



Volume and Issues Obtainable at Center for Sustainability Research and Consultancy

Journal of Business and Social Review in Emerging Economies

ISSN: 2519-089X (E): 2519-0326

Volume 4: Issue 2 December 2018

Journal homepage: publishing.globalcsrc.org/jbsee

Relationship Between Emotional Intelligence and Locus of Control With Decision-making Styles among Corporate Managers in Iran

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ARTICLE DETAILS

History

Revised format: Nov 2018

Available Online: Dec 2018

Keywords

Emotional Intelligence, Locus of Control, Decision-Making Styles.

JEL Classification:

J53, J59

ABSTRACT

Emotional intelligence is defined as the facilitator of the perception, expression, attraction, understanding, and regulation of relationships that stimulates intellectual and emotional growth. Those who are more conscious about their emotions have more skills in managing emotional problems. They also have higher decision-making power. The purpose of this study is to investigate the relationship between emotional intelligence and locus of control with decision-making styles in corporate executives. The research method is descriptive and in terms of nature, it is a correlative study. The statistical population of the research is all managers and supervisors of Iran Khodro Company. The results of this study indicate that there is a strong relationship between emotional intelligence and styles of decision making in managers and supervisors of this company, but there is not a significant relationship between locus of control and decision making styles.

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Recommended citation: Ahmadi. A., Hendijani. R. (2018). The Relationship between Emotional Intelligence and Locus of Control with Decision-Making Styles in Corporate Managers (Iran Khodro). *Journal of Business and Social Review in Emerging Economies*, 4(2) 139-146

DOI: 10.26710/jbsee.v4i2.288

1. Introduction

Decision-making has a widespread role in human life. It is the choice of a solution from among various options so based on this definition, decision making is called the central core of planning (Safarinia et al. , 2013). It uses many cognitive processes, such as information and processing them, problem-solving, judgment, memory, and learning (Hadizadeh, 2011). Decision-making style is the individual model of interpreting and responding to decision-making tasks. Due to these styles, understanding different people's decisions in the same situations is possible (Etebarian et al., 2014). Decision making is related to the locus of control (internal, external), the way of finding solutions and strategy compilation by the individual. Julian Rotter (1966), a theorist of locus control, has developed his theory of the belief system of individuals in relation to reinforcement resources (Barati, 2014). It is believed that in terms of control, people are divided into two categories: the group that attributes their successes and failures to internal factors, and the group that attributes their successes and failures to external factors. The first group is called the individuals with the internal locus of control and the second group is called people with external locus of control (Seif, 2011). The locus of the control or degree to which people believe that they have control over the outcome of events in their lives is originated from the theory of social learning

which proposed by Rotter in 1966. According to this theory, the locus of control is the system of beliefs based on which individuals evaluate their successes and failures, considering their abilities and weaknesses (Ahanjian and Asaroudi, 2015). In organizations, decisions are made continuously. What executives are doing at different levels of the organization and always move towards it (J. Anj, 2016) is decision-making and emotional intelligence (Mitchell, 2014). Emotional intelligence is included in a wide range of skills and personal characteristics and usually is considered as intrapersonal and interpersonal skills that go beyond a specific area of prior knowledge, intelligence quotient (IQ), and technical or professional skills (Dinser et al., 2011).

Emotional intelligence includes the ability of emotional and social self-awareness. Emotional intelligence enables a human being to manage his emotions and leads them in the right direction to achieve goals that have been identified in life, work environment, etc. (Gojet et al., 2011). Emotional intelligence has applications in different areas. Among these areas are intrapersonal and extra personal communications, mental and personal health, psychology, medical and physical health, psychiatry, counseling and guidance, work and employment, organizational and industrial management, economic development, and so on (Hosseini and Khademiyan, 2014). Therefore, emotional intelligence can be an appropriate field for creating an appropriate environment for learning and effective communication, a context where emotional intelligence can play an effective role in the workplace (Umuro and Oman, 2015).

Emotional Intelligence Theory provides a new perspective on the prediction of factors affecting the success and also the primary prevention of mental disorders, which completes cognitive science, neuroscience and child development. Emotional intelligence capabilities are very important for emotional self-control and skillful communications. Relying on general intelligence alone is not enough to explain success. Researches have shown that in the best situation, general intelligence just causes 25% of success, and the rest of success depends on emotional and social intelligence as well as luck. Today, the evaluation of emotional intelligence and its impact on the success of managers is one of the most important areas of researches. Always this is the question that to achieve, which capabilities are needed. Researchers are now exploring career success using the theory of emotional and social intelligence. The present research is seeking a scientific answer to the question of what is the relationship between emotional intelligence, the locus of control and decision-making styles of managers and supervisors of Iran Khodro companies.

