

## Relationship between Managers' Emotional Intelligence and Organizational Effectiveness: A Case Study in Farhangian University

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### Abstract

The goal of this study is to clarify existing relations between Emotional Coefficient and Organizational Effectiveness (OE) among Farhangian University managers during 2013-14. The sample size, according to Cochran formula, is 156 people, which were selected based on the simplified random sampling. Besides, two questionnaires were used having the reliability index of 0.87 and 0.97 respectively. The findings of this study suggested that there is a direct and positive relation between emotional intelligence along with its subscales including self-awareness, self-adjustment, self-motivation, compassion and social skills found in managers with organizational effectiveness in Farhangian University.

**Keywords:** EQ, organizational effectiveness, self-awareness, self-motivation, compassion, social skills.

### Introduction

In modern age, universities frequently face dynamic and varying environments, so in order to maintain existence and dynamicity they have to remain compatible with environment changes. Quick changes entail that universities employ managers and staff who are adaptable and can work effectively.

Furthermore, they are expected to be able to improve systems and promote processes and appreciate customers (Vaill, 1996). Speaking of managers' efficiency, one must consider the emotional factors in play mainly because they are more significant; in other words, managers succeed or fail mostly due to the way they control their emotions and senses (Goleman et al., 2002). Emotional intelligence is a novel phenomenon discussed by theorists of this field; and the latest studies have proven its major role in organizational effectiveness (OE) (Barling et al., 2000). Statistics shows that, in the near future, those managers who are able to communicate and work with their staffs on good terms will definitely prevail over those who do not possess this quality. Obviously, emotional intelligence is an undeniable element in achieving a suitable level of communication with staffs (Goleman, 2000).

Quite a number of researchers assert that a high level of emotional intelligence is linked with better performance in self-adjustment, self-expression, independence, compassion with others, self-control, optimism and self-functionality (Early and Ang, 2003, Killgore et al 2008). Emotional intelligence is defined as a set of factors that lead an individual towards a better and healthier relationship with others (McMullen, 2003).

Nowadays, emotional intelligence is understood as such an intelligence that contains accurate understanding of the person's emotions and interpreting others' excitements correctly. Emotional intelligence tells of a person's awareness of his emotions and reactions and to what extent he can manage to contain them. Accordingly, organizations are seeking talented managers who

attain social capabilities and communicative skills. Managers who are good listeners, assertive speakers, considerate of others' feelings and good at conveying their own thoughts; briefly put, they are required to provide a lively atmosphere in work place in which everyone improves.

Excitement capabilities are of high importance for skillful remedying and problem solving procedures. In fact, emotional intelligence determines the success of a person who has lower IQ compared with the failure of a manager with higher IQ. Meaning, managers with mediocre IQ and high emotional intelligence are more likely to succeed compared with ones with higher IQ and lower emotional intelligence (Besharat, 84).

University effectiveness is in the fact that it can nurture responsive individuals; if universities manage to do so, they can gain control of the society like a cultural thermometer and an intelligence factor. Effectiveness of any organization, for instance university, relies heavily on its workforce. If decision makers of a university fail to scout, keep and improve its workforce, ultimate dream (goal) does not come true. Universities face numerous difficulties in carrying out their tasks and responsibilities; and for the high importance of Farhangian University in social achievements, we have focused solely on this case study.

### **Research theoretical basis**

#### ***Emotional intelligence***

Intelligence is one of the most fascinating and engrossing psychological processes that manifests itself in different living things at various levels. The more evolved the animal, the more complex and sophisticated its intelligence gets. The term intelligence has long been used under the name of wisdom and reason in philosophical discussions and different religions, but a scientific study on it started in the early 20<sup>th</sup> century. It is generally believed that intelligence is an ability to solve problems, whereas, others believe it is the power in distinguishing good from bad (Moghaddami, 2007). Intelligence is all those talents with which man knows, remembers the known, and implements cultural elements to resolve his daily issues so that he can be compatible with unchanging and also varying environment (Elahian and Zavvari, 2008). In 1990, Sulley and Mayor used the term emotional intelligence (EQ) based on Gardener's categorization for the first time. They developed the concept of emotional intelligence with combining inner individual intelligence and communicative intelligence. According to Gardener's theory, emotional intelligence is made up of the following two elements:

Inner-personal intelligence: that focuses on perception and understanding of others, what motivates man, how they act, and how to cooperate with them.

Inter-personal intelligence: Gardener claims most probably salesclerks, politicians, teachers, nurses and religious leaders must attain a high level of inter-personal intelligence (Goleman, 2001).

