

The relationship between emotional intelligence and job performance of bank managers

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ABSTRACT

This article aims to analyze the emotional intelligence of managers employed in the banks of Iran. The sample size of the study includes 192 managers. The results of this investigation show that there was a significant difference in managers' job performance in terms of type of bank. The research also showed that there was no significant difference in managers' emotional intelligence in terms of type of bank. Result of Factorial ANOVA about age, management experience, and education level revealed that there was no significant difference in job performance in terms of age, management experience, and education level. On the other hand, the main effect of age, management experience, education level, and interaction between them is not significant. Besides, there was a correlation between emotional intelligence and performance.

KEYWORDS: emotional intelligence, job performance, type of bank

1-INTRODUCTION

The many studies on emotional intelligence have revealed inconsistent results over time. The nature of emotional intelligence affects performance in both positive and negative ways (e.g. Bachman, Stein, Campbell & Sitarenios, 2000; Cote et al., 2006). Some researchers found a positive relationship between emotional intelligence and job performance (e. g. Rieck, 2008; Bipath, 2007; Stubbs, 2005; Sy, Tram & O'Hara, 2006) and some did not (Brooks, 2002; Shaffer & Shaffer, 2005; Bohrer, 2007). These inconsistent findings sparked this study to clarify the importance of emotional intelligence and its role in people's performance in life and in an organization. Of course, emotional intelligence has different effects on various performances that are measured in different ways. For this, it is necessary for future studies to investigate other types of job performances. This study can offer a new perspective on the correlation between emotional intelligence and job performance.

Emotional intelligence and job performance

Emotional intelligence can play a significant role in an organization ((Law, Wong, & Song, 2004), and specifically, researchers assert that managers' emotional intelligence can predict performance (Law, et al. 2004; Harris, 2009). Some researchers (Lam & Kirby, 2002; Cote & Miners, 2006; Barnes, 2008) have theorized that emotional intelligence influences job performance. Recent research suggests that emotional intelligence is important for performance (Jacques, 2009). Emotional intelligence refers to "the ability to perceive accurately, appraise, and express emotion; the ability to access and/or generate feelings when they facilitate thought; the ability to understand emotion and emotional knowledge; and the ability to regulate emotions to promote emotional and intellectual growth" (Mayer & Salovey, 1997, p. 35). Furthermore, Mayer, Salovey, and Caruso (2004) defined emotional intelligence as "the capacity to reason about emotions to enhance thinking. It includes the ability to accurately perceive emotions, to access and generate emotions so as to assist thought, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth" (p. 197).

The researcher has demonstrated that emotional intelligence enhances performance in the job (Wong & Law, 2002, Dulewicz, Higgs, & Slaki, 2003), management (Dulewicz & Higgs, 2003; Slaski & Cartwright, 2002), contextual performance (Millet, 2007), sales performance (Harris, 2009), organization performance (Bipath, 2007), and in successful and unsuccessful entrepreneurs (Cross & Travaglione, 2003).

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2-purpose and hypotheses

The purpose of this study was to examine the influence of the four emotional intelligence dimensions on job performance. We hypothesized that emotional intelligence would be related to job performance. Another purpose of this study was to compare public and private banks in terms of job performance and emotional intelligence. This study was also to compare age, management experience, and education level in terms of job performance.

3-Method

3-1 Participants

The population of this study comprised of managers who were in the banking industry in Semnan, Iran. There were 192 participants, mean age 43.11 years (SD= 6.94).

Demographic		Frequency(n=192)	percent	M
				43.11
Age	<29	4	2.1	
	30-39	54	23.4	
	40-49	117	60.9	
	>49	26	13.5	20.54
Work Experience	1 - 9	11	5.7	
	10-19	44	22.9	
	20-29	123	64.1	
	30-39	14	7.3	9.71
Management	<5	61	31.8	
	6-10	52	27.1	
	11-15	56	29.2	
	16-20	15	7.8	
	21-25	5	2.6	
	>25	3	1.6	-
Level of education	Diploma	78	40.6	
	S. Diploma	37	19.3	
	Bachelor	72	37.5	
	Master and above	5	2.6	

3-2 Measures

1-The SSEIT was developed by Schutte *et al.* (1998). The SSEIT, sometimes referred to in the literature as the Assessing Emotions Scale or the Self-Report Emotional Intelligence Test (SREIT), is a self-report measure of emotional intelligence containing 33 items and four scales. The SSEIT is a 33-item instrument, with 5-point Likert scale responses that measure emotional intelligence.