2. Material and methods

2.1. Methodology

The research methodology depends on the purpose and nature of the study of research and its implementation tools. In this research, first, the relationship between emotional intelligence, the locus of control and decision-making styles in corporate executives was studied. To collect the required information, Rotter's Locus of Control Scale (RLOC) and the psychometric properties of Rotter's locus of control as well as general decision-making style (GDMS) questionnaire have been used.

3. Discussion

3.1. Inferential findings

In this section, first, descriptive indicators of the studied variables (emotional intelligence, the locus of control, and decision-making styles) are presented. Since the research hypotheses are tested at the parametric, skewness and kurtosis indices should be within the range of ± 1.96 to show the normal distribution of the data. The results show that the distribution of data is consistent with a normal distribution (table 1).

Table 1 Descriptive indicator of decision-making style, emotional intelligence and locus of control

Variable	Mean	Standard deviation	Skewness	Kurtosis
Rational	13.93	3.86	0.13	- 0.61
Intuitive	17.32	3.21	0.03	- 0.25
Dependent	17.14	1.93	0.18	- 0.47
Spontaneous	15.61	2.59	0.32	- 0.61
Avoidant	15.58	2.69	-0.05	- 0.42
Decision making (total score)	85.60	14.22	0.20	- 0.62
Emotional intelligence	97.87	14.62	0.27	- 0.25
Locus of control	39.23	12.70	0.54	- 1.59

Since the purpose of this study is to investigate the relationship between emotional intelligence and locus of control with decision-making styles, the assumptions of this test and multiple regression is that the distribution of data is normal. For this reason, the normal distribution of data is analyzed through Kolmogorov–Smirnov normal test.

Table 2 Results of Kolmogorov–Smirnov normal test of decision making style, emotional intelligence and locus of control

Variable	Statistics	Degrees of freedom	Significance level
Rational	0.10	103	0.07
Intuitive	0.14	103	0.23
Dependent	0.14	103	0.12
Spontaneous	0.13	103	0.18
Avoidant	0.11	103	0.17
Decision making (total score)	0.07	103	0.20
Emotional intelligence	0.07	103	0.20
Locus of control	0.36	103	0.19

Before predicting decision-making styles through emotional intelligence and the locus of control, relationship between these variables is tested Pearson's moment correlation coefficient. The results showed that emotional intelligence has a significant relationship with decision-making styles. There was no significant relationship between locus of control and decision-making styles (table 3).

Table 3 Correlation matrix between variables of decision-making style, emotional intelligence and locus of control

variable	1	2	3	4	5	6	7
Rational							
Intuitive	0.88*						
Dependent	0.63*	0.68*					
Spontaneous	0.84*	0.85*	0.84*				
Avoidant	0.93*	0.87*	0.60*	0.79*			
Decision making (total score)	0.96*	0.94*	0.77*	0.93*	0.93*		
Emotional intelligence	0.97*	0.90*	0.74*	0.89*	0.93*	0.98*	
Locus of control	-0.19	-0.12	-0.15	-0.16	-0.16	-0.18	-0.17

*p > 0.01

To predict the items of decision-making style (rational, intuitive, dependent, spontaneous and avoidant), multiple regression analysis with enter method is used. Each style is then predicted through two variables: emotional intelligence and locus of control.

3.2 Rational decision-making style

The first style of decision-making is rational decision-making style that the results of multiple regression analysis showed that predictor variables could predict the rational decision making style. The results of the analysis of variance of regression also confirmed this relationship.

In addition, the study of regression coefficients showed that emotional intelligence is the only predictor variable that can predict rational decision-making style. The positive coefficient of regression of emotional intelligence suggests that the higher the person's emotional intelligence is, the more he uses this decision-making style.

Table 4 Results of regression coefficients of predictor variable in decision making style

Predictor variable	B	SE	β	t	P
Constant	-10.861	0.791		-13.730	0.000
Emotional intelligence	0.256	0.007	0.963	37.382	0.000
Locus of control	-0.008	0.008	-0.025	-0.956	0.341

Distribution of residuals is another assumption of regression, which is checked after regression. This assumption states that if the sampling is random, then the distribution of errors should also be normal to explain the predicted parts by the predictor variables. In addition, the relationship between the error scores and the predicted scores is other assumption; the distribution of errors and the lack of relation between the residuals and predictions are visible in the figure below which confirms this assumption.

