

Emotional Intelligence on Organizational Performance with the Moderating Effect of Organizational Culture in the Banking Sector in Sri Lanka: A Systematic Review

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Abstract

This is a conceptual paper based on a systematic literature review. For many years, the topic of emotional intelligence and organizational performance has caught the interest of researchers and practitioners. Much of the interest in these two areas is motivated by explicit and implicit assumptions that both the emotional intelligence of individuals and organizational culture are associated with organizational performance. While the associations between emotional intelligence and organizational performance and organizational culture have been studied independently, few studies have examined the relationship between the three variables. This paper aims to advance understanding of the effects of emotional intelligence on organizational performance with the moderating role of organizational culture by reviewing the literature of previous studies. This study reviewed fifty-two (52) journal articles from the Scopus database and other sources. The study culminates with the development of a conceptual framework that can be used in future empirical studies.

Keywords: Emotional Intelligence, Organizational Performance, Organizational Culture, Banking Sector

1. Introduction

Today, it is widely recognized that the success and vitality of the service sector are essential factors in measuring an economy's progress, its quality, and its future

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(Dincer & Gorener, 2011). The service sector not only improves competition in every national market but also indicates growth at the global level. The banking sector is one of the major components of the service sector and plays an important role in the supply and demand for funds in the financial system. In this context, both internal and external performance of the banks as financial intermediaries has become a prominent issue depending on the development of financial instrument systems (Dincer & Hacioglu, 2015). The performance of the banking sector directly affects other industrial and service sectors of the economy (Perumal & Pradeeba, 2014). In a highly competitive and complex economy, the quality of the services provided is a crucial success factor for business performance. Customers in the Sri Lankan banking sector rank service quality as the second most important factor when selecting a bank (Nilam, 2020). The quality of the service is determined by its ability to provide the professionally required and customer expectations of business (Naeem et al., 2008). According to Naeem et al. (2008), human effort and Emotional Intelligence (EI) are relatively more important determinants of service quality. EI develops the innovative creativity of individuals and therefore, helps to improve their professional performance in their jobs and facilitates communication within the organization (Goleman, 2000). This indicates that success of the banking sector mainly depends on a high-quality service culture. The banking sector must embrace a flexible environment even in unexpected situations like the global COVID-19 pandemic. Despite the COVID-19 pandemic's stressful work environment, individuals who have a high level of emotional intelligence showed the best levels of work performance and the minimum counter productive work behaviors with employees who had low EI showed higher levels of stress (Sadovyy et al., 2021).

The global banking sector is constantly evolving and has been reaching dramatic heights of transformation in recent years for various reasons, such as financial deregulation and globalization, rapid technological progress, and changing consumer demand for banking services (Choudhury, 2013). Quality of service mainly relies on human resources, and for this reason, human resource management plays a significant role in the service sector (Claessens & Laevan, 2005). Thus, recent academic research (Houston, 2021; Supramaniam & Singaravelloo, 2021) has focused on two organizational ideas, emotional intelligence and Organizational Performance (OP). Even though, significant studies have been conducted on the relationship between EI and OP, the findings are inconsistent (Landy, 2005; Lam & Kirby, 2002; Sue-Chan & Latham, 2004).

Moreover, previous studies (Mayer & Salovey, 1997; Goleman, 2000; Mayer et al., 2000) have not provided adequate focus on the moderators of the relationship between EI and OP. Deal and Kennedy's (1982) ground breaking research sparked interest in Organizational Culture (OC) and how values and philosophies affect employees' behavior and performance, which in turn makes the institution more successful (as cited in Ghinea & Bratianu, 2007).