2-The job performance (JP) scale was assessed with two subscales: task performance and contextual performance. The JP is a 12-item instrument, with 5-point Likert scale responses that measure Job performance. This form is completed by the top manager or immediate supervisor about the bank manager every year. This is a bank manager's annual evaluation score. The researcher used this annual score to measure a manager's job performance.

4- Findings of the Research

1 Descriptive

Table 1 shows descriptive statistics and internal reliabilities for all measures. The mean scores for the four branches (expression of emotion, regulation of emotion in self and others, appraisal of emotion in self and others, , and utilization of emotion in problem solving) range from 3.90 to 4.10, which falls in the low to high average range. Notably, the regulation of emotion branch had the lowest standard deviation (.581) and the utilization of emotion branch had the highest standard deviation (.646).

Table 1: descriptive statistics and internal reliabilities.

Variable	M	SD	α
Appraisal of emotion	3.9021	.63740	.79
Expression of emotion	4.0469	.62652	.64
Regulation of emotion	4.1081	.58129	.83
Utilization of emotion	3.9705	.64623	.78
OVERALL	4.0039	.52379	.89
Job performance	28.876	.70300	-

1. Managers’ age and bank types

The age of managers ranges from 28 to more than 50. About 60.9% are between the ages of 40 and 49, 2.1 % are between the ages of 20 and 29 .About 34.4% of managers work in private banks, and 64.6% work in public banks.

2. Work experiences & management experience of managers

About 5.7% of managers had 1to 9 years of Work experience. About 46.1 % of them had 20 to 29 years of Work experience.

About 31.8 % of managers had 1to 5 years of experience in management, and 1.6% had above 26 years of management experience.

3. Managers’ education level

Results showed that 40.6% of manager had a Diploma degree, 19.3% had an S. Diploma degree, 37.5% had a Bachelor’s degree, and only 2.6% of them had a Master’s degree.

5. Findings Related to Demographic Variables

1- Type of bank

Hypothesis 1: There is a difference in job performance between private and public banks in Iran.

Hypothesis 2: There is a difference in emotional intelligence between private and public banks in Iran.

Table 1: t-test result of emotional intelligence and job performance according to type of bank

	Bank	N	M	S.D	t	P
Emotional intelligence	public	160	131.95	17.61		
	private	32	133.00	15.78	.311	.756
Job performance	public	160	28.93	5.05		
	private	32	28.60	5.34	-2.45	.015

The t-test was utilized to determine whether there were significant differences in job performance by type of bank in Iran. The result of t-test showed that there were significant differences between public and private banks in job performance, $t = 2.452, P < .05$. Data indicated that public banks have higher mean score of job performance than private banks. hypothesis two shows that there is no significant difference in the emotional intelligence between managers of private and public banks in this study, ($t = .311, p > .05$). The mean score indicates that the emotional intelligence levels of private banks ($M = 4.0303, SD = .47839$) and public banks ($M = 3.9987, SD = .53365$) are more or less the same.

2- Age, education level, work experience

Hypothesis 3: There is a difference between age, education level, management experience of managers and their job performance.

Table 2: Factorial ANOVA of Manager’s Job Performance in terms of Education Level, Age, and management experience

Source	SS	df	MS	F	Sig.
Corrected Model	23.027 ^a	33	.698	1.543	.042
Intercept	31794.799	1	31794.799	70286.611	.000
Education	2.936	3	.979	2.164	.094
MAN2	4.336	5	.867	1.917	.094
Gage	1.785	3	.595	1.316	.271
Education * MAN2	4.955	8	.619	1.369	.214
Education * Gage	1.229	5	.246	.543	.743
MAN2 * Gage	.917	4	.229	.507	.731

Education * MAN2 * Gage	.759	4	.190	.420	.794
Error	71.473	158	.452		
Total	160191.938	192			
Corrected Total	94.500	191			
a. R Squared = .244 (Adjusted R Squared = .086)					

The main effect of education level is not significant, $F(3,158) = 2.164$, $P > .05$. The difference in the job performance under the Master and above condition ($M = 28.45$) is not significantly different from the job performance under the Diploma condition ($M = 28.67$), and junior college Diploma ($M = 29.11$), and bachelor ($M = 29.01$).