Some researchers define Emotional Intelligence as the ability to control and distinguish from personal and non-personal emotions and to use the acquired data to guide their thoughts and actions (Chiva et al., 2007). Baran (2009) strongly believes that it is a collection of skills and capabilities that affect our overall disposition in responding to needs and environmental pressures (Mandell and Pherwani, 2003). In general, awareness and ability to control self and others' excitement and manipulating excitement to facilitate tasks, realization of self and others' feelings to achieve the best result is called Emotional Intelligence. Goleman put forward his emotional intelligence model, which included self-awareness, self-management, motivation, compassion and social skills, in five dimensions. The first three classes are descriptive of individual qualities and show the level of awareness and control over personal feelings and the other two classes are indicative of social qualities and focus on the level of awareness and control over others feelings. The classes are:

Self-awareness: the ability to identify and perceive emotions, feelings, weaknesses and strength of the self.

Self-management: the ability to master over emotions and feelings, consoling and avoiding anxiety and placing thought before action.

Self-motivation: having high energy and tendency to achieve goals beyond only money and fame.

Compassion: the ability to put oneself in others' shoes to understand what others are currently feeling when encountering certain occasions without even talking to them.

Social abilities: ability to build relationships and design a system to get to favorable results and to identify common grounds to reach agreement with others.

### **Concept of effectiveness**

In management terminology, effectiveness is defined as doing the right thing, but efficiency is understood as doing something properly. Effectiveness lies within efficiency. Effectiveness is, in fact, the extent to which a task has been effective and successful in achieving the preplanned targets. Simply put, in any study, how much the goals have been achieved is measured but it seems there needs to be steps beyond this to define effectiveness. For instance, effectiveness is witnessed in an educational course only if the following necessities are met; firstly educational needs be identified, secondly, a suitable curriculum be devised to meet required needs; thirdly, the designed plan be implemented properly, fourthly, authentic assessment be adopted to evaluate the process of education. Chester Bernard, a credited scientist in management studies, considers stability and existence of a system to be dependent upon the necessary factor of effectiveness (Bernard 2004). Effectiveness is similarity between organizational behavior and organizational expectations (Alagheband, 2003).

### ***Concept of organizational effectiveness***

Study on organizational effectiveness was developed in 1960s and 70s; theorists of this time made an effort to propose an optimum standard with more accuracy and extensive look. With a simple overview, we can conclude that effectiveness contains these elements: efficiency, profit, quality, incidents, growth and promotion, absence and disorder, return of assets, job satisfaction, motivation, spirits, control and supervision, integrity and conflict, adaptation and flexibility, goal selection, programming, inserting role purpose and prevailing virtue, management communicative skill, task-centered skills, preparation and talent, management of information and communication, environment utilization, external factors assessment, stability and strength, human capital value, cooperation, emphasis on teaching development and success.

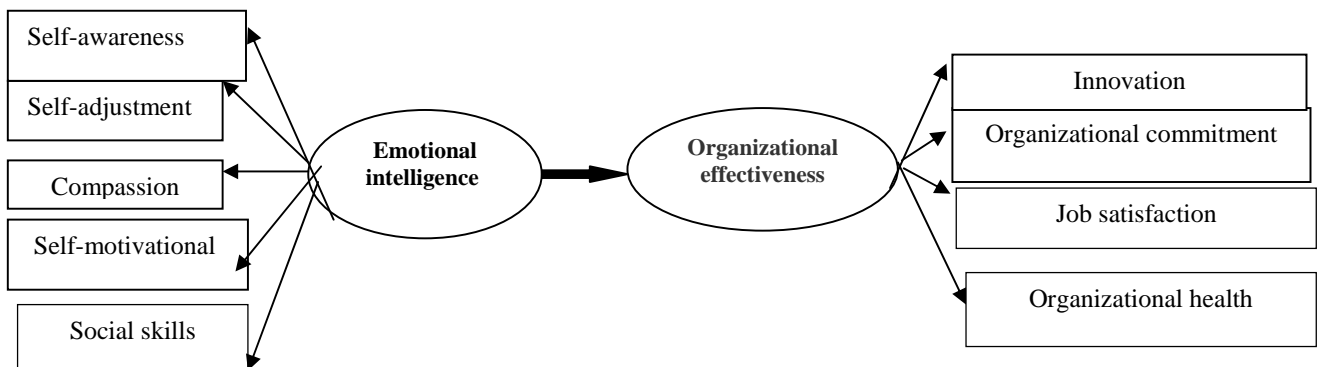
### ***Linkage between emotional intelligence and organizational effectiveness***