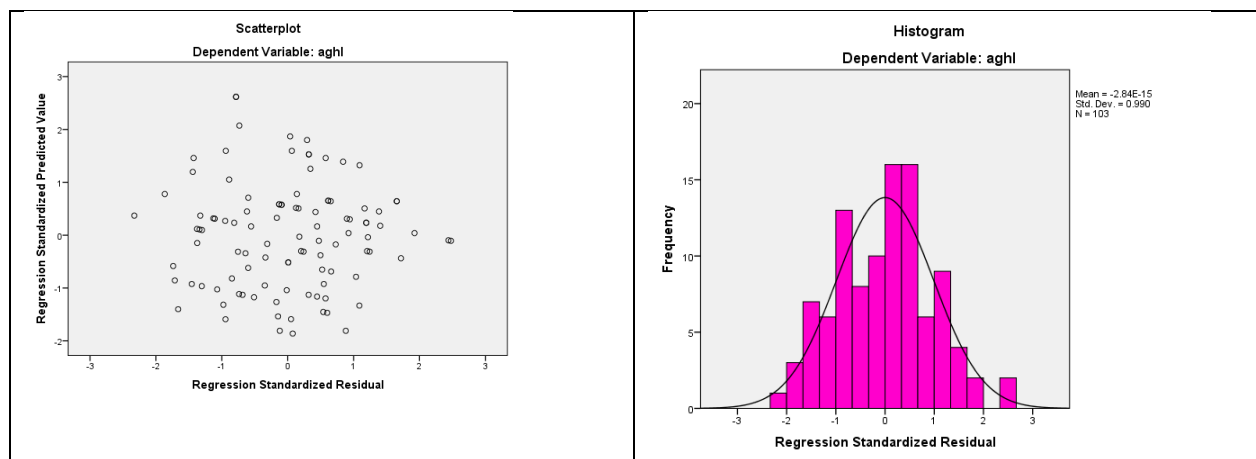


Figure 1. Regression standardized residual in rational decision-making style

3.3 Intuitive decision-making style

The second style of decision-making is intuitive decision making style that the results of multiple regression analysis showed that predictor variables could predict the decision intuitive decision making style. In addition, the study of regression coefficients showed that emotional intelligence with 90% standard beta has the ability to predict the intuitive decision making style. It means that the higher the person's emotional intelligence grows; the more intuitive decision making style is developed.

Distribution of residuals is another assumption of regression, which is normal according to the following figure. In addition, there is no significant relationship between the distribution of residuals and distribution of predicted scores and it can be said that prediction of predictor variables is not random.

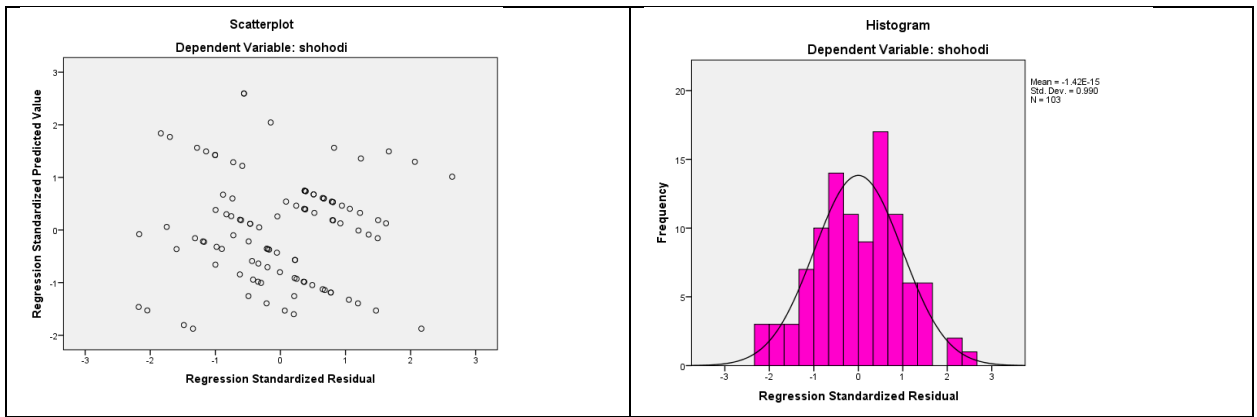


Figure 2. Regression standardized residual in Intuitive decision-making style

3.4. Dependent decision-making style

In relation to the dependent decision making style, the results showed that predictor variables explain 0.54% of the dependent decision making style. Regression variance analysis also showed that prediction of predictor variables is not random.

Distribution of residuals is another assumption of regression, which is normal according to the following figure. In addition, there is no significant relationship between the distribution of residuals and distribution of predicted scores and it can be said that prediction of predictor variables is not random.

