

The Impact of Emotional Intelligence in Business Leaders: Enhancing Workforce Motivation and Performance

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Abstract: This research is about Emotional Intelligence (EI) and its impact on business leaders. The article explains that leadership is the ability to influence people toward achieving a goal. Emotional Intelligence has four core areas: self-awareness, self-management, social awareness, and relationship management. The article states that business leaders set the standards for their organizations, and those who lack Emotional Intelligence can have negative effects, such as lower employee engagement and higher turnover. The research shows that applying emotional Intelligence can positively affect product and service delivery. Managers with highly emotional Intelligence tend to have a more dedicated and effective workforce. In conclusion, the article recommends that organizations have corporate policies requiring an Emotional Intelligence test for managers. It also provides web links for business leaders to assess their emotional Intelligence.

Keywords: Emotional Intelligence, Intelligence, Emotions, Leadership, Workforce, Motivation.

Introduction

The word ‘business’ is one of the most used in human interactions. This is largely so because we naturally engage in business activity every day or specifically explain another to someone. Concerning this research work, let’s look at what a business is. According to Maitrayee (2021), a business is an organization comprising people who strive to achieve common objectives and goals. A business organization needs to have a vision that implies what it intends to achieve in the future and values that represent its integrity. Furthermore, Hooper (1961) suggests that it is the whole complex field of commerce and industry, the basic industries, processing and manufacturing industries, the network of ancillary services, distribution, banking, insurance, transport, and so on, which serve and interpenetrate the work of business as a whole, our business activities. Business generally refers to organizations that seek profits by providing goods or services in exchange for payment. However, businesses don’t need to turn a profit to be considered a business, as pursuing profit makes an organization a business (Ward, 2020).

A business can broadly be categorized into services, manufacturing, or retail. A business can also consist of individuals with a side hustle or large corporations with hundreds of employees. This brings us to the issue of leadership; to successfully run a business, someone must be put in a position to take charge at all levels of operations, and such a person can be seen as the business leader. But before we throw titles, let’s look at who a leader is and the myths surrounding leadership. Pretty much everyone knows what leadership is about, but only a handful have a grasp of what it truly means. In a book titled “The Future Leader” by Jacob Morgan, the author interviewed more than 140 CEOs worldwide and asked them each to define leadership. He explained that people struggled and had to pause because the word business was frequently used without defining it. We often take the concept of leadership for granted simply by assuming that we all know what leadership is and what a great leader looks or should like.

Interestingly, once the CEOs found their definitions, their answers ran the gamut as the over 140 people did not give back a single duplicate response. Some CEOs define leadership as business understanding, such as setting a company’s vision or achieving its objectives. Others concentrated on human

characteristics such as empathy, humility, and variety. Every response was unique, but they were all correct. Every leader has their concept of leadership, which determines how they lead and their company's culture and direction. (Morgan 2020).

For this research, we have adopted the following as a definition of a leader:

“A leader is someone who can see how things can be improved and who rallies people to move towards that better vision. Leaders can work toward making their vision a reality while putting people first. Being able to motivate people isn't enough; leaders need to be empathetic and connect with people to succeed” (Morgan, 2020).

Considering numerous definitions of leadership, an organization must have a clear picture of what leadership means and what it means to be a leader within that company.

Business Leadership

Strong business leadership is a vital part of every successful company. A team of employees with strong, skilled leadership is far more likely to be productive than a team without. *“business leadership”* describes how people make decisions, strive toward goals, and exercise authority professionally. Business leadership can take numerous forms, but it typically entails a CEO or a few higher-level employees mentoring and inspiring the rest of the team. Business leadership aims to discover the optimum leadership model for a certain firm and its employees (Indeed, 2021). Leadership has a direct cause-and-effect relationship with organizations and their success. Leaders determine values, culture, change tolerance, and employee motivation. They shape institutional strategies, including their execution and effectiveness. Leaders can be found at any level of an organization, not just in management. Successful leaders, on the other hand, share one trait. They persuade those around them to get the most out of the organization's resources, especially its most valuable and costly asset: its people (Germano, 2010).