The concept of EI is relatively new to Sri Lanka, whereas businesses are more concerned about Intelligence Quotient (IQ) than EI. Hence, EI is predicted to improve individual performance, organizational performance, rich culture, work life balance, and success (Cherniss et al., 2006). Not only that, most of emotional talents can be recognized as crucial at work, but they must also be promoted and improved within organizations (Nafukho, 2009). According to Caruso and Salovey (2004), strong leaders employ their emotional intelligence to manage themselves, colleagues, and their businesses effectively. This study is significant since no previous research has been conducted on the measurement of bank managers' emotional intelligence and the impact of organizational culture on organizational performance in the Sri Lankan banking industry. Knowing how emotional intelligence affects bank managers could give them important information about how much they should care about the concept. An understanding of how emotional intelligence affects the ability of bank managers in management positions, who are already responsible for improving organizational performance and providing excellent customer service to the customer. Finding the connection between the emotional intelligence of bank managers, the culture of the organization and its performance will improve the overall performance and give management the techniques they need to manage managers' emotional intelligence. This is important because it represents the connection among EI, organizational culture and organizational performance in the Sri Lankan context. Therefore, learning of EI will be used to improve interpersonal relationships, OC and OP. This paper aims to address the above research gaps by conducting a systematic literature review on EI and OP with the moderating effect of OC.