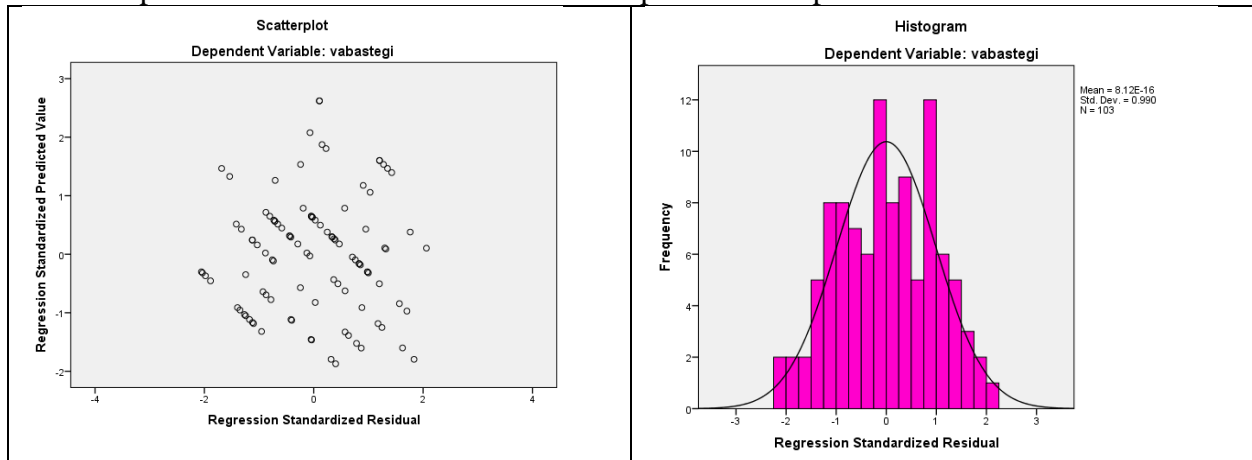


Figure 3. Regression standardized residual in Dependent decision-making style

3.5. Spontaneous decision-making style

The fourth style of decision-making is spontaneous decision making style that the results of multiple regression analysis showed that the variance which is achieved by predictor variables is not random and the analysis of variance confirms this result. In addition, the study of regression coefficients showed that emotional intelligence is the only predictor variable that has the ability to predict the spontaneous decision making style. It means that the higher the person's emotional intelligence grows; the more this decision making style is used. Distribution of residuals is another assumption of regression, which is studied. This assumption states that if the sampling is random, then the distribution of errors should be normal. In addition, it is confirmed that there is no significant relationship between the distribution of residuals and distribution of predicted scores.

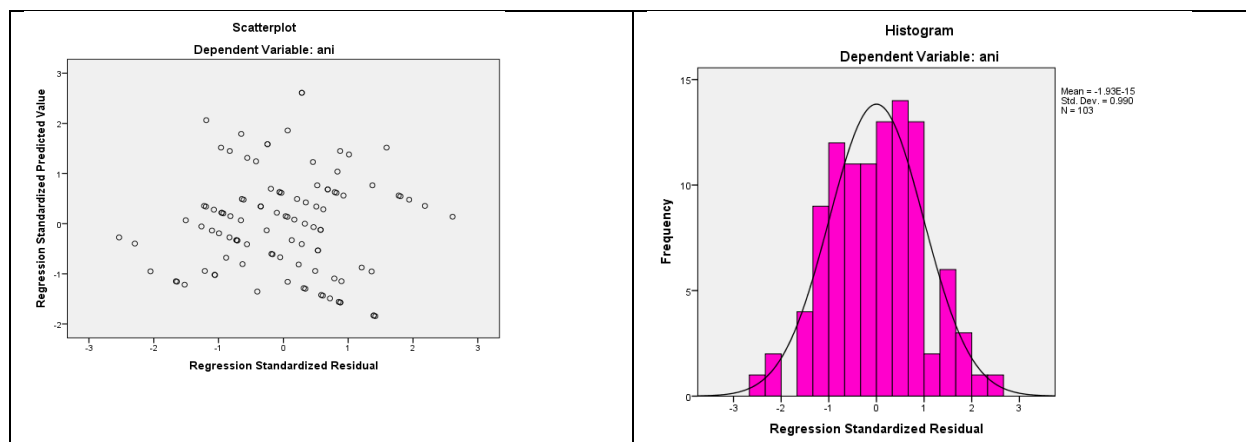


Figure 4. Regression standardized residual in Spontaneous decision-making style

3.6. Avoidant decision-making style

The last decision style was the avoidant decision-making style. The results of multiple regression showed that 40% of the variance in avoidant decision-making style was explained by predictor variables. The results of the variance analysis also confirmed this share of the explanation. In addition, the study of regression coefficients showed that emotional intelligence is the only predictive variable that can predict the decision-making style of consciousness. The positive regression coefficient of emotional intelligence suggests that the higher the person's emotional intelligence, the lower the use percent of decision making style.