The main effect of management experience is not significant, $F(5,158) = 1.917$, $P > .05$. The difference in the job performance under the 1-5 years condition ($M = 28.38$) is not significantly different from the job performance under the 6-10 years condition ($M = 28.94$), 11-15 ($M = 29.05$), and 16-20 ($M = 29.20$), and 21-25 ($M = 29$), and 26 years and above ($M = 28.77$).

The main effect of age is not significant, $F(3,158) = 1.316$, $P > .05$. The difference in the job performance under the 20-29 years condition ($M = 27.50$) is not significantly different from the job performance under the 30-39 years condition ($M = 28.75$), and 40-49 ($M = 28.90$), and 50 years and above ($M = 29.93$).

The level of education*management experience interaction is not significant, $F(8,158) = 1.369$, $P > .05$. That is, there is no significant interaction effect between the level of education and management experience of the respondents in terms of job performance at .05 ($p = .214$).

The level of education*age interaction is not significant, $F(5,158) = .543$, $P > .05$. That is, there is no significant interaction effect between the level of education and age of the respondents in terms of job performance at .05 ($p = .743$).

The level of management experience*age interaction is not significant, $F(4,158) = .505$, $P > .05$. That is, there is no significant interaction effect between the level of management experience and age of the respondents in terms of job performance at .05 ($p = .731$).

The level of education* management experience *age interaction is not significant, $F(4,158) = .420$, $P > .05$. That is, there is no significant interaction effect between the level of education and age of the respondents in terms of job performance at .05 ($p = .794$).

6- Emotional intelligence and job performance

Hypothesis 4: There is a relationship between Emotional intelligence of managers and their job performance.

Preliminary analyses were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. There was a positive, moderate correlation between emotional intelligence and job performance ($r = .55$, $n = 192$, $p < .0005$), with high levels of emotional intelligence associated with high levels of job performance.

7- Discussion and conclusion

The current findings show that there is significant relationship between emotional intelligence and performance. These findings are consistent with those of past researches by Bipath (2007), Stubbs (2005), Rieck (2008) and other prominent authors like Golmean (1996), and Watkin (2000). Goleman (1996, 1998), believes having higher EI enhances people's performance in life and in an organization and consequently they have achieve performance. Also, the results of the present study are consistent with the findings of Carmeli and Josman (2006). These results show that there is a correlation between emotional intelligence and human behavior, which can influence performance and employees' working attitude. EI plays an significant role in job successes and is an important element in an organization and managers. The study's findings show emotional intelligence is necessary in an organization and is very effective on job performance.

The result of Goleman's studies (1998) showed that 90% of the difference between an excellent manager and a common manager of an organization is due to emotional intelligence. Goleman (1998) believes that emotional intelligence is both technical and perceptual and therefore combinational, and whoever wishes to develop in an organization must have emotional intelligence. In other words, emotional intelligence can be compared to stairs in the development of an organization's leaders.

Conclusion from the relationship between emotional intelligence and performance in existing emotional intelligence models, as already mentioned in the literature, provides more evidence to confirm the statements of Goleman (1995, 1996) and Boyatzis (1982). With this added empirical evidence of its impact on job performance, studying emotional intelligence in organizations should now be considered as vital.

The findings of this study suggest that we can apply the programs of developing emotional intelligence for bank managers to improve their job performance. According to the relationship between emotional intelligence and job performance, it is suggested that education of emotional intelligence be in advance for schedulers and policymakers. Note that emotional intelligence is an acquired and learning case, so it is suggested that special educational programs be assigned to increase the emotional intelligence of bank managers. In other words, banks should consider improvement of emotional skills for managers in their education programs. In addition, in selection of managers, emotional intelligence should be applied as a suitable criteria besides other criteria.

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