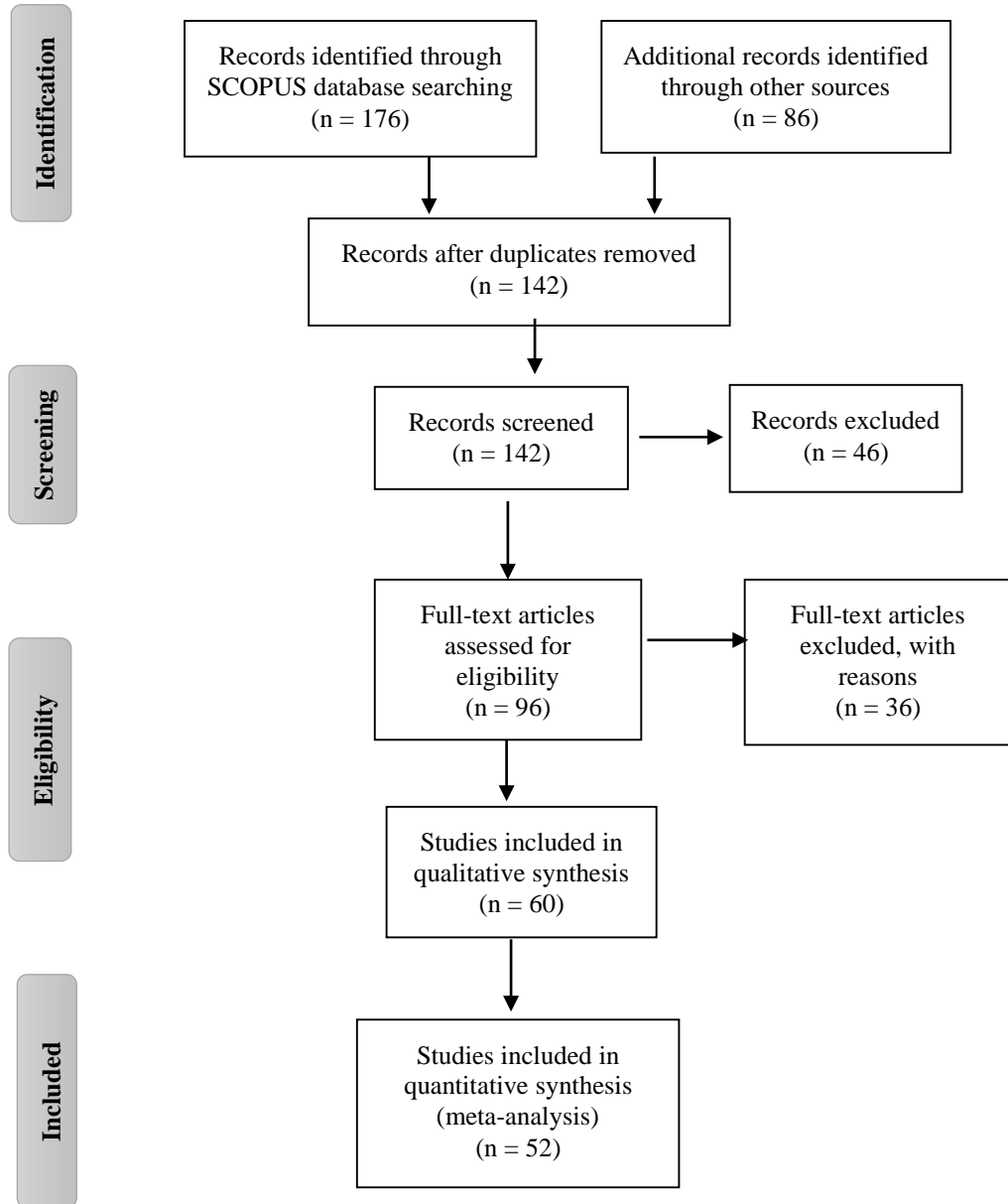
2. Research Methodology

The initial comprehensive literature search retrieved 264 articles in total. After a comprehensive review of all the articles, 176 articles were determined to be more suitable for the systematic review. After removing 46 duplicate results and 36 full-text articles excluded with reasons, titles and abstracts 96 articles were reviewed, which then identified 60 articles for a full-text review. Finally, a total of 52 articles met all the eligibility criteria for this paper. This study used the articles that have been published during the period between 1990 and 2022 (the first 4 months) ensuring that only those articles were included in the analysis that utilized banking industry samples when examining several samples.

Some research was omitted from the review analysis after a rigorous examination of the current literature on emotional intelligence and its potential effects on organizational performance and culture. After comparing the identified studies against the inclusion criteria, some were excluded from the analysis. In order to demonstrate the screening and selection processes, a widely used visualization technique in meta-analyses, the PRISMA flow diagram for new systematic reviews

(Page et al., 2021) was employed throughout this meta-analysis, as shown in figure 01.

Figure 01: PRISMA Flow Diagram of Study



Source: Literature Survey

3. Literature Review

The year 1990 was chosen as the starting point since Salovey and Mayer defined EI in 1990, and the purpose of this study was to integrate all relevant studies to date. The time range covered by this study was from 1990 to 2022 (the first 4 months). To broaden the scope of this study, however, papers published in the early months of 2022 have also been included. To enhance the possibility of discovering relevant papers, the analysis included both published and unpublished English research publications. In this review, the study employed the terms; emotional intelligence, organizational performance and organizational culture.

3.1. Emotions in Organizations

Emotions were part of creation and had a fundamental role as instincts for the preservation of life and the continuation of the species. A feeling state isn't just about an emotion. It's a complicated series of events that starts with a stimulus and encompasses emotions, psychological changes, action impulses and specific goal-directed behavior (Plutchik, 2001; Izard, 2009). A workplace is a social structure that is full of emotion, logic and action. The social systems approach enables us to have a more complete understanding of our organizational environment and the emotional triggers that help or hinder organizational development. Because emotions are “social lubricants” used within interactions between individuals, they are vital for everybody who belongs to the social system and is active in social reactions (Flovik et al., 2019). When it comes to efficiently managing our emotions, intelligence or cognition is an important factor to consider.

3.2. Intelligence of Employee

Intelligence is defined as “a broad concept that covers an individual’s ability to behave with purpose, think and deal effectively with the environment’ (Wechsler, 1958, as cited in Krishnaveni & Deepa, 2011). “Intelligence has always remained a significant indicator of important outcomes in life. Despite its importance, there is lack of agreement among theorists on what intelligence actually comprises” (Cherry, 2019). Spearman (1927) concluded that there was a common function (or group of functions) throughout intellectual activity, including what he called intelligence, in accordance with the single intelligence theory (as cited in Zingrone & Levitas, 2019). In order to give a strong theoretical backing to the concept of intelligence, Guilford (1956) proposed the Structure of Intellect (SI) theory of intelligence (Guilford, 1956, as cited in Kondratenko et al., 2020).

Sternberg in 1998 expanded on this by developing a triarchic model of intelligence. According to this definition, intelligence is how a person handles their inner and outer

worlds, as well as their experience with the world, which connects their inner and outer worlds (Marenus, 2020).

