore, the three dimensions of EQ are likely to be associated with leaders' charisma or idealized influence.

In general the implications of the study are that supervisors need to acquire and use their social skills, motivation, and empathy competencies in order to enhance their own transformational leadership and improve team effectiveness regarding supervisor-subordinate interaction. In today's battle for excellent employees, management has to offer more than pay to win individuals' trust and motivate subordinates. Employee faithfulness is at an all-time low. Supervisors may be more successful in achieving organizational goals and reach team

effectiveness if their subordinates are empowerment to do their jobs and feel secure in organization. Transformational leadership has positive impact on subordinate's willingness to integrate goals with their supervisors and follow a creative problem solving process. This will help the supervisors and subordinates to develop participative management, team consensus and to work together to attain goals. Appropriate interventions may be needed to enhance supervisors' emotional competencies and transformational leadership that would involve education and specific job-related training. Organizations should provide positive reinforcements for learning and improving managers' essential emotional competencies needed for specific jobs. Moreover, education and training may be of limited value when it comes to improving supervisors' EQ. Organizations, possibly will have to acclimatize the procedure of recruiting managers with vision and charisma who are likely to be high on EQ giving emphasis on team building. There should also be appropriate changes in the organization design that would require creating flatter, decentralized, and less complex structures. These changes in the organization design, culture, and positive reinforcements will encourage managers to acquire emotional competencies and enhance transformational leadership needed for improving their job performance and developing effectively teams.

Employees are the priceless resources companies have to remain competitive in the market. In a dynamic, unpredictable environment, modern organizations might achieve this by using organic human resources systems that promote the development of a human capital collection possessing a wide range of skills and that are able to employ in a broad variety of behavior. Moreover, modern organizations should focus on subordinate's motivation and supervisor's effective leading on team basis. The function of leadership in management is chiefly resolute by the organizational culture of the company. Organizations that accept and implement a greater number of prescribed practices are likely to empower teamwork, enhance employee satisfaction and enjoy superior performance. However, pointed out that the implementation of these practices is not always an easy task. As it was stated scholars and writers in management emphasize the

importance of EQ on leadership effectiveness. It has been argued that supervisors' beliefs, values and interpersonal competences are of critical importance to the overall style of leadership that they adopt. Supervisors who possess interpersonal intelligence may be associated with transformational leadership for several reasons.

V. Conclusion

Thus, this study attempts to explore the association between: social skills, motivation, and empathy components of EQ (EQ) and transformational leadership in organizations giving emphasis on supervisor-subordinate interaction on team basis. In particular, this study investigates subordinates' perceptions regarding their supervisor's EQ as well as transformational leadership. The study contributed to our understanding of the linkage among EQ and transformational leadership. Overall, the details provided supports, with suggestions that supervisors' EQ competencies such as social skills, motivation and empathy are positively related with transformational leadership escalating team effectiveness with subordinate. Transformational leaders create an atmosphere of change, and they may be possessed by visionary ideas that agitate, stimulate, and drive other people to work hard. They have the capacity to motivate team members to do more than normally expected. In addition transformational leaders have an emotional impact on subordinates. Existing literature support that dimensions of supervisors' EQ influence supervisor's transformational leadership, subordinates' outcomes and job performance. In order to understand the emotional processes and deal with them effectively, one needs to have self-awareness and self-regulation. Empathy and social skills involve one's ability to perceive others' emotions, feelings, and needs and help others to regulate their emotions to achieve desirable goals. Motivation is needed to help an individual to remain focused for attaining goals. In particular they handle conflict with tact and diplomacy, manage negative feelings and create team consensus in their subordinates. Furthermore empathy also helps supervisors to understand subordinates' feelings, take an active

interest in them and provide emotional support to their team members in order to work together to attain goals. Empathy appears to enhance transformational leadership of supervisors in organizations, but less than social skills. This could be also explained by individualistic culture as well as subordinates' perceived degree of power distance in organization. It seems that cultural context has also a strong impact on motivation dimension. Although motivation is a better predictor of supervisor's transformational leadership than empathy, sometimes setbacks prevent managers to remain focused on goals and accept necessary changes.

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