The distribution of the remainders is normal according to the following Figure 1, and this assumption of regression is true. In addition, there is no significant relationship between the distribution of the remainders and the distribution of the predicted scores, and it can be admitted that the predicted share by predictor variables is not random.

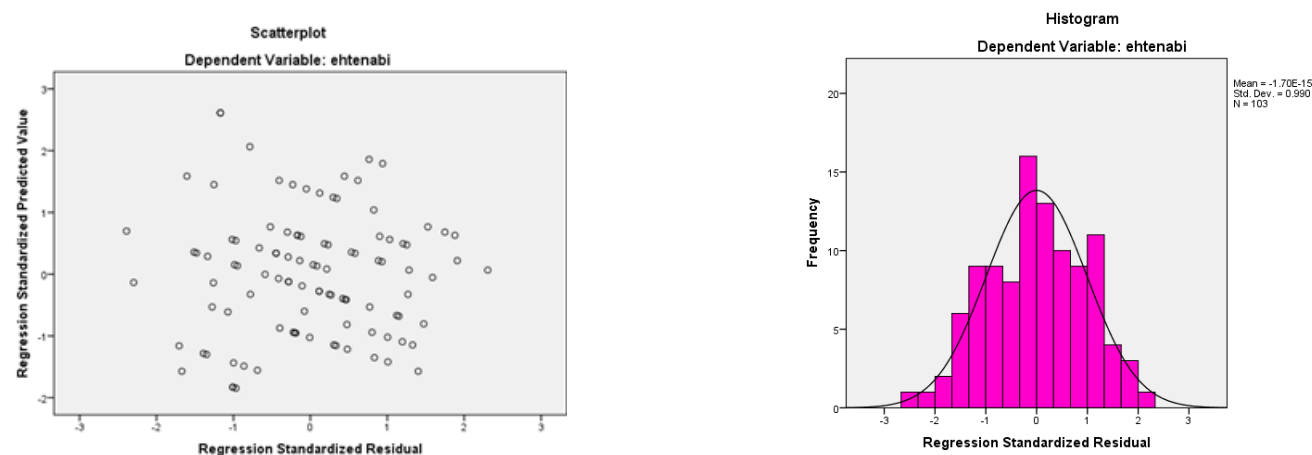


Figure 5. Regression standardized residual in Avoidant decision-making style

3.7. Data analysis method

In the research process, after the data collection, the next step involves analyzing the data. (Delavar, 2011). The information obtained from the questionnaire analyzed by SPSS22 software and Excel 2013. Descriptive statistics methods (such as mean, standard deviation) were used to identify the characteristics of the statistical population and the research sample. To analyze the data in the inferential statistics, after confirmation of the normality of the data, the results were analyzed using Pearson's correlation coefficient.

3.8. Discussion and conclusion

In explaining the assumptions of research, it can be said that strengthening emotional intelligence as a

combination of different personalities allows individuals to manage and improve their cognitive processes by recognizing, perceiving and adjusting and controlling emotions. Decision-making skills in critical situations, such as when individuals faced with conflicts and contradiction, are one of the emotional intelligence skills. In this situation, those who are proficient in this skill can correctly decide on the correct situation and circumstances. Emotional intelligence skills training is effective on decision-making styles in individuals, it increases the application of rational decision-making application styles and decreases the application of avoidant, dependent and spontaneous decision-making styles. Deciding on the productivity and effectiveness of individual activities has a direct effect and can be effective in directing and controlling the behavior of individuals. Decision-making is an in-person process and it has a personality, individual differences in decision making determine its intrinsic nature. Another dimension that distinguishes individuals from one another and can also be linked to decision-making strategies is the source of control (external-internal). The control place can be considered a person's belief in the power of his or her influence on his or her own life. This concept has two internal and external control dimensions. Researches have shown that people with external control source tend to be more acceptable by others. From Ratter's point of view, personality differences are related to the source of their reinforcement. The source of the reinforcements is the same individual's source of control that is divided into the external control source (controlled by the outside) and the internal control source (dependent on the individuals themselves). Based on the external control source, the reinforcements are controlled by the external environment, fate or others, and are controlled by the internal control source under the control of their own behaviors and characteristics.

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