3.3. Emotional Intelligence (EI)

As previously stated, the definitions of EI are debatable in various contexts. Therefore, it is vital to define EI and investigate how it has been defined by various practitioners and researchers who have explored the topic. “Researchers seek conceptually to distinguish, define, and validate its relationship with important work attitudes and outcomes, while practitioners want to maximize potential employee performance through identification, selection, and training of critiques” (Ashkanasy & Daus, 2002). A scientific study found that EI is a controversial topic. The meaning and definition of EI continue to be debated. It is difficult to state a precise description or an operational definition of EI that is commonly accepted (Van Rooy & Viswesvaran, 2004). Moreover, due to the tremendous growth in the area of EI, researchers are constantly refining their own definitions. According to Mayer and Salovey (1997), EI is an individual’s capacity to monitor his or her own and others’ emotions to discriminate between them, and to utilize this information to guide their thoughts and actions. The definition of Mayer and Salovey (1997) included the ability to understand, appreciate, and express emotions as the first dimension (emotional awareness). Thus, dealt with the extent to which a person can sense emotions accurately and express his or her own emotions and discriminate between expressions of emotions from others. The second aspect (facilitating emotion) was the ability to access and generate emotions in order to facilitate and prioritize thoughts. It is considered to allow individuals to guide their thinking through the use of their emotions. The next component (emotional intelligence) refers to the capacity to comprehend emotions and emotional knowledge. At this stage, emotional-signals and their implications have to be understood. The fourth dimension (emotional management) is concerned with one’s ability to control one’s own moods and emotions, as well as those of others. It comprises being open to feelings that contribute to one’s personal and intellectual growth (Van Rooy & Viswesvaran, 2004).

EI has also been established from the perspective of specialists. Unlike (Mayer et al., 2000), who leaned heavily on IQ research, Goleman (1998) and Bar-On (1997) derived their definitions from personality and competence studies. The authors on the applicable value of EI to support the argument. For example, Goleman (1995) defined emotional intelligence as having five clusters (emotional awareness, emotional regulation, motivation, compassion, and interpersonal skills). The most recent hybrid model is based on a framework of four ability clusters (self-awareness, self-management, social awareness, and relationship management) (Goleman, 1998). In 1997, Bar-On described EI as “array of noncognitive capacities, competencies, and

skills that affect an individual's ability to adapt well to environmental demands and pressures" (Bar-On, 1997). In his definition, Bar-On included emotional abilities alongside personality, motivation and affective natures. Then developed an EI model that is more concerned with capabilities and potential performance than with current performance. The Bar-On (1997) model is a combination of emotional, personal and social abilities that fall into five groups of emotional intelligence; interpersonal skills, intrapersonal skills, adaptation, stress management, and general characteristics. While there are disputes between academic and industrial researchers, both recognize that these definitions are frequently complementary rather than incompatible. Both parties believe that EI can be acquired gradually with adequate training and experience (Ciarrochi et al., 2000).

EI is still in its early stages as a theory and as such, the existence of multiple variants of its construct is a "sign of the field's vitality, not a weakness" (Cherniss et al., 2006). Additionally, all models agree on two fundamental components of EI. Awareness and regulation of one's own and others' emotions. According to the greater part of EI authors, EI is the capacity to be intelligent about emotions, which involves recognizing their nature and their applications. Regardless of the problems inherent in the various definitions of EI, there is no doubting its importance as a vital and necessary element of any organization connecting and working in groups.

The three pillars of emotional intelligence establish a framework for understanding and appreciating its relevance.

- (i) Emotions are equally important in professional and personal relationships.
- (ii) Individuals differ in their capacity to perceive, grasp, use, and control emotions.
- (iii) Differences in EI are contextual dependent and may or may not be significant in all settings.