Some weak managers are unable to give and get useful feedback, while effective managers are totally different from them in almost all aspects. Successful managers are in fact leaders; according to Goleman, a good leader must be inspiring, motivating and can create commitment among his subjects; besides, he ought to try to improve his emotional intelligence abilities day by day and alter his management strategy to adapt the organization's requirements. Successful managers are excellent motivators and put an extra stress on the promotion of emotional intelligence capabilities (Babaie Zakili, 2006). Safir Mardanlou (2005) examined the impact of emotional intelligence on 100 most prosperous Iranian companies selected by the Ministry of Mining and Industry. The findings of this research proved the fact that there is a dramatic relation between success and EQ. Ganji Nia and Habibzadeh looked for the effects of emotional intelligence on efficiency of Bank Saderat staff and found the same results. Findings of a research conducted by Mc Colan (2000) suggest that at an international food company, units whose staff acquired relatively

higher emotional intelligence gained unexpected annual revenue( up to 15 to 29% growth), whereas other units recorded lower than expected.

Theoretical development and conceptual model of research

Torabi (2003), Safir Mardanlou (2005), Raiesi Nasir Pouri, Karami (2005), Abdoli and his colleagues (2010) reported that there is significance in emotional intelligence variables and managers’ performance. Findings of Rays (2004) Mayer and Salovey and Lyons and Schneider emphasize the results mentioned above. Therefore, the theory of the present study could be laid down as follows:



**Figure 1. Research conceptual model**

**Methodology**

This research is of cooperative kind; since the analysis is going to be compared and evaluated along with other factor findings, there needed to be two questionnaires designed and handed out among managers of Farhangain University. The sample size is 156, which have been selected randomly. Descriptive statistics index such as average, scale deviation, abundance distribution table, percentage and diagrams were utilized to analyze data. To test the research theories, variable regression was used.

In order to collect emotional intelligence information, Goleman’s questionnaire, including thirty 5-option multiple choice questions in five ranges of self-awareness, self-adjustment, self-motivation, compassion and social skills was used as follows:

**Table 1. Emotional intelligence questionnaire based on subscales and questions**

Questions measuring sub scales	Num of Questions	sub scales	tool
1, 6, 11, 16, 22, 30	6	Self-awareness	Emotional intelligence questionnaire
2, 7, 12, 17, 23, 24	6	self-adjustment	
11, 13, 19, 28, 29	5	Self-motivation	
4, 9, 14, 16, 20, 21 and 26	7	Compassion	
3, 5, 10, 15, 18 and 27	6	Social skills	

The questionnaire’s reliability coefficient was 0.89 and 0.83 by Mazinani (2007) and Torabi (2003). In order to evaluate organizational effectiveness, Parsonz questionnaire including 28

questions with 5 options in 4 subscales of innovation, organizational commitment, job satisfaction, organizational health was used (table 2).

**Table 2. Organizational effectiveness questionnaire based on subscale and question**

Questions measuring sub scales	Number of Questions	sub scales	tool
6, 11, 13, 15, 16, 18, and 21	7	Innovation	Organizational effectiveness questionnaire
1, 2, 5, 7, 12, 14, and 17	7	Organizational commitment	
3, 4, 8, 9, 10, 20, and 22	7	Job satisfaction	
19, 23, 24, 25, 26, 27, and 28	7	Organizational health	

Questionnaire's reliability coefficient by Soltani (2002) and Soltani (2005) in piloting is 0.81 and 0.84. To ensure the questionnaire's reliability, first 60 managers were selected randomly and both emotional intelligence and effectiveness questionnaires were conducted on them and by using Cronbach Alpha method, the reliability coefficient for emotional intelligence is 0.87 and for effectiveness, it was 0.97, indicating that questionnaires gain a high degree of confidence and acceptable coefficient. Then, the questionnaires were given to some professors and researchers knowledgeable in the field to say their comments and find any possible irrelevancies to our planned goals and then the papers were handed out for data collection.

### Data analysis

#### *Descriptive statistics*

In this part, statistical indices of research variables are reported.

*EQ*: according to instructions, in statistical indices like mean, and standard deviation factors and subscale, managers' emotional intelligence including self-awareness, self-adjustment, self-motivation, compassion, social skills were gotten.