An organization is considered a planned coordination of several people's activities to achieve some common explicit purpose or goal through the division of labor and function and hierarchy of authority and responsibility (Schein, 1980). The strength of any organization is built on the strength of its workforce, which is the primary driving force. This workforce often consists of individuals from diverse backgrounds who possess and exhibit different value systems/abilities and operate at contradistinctive IQ levels (Amanawa, 2015). A manager needs to have competence and intelligence to tackle the obvious and covert challenges to achieve optimum workforce motivation. This is because a highly motivated workforce inevitably results in increased productivity.

Emotional Intelligence

Before we go any further, let us take time to understand the two important words that form the core of this research, 'Intelligence' and 'Emotions.' It might seem useless to define such a simple word. After all, we all have heard these words hundreds of times and probably have a general understanding of their meaning. However, the concept of Intelligence has been a widely debated topic among members of the psychology community for decades (Charlotte, 2020). Intelligence is described as the ability to learn, comprehend, or deal with new or difficult situations, as well as the ability to apply information to influence one's surroundings or think abstractly, as judged by objective standards (Merriam-webster, 2021). Psychologist Robert Sternberg defined Intelligence as the mental abilities necessary for adaptation to, shaping, and selecting any environmental context (Sternberg, 1985). Emotion is a conscious mental reaction (such as rage or fear) that is subjectively experienced as a strong sensation focused on a single object and is usually accompanied by physiological and behavioral changes in the body (Webster, 2021). It can also be described as the Affective state of consciousness, as opposed to cognitive and volitional states of consciousness, in which joy, grief, fear, hate, or other emotions are felt (Dictionary.com, 2021).

“Emotional Intelligence” is the ability to perceive emotions, access and generate emotions to assist thought, understand emotions and emotional knowledge, and reflectively regulate emotions to promote emotional and intellectual growth (Mayer, Salovey, & Caruso, 2004). In very simple business

terms, Emotional Intelligence is a manager’s ability to understand their own unutilized emotions and that of an employee or subordinate and then use it to achieve optimum productivity and corporate goals.

Relevance Of Emotional Intelligence

To fully understand the relevance of Emotional Intelligence, it is important to know how its application has changed over time. Table 1. gives a clue as to how Emotional Intelligence has transformed.

YEAR	EVEN T
1930’s	Edward Thorndike, a Major thinker in psychology (often called the father of modern psychology), in his research described “Social Intelligence” as the ability to get along with others.
1940’s	David Wechsler (an American psychologist and developer of the well-known Intelligence Scale) suggested that affective components of Intelligence may be essential to success in life.
1950’s	Abraham Maslow (the Humanistic psychologist) described how one can build emotional strength.
1975	Howard Gardner (a Multiple Intelligence Researcher) published the book “The Shattered Mind,” which introduced the concept of Multiple Intelligence.
1985	Wayne Payne was the first to introduce the term “emotional intelligence” in his doctoral dissertation entitled “A study of emotion: developing emotional Intelligence; self-integration; relating to fear, pain, and desire.
1987	In a Mensa Magazine article, Keith Beasley used the term “emotional quotient.” Although Reuven Bar-on claims to have used the phrase in an unpublished version of his graduate thesis, it has been proposed that Beasley’s was the first published use of the term.
1990	Peter Salovey and John Mayer published their landmark article, “Emotional Intelligence,” in the Journal of Imagination, Cognition, and Personality.
1995	New York Times writer Daniel Goleman popularized the concept after he published his book “Emotional Intelligence: Why it can matter more than IQ).
2004	More recently, John Mayer, Peter Salovey, and David Caruso published an article titled “Emotional Intelligence: Theory, Findings, and Implications.

Table 1. The Evolution of Emotional Intelligence (Amanawa, 2015)

Overtime, scientists began to study why standard Intelligence alone isn’t enough to predict the performance of an individual. They realized that another type of Intelligence isn’t related to the standard cognitive Intelligence- Emotional Intelligence. In the past, Intelligence was mostly associated with cognitive reasoning, which functions as memory, the ability to solve problems, and learning. But contrary to such stereotype belief, there is a non-cognitive aspect of Intelligence. Howard Gardner (a Multiple Intelligence Researcher) proposed two additional types of Intelligence: Intrapersonal Intelligence and Interpersonal Intelligence, in his book titled; Frames of the Mind: The Theory of Multiple Intelligences.

