



The Role of Emotional Intelligence in Enhancing Employee Performance and Organizational Success

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Annotation. Emotional intelligence (EI) is becoming an increasingly important element of today's organizations where the ability to lead, and employees' overall Performance, depend not just on their technical skills but on their emotional and relational capabilities. Using a conceptual analysis method, this paper reviews the role of emotional intelligence in improving Employee Performance and helping organizations succeed. Based on emotional intelligence theory, transformational leadership theory, Social Exchange Theory and organizational culture theory, this study uses an integrated framework to explain how emotionally intelligent leadership affects individual behavior, group dynamics and organizational results. Emotionally intelligent leaders create environments that help employees communicate clearly, establish trust and engage with work, all of which helps to produce greater Employee Performance and productivity. Additionally, emotionally intelligent leaders create the organizational culture that encourages adaptability to new ideas and challenges. Also, emotionally intelligent leaders help to provide a psychologically safe workplace environment. Finally, the study also discusses the strategic implications of emotional intelligence for organizations. It argues that emotional intelligence will continue to grow as a critical organizational capability that will provide sustainable competitive advantages. The Findings of this study indicate that organizations that provide opportunities for employees to develop their emotional intelligence through various forms of Employee development will be successful over the long term.

Keywords: Emotional intelligence, leadership, Employee Performance, organizational success, organizational culture, transformational leadership.



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Introduction

As organizations face increasingly complex and rapidly changing environments, they require ways to improve their Performance, increase Employee engagement and remain competitive. Historically, traditional leadership approaches have placed emphasis on cognitive abilities, technical skills and operational efficiency as the most relevant elements for achieving organizational success. However, as organizations rely more heavily on collaboration and communication to meet their objectives, there is growing recognition that developing emotional intelligence is also important for developing effective leadership and organizational outcomes.

Emotional intelligence is defined as "the ability to identify and understand your own emotions and those of others to guide thought and action" (Mayer et al., 2008). Emotional intelligence has grown in popularity among researchers and practitioners alike as it relates to leadership and organizational behavior. Today, leaders are judged not only on their ability to make logical or rational decisions, but also on their ability to build relationships, stimulate teams and navigate complex social networks.

Employee Performance is one of the primary determinants of organizational success. While many different factors contribute to determining how well employees perform in their jobs, many of these factors fall outside of the realm of technical knowledge. Other psychological factors such as motivation, trust, Employee engagement and job satisfaction determine how well employees perform in their jobs. Developing emotional intelligence enables leaders to create workplaces that are supportive, reduce conflicts and promote strong working relationships.

While numerous studies exist regarding emotional intelligence, none exist that fully integrate emotional intelligence with leadership theories and outcome variables such as organizational Performance. Therefore, the purpose of this article is to examine the potential roles that emotional intelligence may have in facilitating Employee Performance and organizational success using a multidisciplinary approach. The authors use emotional intelligence theory along with transformational leadership theory, Social Exchange Theory and organizational culture theory to create a complete framework explaining how emotionally intelligent leadership impacts individual behavior and organizational systems. The Findings demonstrate that emotionally intelligent leaders enhance communication, foster trust and create engaged employees resulting in increased Performance and productivity. Additionally, emotionally intelligent leaders play a major role in creating positive organizational cultures that support psychological safety, open communication and mutual respect. Positive cultures like these help organizations to achieve collaborative learning, innovative thinking and adaptive behaviors necessary for long term success. Lastly, the article addresses the strategic implications of emotional intelligence as a source of a dynamic capability that enables organizations to successfully adapt to changes in their environment. Therefore, organizations investing in developing emotionally intelligent leadership through leadership development programs and organizational policies will have a sustained competitive advantage (Teece et al., 1997).

Literature Review

Emotional Intelligence Theory

Emotional Intelligence Theory was First introduced by Salovey and Mayer (1990) and was expanded upon by Goleman (1995) as the base theory for understanding the connection between emotional competency and individual/organizational Performance. Emotional intelligence theory describes four primary dimensions of emotional intelligence: self-awareness, self-regulation, motivation, empathy and social skills. Self-awareness defines one's ability to identify and evaluate their own emotions. Self-regulation defines one's ability to control his/her emotions. Motivation defines one's internal drive to pursue activities. Empathy defines one's ability to see things from another person's point-of-view. Social skills define one's ability to interact socially. All of these areas allow an individual to effectively manage their own emotions while also identifying and responding to the emotions of others.

These competencies have been shown to be highly correlated with leadership effectiveness within organizations (Goleman, 1995). A leader possessing high levels of emotional intelligence is able to recognize emotional cues from his employees and respond accordingly. They are also able to create a workplace culture that supports trust and collaboration (Goleman, 1995).

Transformational leadership theory

Transformational leadership theory presents a theoretical basis for understanding the connections between emotional intelligence and leadership effectiveness. Transformational leaders possess a

number of characteristics that include inspiring/fostering innovation in their followers, sharing a common vision for the organization and showing concern for individual followers' growth and development. Characteristics that are associated with transformational leaders include individualized consideration (showing interest in follower's personal issues), inspirational motivation (communicating enthusiasm about the mission/vision of the organization), intellectual stimulation (encouraging followers to think critically), and idealized influence (followers admire simply want to follow) (Bass & Riggio, 2006).