**Table 3: Statistical index of managers' emotional intelligence subscales**

SD	Mean	Emotional intelligence
3.17	22.87	Self-awareness
2.85	24.41	self-adjustment
2.49	23.44	Self-motivation
3.28	24.57	Compassion
2.92	25.75	Social skills
10.84	121.03	Emotional intelligence

**Table 4. Frequency distribution and percentage of managers categorized as intelligence levels**

%	Number	Emotional intelligence level
16.1	24	Low Emotional intelligence
67.8	101	Average Emotional intelligence
16.1	24	High Emotional intelligence
100.0	149	Total

Results of table 3 demonstrate that social skills of managers are the most at 25.75 and their self-awareness is the least at 22.87. The total mean of emotional intelligence equals to 121.03 with standard deviation of 10.84.

Based on the findings of data found in table 4, 16.1% of managers' emotional intelligence is below the mean, 67.8 % of them around the mean, 16.1% higher than the mean.

*Organizational Effectiveness:* Statistical indices like mean and standard deviation were put in the table below:

**Table 5. Statistical indices of managers' organizational effectiveness**

SD	Mean	Organizational effectiveness
6.64	27.66	Innovation
5.66	26.11	Organizational commitment
6.83	25.94	Job satisfaction
7.61	25.35	Organizational health
25.15	105.05	Organizational effectiveness

Results of table 5 indicate that innovation variable with the mean of 27.6 is the most and organization health variable with the mean of 25.35 is the least. The total mean of organization effectiveness equals to 105.05 with a standard deviation of 25.15. Based on mean and standard deviation of organization effectiveness score, levels of organization effectiveness were calculated.

**Table 6. Frequency distribution and managers' percentage classified into organization effectiveness**

%	number	Organizational effectiveness level
15.4	23	Low Organizational effectiveness level
53.7	80	Average Organizational effectiveness level
30.9	46	High Organizational effectiveness level
100.0	149	Total

According to the table and the degree of organization effectiveness, 15.4% of managers recorded low mean, 53.7% around the mean, 30.9% were higher than the mean.

#### **Research hypothesis testing**

To clarify the role of EQ, as a variable value, on organization effectiveness, as a standard value, data gathered from research were put into the regression equation, as the results are shown in table 7 :

**Table 7. Regression coefficient between emotional intelligence and OE**

Error of measurement	Adjusted coefficient	Determination coefficient	Correlation coefficient
22.70	.185	.213	.461

According to the above table, regression coefficient is 0.213 which means that 21.3% of changes in managers' OE are caused by EQ.

In variance analysis, it is seen that the managers' emotional intelligence has profound effect on OE (df=5; F= 7.733; p<0.005).



**Table 8. Brief regression analysis of managers' OE via EQ**

Sig	F	Sum of squares	df	Sum of squares	source
0/001	7.733	3985.235	5	19926.174	Regression impact
		515.324	143	73691.397	The residual effect
			148	93617.570	total

**Table 9. Regression analysis of the variables**

sig	t	standard Beta coefficient	Beta coefficient		Work Creation Skills
		Beta	Error D	B	
0/001	4.625		21.576	35.053	Fixed Amount
0/037	1.780	.069	.705	1.549	Self-awareness
0/005	2.57	.276	.815	1.666	self-adjustment
0/03	2.792	.080	1.015	2.804	Self-motivation
0/001	4.942	.511	.792	3.913	Compassion
0/004	1.513	.050	.832	1.427	Social skills

The results of data analysis and Beta value in table 9 indicate that except for self-motivation, other subscale elements of emotional intelligence are effective on OE. All emotional intelligence subscales are in line with OE as it is observed in table 9.

### Conclusion

In this research, two questionnaires were used to look into the relationship between emotional intelligence and OE. The sample were 156, who were randomly selected. Results of the study indicated that emotional intelligence and OE are inextricably linked and have direct effect on each other. In other words, with a slight increase in each of the subscales in emotional intelligence elements, the overall OE rises too. Also, among the subscales, self-awareness, self-motivation, compassion and social skills have a relatively stronger effect on OE. Findings here are completely in line the research done by Torabi (2003), Safir Mardanlou (2005), Raiesi Nasir Pouri and Karami(2005), Hassankhoie (2006), Abdoli et al(2010), Ghaseri, et al (2011), and foreign researchers such as Rays (2004), Mayer and Saloveri (2004), Lyons and Schneider (2005), Thomas et al (2006), Marjani and Soheili Pour(2012).

In conclusion, emotional intelligence has proved to be incredibly effective on the success rate of managers. Those who acquire high emotional intelligence are more able to resist and deal with stress prone situations, can pave the way for more improvement in their work environment, and are not easily affected by ups and downs along the way to growth.

### Suggestions for further Research

This study was conducted on managers and it is recommended that other groups such as staff or students of Farhangian Universities be under examination as well.

Instead of emotional intelligence, other elements like hard work, tolerance, managers' satisfaction can be taken into account in subsequent studies.

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