1. Intrapersonal Intelligence: the ability to understand one’s feelings, motivation, and fear.
2. Interpersonal Intelligence: the ability to understand others, their desires, and motivations.

Gardner argues that these new intelligence kinds were as relevant in predicting performance and success as traditional Intelligence. Even though the phrase “emotional intelligence” had not yet been coined, the subject was being researched then. This research seeks to state the impact of Emotional Intelligence when imbibed and applied by managers, with the strategic intent of efficiently keeping the workforce motivated

and productive. Also, to see how the managers' ability to understand their feelings and capabilities and that of workforce members will help the management make proper decisions for growth and sustainable development. The framework of this research will be used to analyze the management challenges faced by business leaders, and also suggestions will be made on how to achieve a better approach to workforce management/motivation.

Importance of Emotional Intelligence In The Workplace

Emotional Intelligence in the workplace can be explained as the skill with which you express, reason, and manage your own and the emotions of others (Palmer & Stough, 2001). Managers with high levels of emotional Intelligence are not only more successful in their careers, but they are also happier and have better interpersonal interactions. Motivation, companionship, attention, fulfillment, peace of mind, awareness, balance, self-control, independence, autonomy, contentment, appreciation, connection, and desire are some of the healthier and balanced sentiments experienced by managers with high emotional Intelligence. While those with low levels of emotional intelligence exhibit feelings of loneliness, fear, frustration, guilt, emptiness, disappointment, obligation, resentment, anger, dependence, victimization, and failure. Management pieces of literature (and even common sense) suggest that nature and nurture feed emotional Intelligence. Emotional Intelligence comes in varied degrees from one leader to the next, and managers apply it with varying expertise. It's a part of genetic predisposition, life experience, and old-fashioned training. When used wisely and compassionately, emotional Intelligence propels leaders, their followers, and their organizations to greater success; when used stupidly or maliciously, it paralyzes leaders or allows them to exploit followers for personal advantage (HBR, 2004).

Conceptual Review

The field of Emotional Intelligence is fast becoming very popular amongst researchers all around the world. As a result, it has evolved into a must-have skill. This skill set requires business leaders to have the ability to perceive emotions, integrate emotions, understand emotions, and regulate emotions to promote personal and corporate growth. The conceptual framework used herein is hinged on the four components of Emotional Intelligence.

Emotional Intelligence in Leadership

Whenever leadership is mentioned, most people's minds shift toward those in positions of authority. However, everyone who can influence another person is a leader. Leadership, simply put, is 'influence.' Every person has leadership potential. Emotional Intelligence is broken into four core areas of competence. To improve your emotional Intelligence, it is very important to understand what each competency entails. **Self-Awareness:** This is at the core of everything. It refers to your capacity to recognize not just your strengths and limitations but also your emotions and how they affect your and your team's performance. In a research carried out by Tasha Eurich (An organizational psychologist, executive coach, researcher, and New York Times bestselling author), it would interest you to know she discovered that: *"Even though self-awareness, knowing who we are and how we're seen is important for job performance, career success, and leadership effectiveness, it's remarkably short in today's workplace. In a nearly five-year research program, we've discovered that although 95% of people think they are self-aware, only 10-15% are"* (Eurich, 2018).

Eurich (2018) also stated that un-self-aware leaders and colleagues aren't just frustrating: they can cut a team's chances of success in half, leading to increased stress, decreased motivation, and higher turnover. **Self-Management:** This relates to your capacity to control your emotions, especially in stressful situations, and keep an optimistic attitude despite setbacks. Leaders who lack self-control react more and struggle to control their emotions. According to Green (2021), an important step in developing highly skilled emotional self-management is to discover your present emotional self-management patterns. Observe yourself for a week, and find the answer to the following questions:

1. Which emotions do you deliberately foster in yourself?

2. Which emotions do you find it easy to manage?
3. Which emotions do you carry for a long time?
4. Which emotions do you not like and try to avoid or suppress?
5. Which emotions do you have which positively impact your work?
6. Which emotions do you have which distract you from your work?

Which emotions don't you manage well so that you leave a bad impression of yourself?