Emotional intelligence is necessary for transforming leaders to be successful. For example, empathic leaders are able to understand what motivates their followers while self-regulated leaders are able to remain calm during times of crisis or turmoil. Together these two examples illustrate why emotionally intelligent leaders are able to form strong relationships with their followers and motivate them to achieve higher levels of Performance (Bass & Riggio, 2006).

Social Exchange Theory

Social Exchange Theory describes the nature of relational dynamics between leaders and followers in organizations. Followers tend to reciprocate favorably toward leaders whom they believe treat them fairly and show respect for them (e.g., Blau, 1964). An emotionally intelligent leader creates favorable relational dynamics with their followers. For instance, a leader demonstrating empathy builds trust with her/his followers. Demonstrating transparency increases credibility with followers. Emotional awareness builds confidence with followers.

Trust creates positive relational dynamics with followers. When followers feel trusted, they tend to report higher levels of engagement and motivation. Similarly, motivated followers are generally more productive (Blau, 1964).

Organizational culture theory

Organizational culture theory focuses on the influence of common values/beliefs/norms on members' behaviors in organizations. Leaders have a unique role in defining/developing/maintaining the culture within their organization (e.g., Schein, 2010). Emotionally intelligent leaders are more capable of establishing/creating cultures that are supportive of open communication, respectful treatment of others and mutually beneficial relationships.

Cultures like these promote collaboration and adaptability within organizations (Schein, 2010).

Organizational success and emotional intelligence

Each of these theories contributes significantly to our understanding of emotional intelligence as it pertains to its effects on Employee Performance. However, combining these theories provides a much fuller understanding of how emotional intelligence works individually and collectively in organizations.

Overall emotional intelligence theory explains how we acquire the competencies we need to function emotionally. Transformational leadership theory illustrates how we apply those competencies in terms of how we behave as leaders. Social Exchange Theory provides us insight into how we relate emotionally to others as we exercise our leadership behaviors. And finally, organizational culture theory shows us how our collective application of emotional intelligence affects our overall organizational climate.

Together these frameworks suggest that emotional intelligence is the primary mechanism through which we effectively function as individuals within organizations and also as an organization system itself.

Methodology

This study utilized a conceptual research design approach for studying the relationship between emotional intelligence, Employee Performance, organizational success. Utilization of a conceptual

research design provided sufficient opportunity for reviewing/combining multiple theoretical bases for developing a comprehensive framework for explaining how emotionally intelligent leadership facilitates organizational Performance without collecting primary data.

This conceptual research design entailed conducting a thorough review/synthesis of existing literature pertaining to emotional intelligence, leadership behaviors, organizational behavior/Performance and Employee Performance/outcomes. Through analyzing/integrating these theoretical foundations this study developed a conceptual model illustrating the mechanisms through which emotionally intelligent leadership impacts organizational effectiveness.

Utilizing this approach facilitated identifying the inter-relationships/concepts examined in prior research thereby creating a foundation for conducting additional empirical research investigating/testing validating the proposed framework.

Discussion/Findings

The investigation demonstrated that emotional intelligence greatly facilitates improvement in Employee Performance through three primary mechanisms. Firstly, emotional intelligence improves communication among leaders/followers by allowing leaders to effectively communicate information/emotional cues and responding appropriately to follower needs/emotions resulting in clear expectations/reduced miscommunication/increased collaboration among employees (Goleman, 1995).

Secondly, emotional intelligence promotes trust among followers towards leaders. Leaders exhibiting empathy/transparency/emotional awareness build relationships with followers thereby establishing trust among followers towards their leaders. When followers trust their leaders they experience increased levels of Employee engagement/motivation/job satisfaction thus experiencing increased levels of productivity/work Performance (Blau, 1964).

Finally, emotional intelligence promotes Employee motivation/engagement among employees. When leaders exhibit awareness/knowledge of employees' emotional needs they create a work environment that encourages intrinsic motivation/job satisfaction thereby encouraging employees to achieve higher levels of productivity/work Performance (Goleman, 1995).

On an organizational level emotional intelligence contributes to creation of positive organizational cultures that encourage learning/adaptation in response to environmental turbulence/stress/change. Within organizations facing uncertain/unpredictable environmental conditions emotionally intelligent leaders are better equipped to manage stress/conflict/disperse/retention of cohesive teams (Schein, 2010).

Strategic implications of emotional intelligence

From an organizational strategy perspective emotional intelligence can be considered as an important component of an organization's dynamic capabilities which enables an organization to effectively respond/adapt to environmental changes. Thus organizations investing in developing emotionally intelligent leadership via Employee development/training initiatives/policies will enjoy sustained competitive advantages (Teece et al., 1997).

Conclusion

Emotional intelligence represents an important element for leaders/organizations seeking improved Employee Performance/long term success. Emotional intelligence enables leaders to effectively manage Employee emotions/build positive interpersonal relationships/create work environments that foster psychological safety/open communication/mutually beneficial relationships. Ultimately these actions improve individual/organization-wide outcomes.

Therefore, this study emphasizes the importance of incorporating emotional intelligence into Employee development/training initiatives/policy making for organizations. Future studies should



investigate empirically testing this conceptual framework/the long-term effects of emotionally intelligent leadership on organization wide outcomes.

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