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Original Research

Emotional Intelligence and Managerial Effectiveness

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Abstract

This research article explores the relationship between emotional intelligence (EI) and managerial effectiveness (ME) in modern organizations, with a particular focus on empirical evidence from the Indian banking sector. Using established frameworks and current studies, the article analyzes the critical components of EI and their measurable impact on managerial roles, organizational health, and leadership outcomes. Graphs and conceptual diagrams illustrate key correlations and practical implications.

Keywords: Emotional intelligence | Managerial effectiveness | Leadership skills | Conflict resolution | Organizational performance

INTRODUCTION

The rapid evolution of the corporate sector—spurred by globalization, technological advances, and shifting societal expectations—underscores the need for managers to excel not only in technical competencies but also in emotional and relational skills. Managerial effectiveness is no longer determined solely by knowledge or technical expertise; understanding and leveraging emotional intelligence has emerged as a central determinant of effective leadership and optimal organizational outcomes^{[1][2]}.

Defining Emotional Intelligence

Emotional intelligence refers to the ability to perceive, understand, regulate, and harness emotions—within oneself and in others—to facilitate positive results in personal and professional settings. Goleman's model of EI (2002) identifies four critical domains:

- **Self-Awareness:** The ability to recognize internal emotional states.
- **Self-Management:** The capacity to control and adapt one's emotions constructively.
- **Social Awareness:** Sensitivity to the emotions and needs of others.
- **Relationship Management (Social Skills):** Proficiency in managing interactions, resolving conflicts, and influencing others^[3].

These capabilities collectively underpin leadership, adaptability, and interpersonal effectiveness.

THEORETICAL FOUNDATION

Emotional Intelligence and the Managerial Role

Early management models (Mintzberg, 1973; Katz, 1974) emphasized three core skills: technical, human, and conceptual. Contemporary research integrates EI as a foundational element influencing these domains. For example:

- **Self-awareness** enhances self-regulation and transparency among managers.
- **Empathy and social awareness** facilitate trust, collaboration, and effective communication in teams^{[4][3]}.
- **Relationship management** enables successful conflict resolution and organizational cohesion.

Conceptual Model

Empirical studies confirm that EI components—self-awareness, self-motivation, self-interest, and self-development (personal growth)—positively influence managerial effectiveness. Theoretical models predict that managers with higher EI achieve better outcomes in decision-making, team motivation, and change leadership^{[1][2]}.

METHODOLOGY

The analysis draws on empirical studies from the Indian banking sector, involving 189 women executives from both private and public banks^[1]. Standardized questionnaires measured EI and ME, utilizing:

- **Schutte et al. (1997) Emotional Intelligence Scale** (30 items, Cronbach alpha: 0.89)

• **Managerial Effectiveness Questionnaire (Gupta, 1996)** (45 items, Cronbach alpha: 0.84)

Statistical analyses (factor analysis, regression, and correlation) evaluated the impact of EI components on managerial effectiveness.

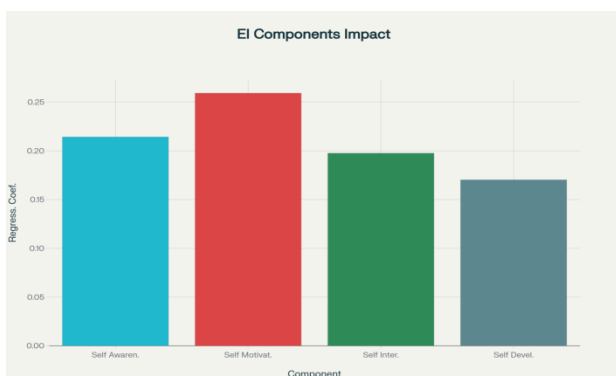
Key Findings and Discussion

Core Components and Their Impact

Four principal EI components emerged from factor analysis:

1. **Self-Awareness**
2. **Self-Motivation**
3. **Self-Interest** (self-direction)
4. **Self-Development**

Regression analysis demonstrated that each of these factors has a significant positive impact on managerial effectiveness, with nearly 78% of variance in ME attributable to EI components^[1]. For every one-unit increase in self-awareness, self-motivation, self-interest, and self-development, there were respective increases in managerial effectiveness, as visualized below.



Impact of Emotional Intelligence Components on Managerial Effectiveness

International and Sectoral Perspectives

Multiple studies highlight similar correlations internationally:

- Managers with high EI exhibit superior conflict resolution, communication, and motivation capabilities.
- Emotional intelligence is linked to higher organizational commitment, job satisfaction, and lower workplace stress.
- EI training enhances adaptability, innovation, and decision-making in crisis periods (e.g., during COVID-19 disruptions)^{[5][6][7][8]}.

Effects on Managerial Outcomes

Empirical analyses show that emotionally intelligent managers are more effective in:

- Navigating stressful environments.
- Promoting employee engagement and satisfaction.
- Making ethical, balanced, and people-centered decisions^{[9][10][11]}.
- Managing and resolving conflicts—fostering psychological safety and teamwork^{[12][13][14]}.

Decision-Making

Emotionally intelligent leaders are better equipped for complex problem-solving and are less likely to be swayed by irrelevant emotional biases^{[9][10]}. They incorporate empathy, intuition, and values-driven perspectives, resulting in more sustainable decisions^[11].

Conflict Resolution

Skilled EI practitioners use self-awareness and self-regulation to remain calm and resourceful in disputes, while empathy allows for collaborative, constructive outcomes^{[12][13][15][14]}.

Organizational Innovation and Culture

EI contributes to a positive organizational climate, enabling open communication, creativity, and a strong sense of team purpose—critical for innovation and retaining top talent^{[16][17]}.

Implications for Managers and Organizations

- **Training Programs:** Integrating EI development into leadership programs boosts managerial effectiveness and employee morale^{[2][18]}.
- **Recruitment and Promotion:** Evaluating EI as a core competency in managerial selection enhances long-term organizational outcomes^[18].
- **Personal Growth:** Encouraging continuous self-awareness and self-development cultivates resilient leaders capable of thriving through change^[16].

RECOMMENDATIONS

- Implement targeted EI assessments during hiring and promotions for managerial roles.
- Offer continuous professional development addressing all EI components.
- Foster a culture of empathy, feedback, and emotional awareness within teams.

Limitations and Future Research

While robust, studies to date often focus on specific sectors (e.g., banking) and single-gender samples. Broader sampling, cross-industry comparisons, and longitudinal analyses will enhance understanding. Future research should also explore the impacts of EI across different cultural contexts and demographic groups^{[1][2][8]}.

CONCLUSION

Emotional intelligence is a pivotal determinant of managerial effectiveness. Leaders who cultivate self-awareness, empathy, adaptability, and interpersonal skills not only enhance their own performance but also drive organizational success by fostering healthy, productive, and innovative workplaces. The integration of EI into management development and organizational strategy is essential for businesses seeking resilience and competitive advantage in a rapidly changing global landscape^{[1][2][8]}.

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