The answers to these questions above would help you see that emotional self-management is an essential skill in the workplace, irrespective of your role or position, and is essential for a successful working team corporation. Social-Awareness: While it's critical to understand and control your own emotions, you should also be able to read a room. Your ability to recognize others' emotions and the dynamics at work in your business is referred to as social awareness. Empathy is a skill that leaders who excel at social awareness use. They try to comprehend their co-workers' sentiments and opinions, allowing them to communicate and collaborate more effectively.

Amazon's Jeff Bezos is an example of a well-known senior leader who demonstrates emotional Intelligence in leadership. Bezos is noted for his charismatic leadership style, employing self-deprecating humor to make others feel at ease. Next up comes Alan Mulally, the former CEO of Ford. He praised his staff's work in handwritten notes. The main line is that building personal relationships with everyone is critical, regardless of your business or industry, since people want to associate with someone they can trust (Court, 2021). Transformational leaders need empathy to show their followers they care for their needs and achievement (Bass, 1985). Relationship Management refers to your ability to influence, coach, and mentor others and resolve conflict effectively. Some prefer to avoid conflict, but it's important to address issues as they arise properly (Landry, 2019).

Results from a survey carried out by the Society for Human Resource Management (SHRM) found that 72% of employees ticked "respectful treatment of all employees at all levels" as the top factor in job satisfaction (Lytle, 2005). Usher (2017) proposed that to help improve your level of relationship management as a business leader, you should follow the under-listed steps:

1. Enhance your natural communication style by thinking about your interactions with others and how you typically communicate in relaxed and stressful encounters. Be honest with yourself and identify a few positive and negative communication traits you possess. Make a conscious effort to incorporate the positives more and the negatives less.
2. Learn to receive feedback. Sometimes, this can be difficult, but it is the perfect opportunity to learn and improve. When receiving feedback, pause and process what the other person is offering. Use your self-management, and don't jump to a quick response you may regret.
3. Don't avoid the inevitable; some people simply get under your skin. Sometimes you have no choice but to interact with these individuals, especially in a work environment. Do not avoid. Instead, face the situation using your self-awareness, self-management, and social awareness strategies. It may be uncomfortable at first, but it will become easier over time.

This brings us to why emotional Intelligence matters. Business leaders are known to set the standards for their organizations. Therefore a leader that lacks emotional Intelligence can have an overall negative effect and result in lower employee engagement and a higher turnover.

Findings

I've drawn the following conclusions based on Tasha Eurich's above research on the perils of an un-self-aware leader, Green's procedures for proper self-management, and classic examples of certain well-known CEOs, and the need for respectful treatment with all levels of employees:

1. That if you are self-aware, you always know how you feel. And you know how your emotions, and your actions, can affect the people around you. It means that you will have a clear picture of your strengths and weaknesses as a leader.

2. Leaders who regulate themselves through proper self-management rarely verbally attack others, make rushed or emotional decisions, neither do they stereotype people, or compromise their values. Self-management is all about staying in control.
3. Having empathy is critical to managing a successful team or organization. Business leaders with empathy can put themselves in someone else's situation. They assist in developing their team members, criticize unfair behavior, provide constructive comments, and listen to those who require it.
4. Business leaders who are socially aware are great communicators. They open their doors to hearing good and bad news, and by doing so, they get their team to support them and be excited about a new mission or project. Good social skills are key when faced with the need to manage change and resolve conflicts diplomatically.

Conclusion And Recommendations

Business leaders must understand the need to be emotionally intelligent, as this is one of the best tools to help maintain a motivated and productive workforce. Managers from tiny businesses to CEOs of global corporations have been known to use emotional Intelligence to promote their personal and corporate brands, as well as to improve their working relationships with their staff. A skillful blend of self-knowledge, self-management, social awareness, and effective relationship management provides a functioning mix that will drive the business leader's productivity for a long time.

I strongly recommend the following:

1. The Human resource department of any organization makes business rules and regulations for testing applicants' emotional Intelligence before employing them into leadership positions in their organizations.
2. Every business leader/ manager takes a self-emotional intelligence test from time to time and gets a proper review of his emotional competence. A sample of such a test can be found at www.jobEQ.net/selftest.
3. All managers should begin to pay attention to developing their emotional capabilities. This can be done through personal research of related literature, attending self-sponsored workshops and seminars, and signing up with online emotional intelligence bodies such as www.hbr.org.

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