Emotional intelligence is broadly characterized mostly as "the ability to detect and express emotions, analyze and reason with emotion and regulate one's own and others' emotions effectively" (Mayer & Salovey, 1997). Emotional intelligence is a word that refers to the capability, skills, or self-perceived aptitude for identifying, appraising, and controlling one's own, other people's and group members' emotions.

3.4. Empirical Evidence between Emotional Intelligence and Organizational Performance

The relationship between EI and OP development is naturally compelling to business organizations, especially those with a financial motive. Cherniss (1999) presents good evidence based on empirical studies and practice to illustrate how EI was employed by organizations, in an essay titled "The Business Case for emotional intelligence" which summarizes the practical importance that has been discovered

among firms that have used EI and the impact it has had on their managers' and organizational performance (Cherniss et al., 1998).

Even though, it is hard to detail all the studies on EI and OP found in this study, the empirical cases make the connection between EI and OP very clear. The EI impact on OP has been assessed. Those with greater degrees of emotional intelligence are more effective than employees in every industry. It's easy to see why EI skills are important for bankers who rely on their ability to interact with clients and staff. The articles in this nature advocate for more research to show the critical link between EI and job success (LaPierre, 2010). Hence, the article in this nature needs continuous research to highlight and illustrate the significant relationship among EI and organizational sustainability with performance.

3.5. Relationship among Emotional Intelligence and Individual Performance

Kidwell et al. (2011) conducted three field experiments to investigate the effect of emotional intelligence on marketing effectiveness in sales and customer relationships. The study concluded that EI is positively correlated with sales agent performance and skills. Sales people with a higher EI are more successful at generating income and developing loyal customers (Kidwell et al., 2011). According to another study, emotional and cognitive intelligence compensate for each other in the context of individual job performance (Cote & Christopher, 2006).

3.6. Emotional Intelligence and Organizational Performance

Emotional intelligence is a vital factor that contributes to better potential for achieving organizational and professional goals, as well as improved teamwork via cooperation and trust (Arfara & Samanta, 2016). Employees that are emotionally intelligent display a more optimistic view, appear to be more committed and dedicated to their career growth and organizational development, which promotes a favorable work atmosphere conducive to enhanced job performance (Miao et al., 2017). The capacity to manage and regulate one's emotions at work might help to reduce workplace stress (Arfara & Samanta, 2016). Employees with a high EI score have been observed to experience less stress during the course of their work performance (Sadovyy et al., 2021). Employees' EI scores have an effect on their performance; a high EI score results in high performers, whilst a low EI score results in low performers (Cuellar-Molina et al., 2019).

In a successful organization, emotional control, perception, adaptability, self-management, interpersonal effectiveness and communication abilities are the main aspects of EI (Rathore et al., 2017). EI and recruitment are closely connected. A candidate with a high emotional intelligence offers high value to an organization (Marzuki, 2012). Since, the capacity to identify emotionally intelligent applicants from the outset of recruiting would reduce the requirement for EI training, allowing

the organization to focus on other areas of training (Cuellar-Molina et al., 2019). Employees that are emotionally intelligent contribute to a more productive work environment by being optimistic in the face of a danger (Subhashini, 2008), resulting in increased job satisfaction, loyalty, and dedication (Miao et al., 2017). This assumption corroborates Goleman's (1995) research, which underlined the crucial role of self-awareness in estimating the impact of moods and emotions on work performance. Further, organizations are urged to optimize employee performance in order to maintain optimal performance and marketplace competition (Singh, 2007). EI is a critical component of organizational success (Sadovyy et al., 2021) because, it allows individuals to control “their emotions properly in order to cope effectively with stress, perform well under pressure and adapt to organizational change” (Lopes, 2016). People with a higher EI score are able to demonstrate such, and thus improving their social and behavioral capabilities at work will be helpful for organizational performance.

3.7. Organizational Culture

The term ‘culture’ originated in two independent fields: Anthropology and Sociology. It has been crucial in the establishment of several ideas and models for organizational culture in scientific literature. Anthropologist takes an interpretivist approach with regards to culture as a metaphor for institutions, which are defined as cultures. Sociology, on the other hand adopts a functionalist perspective and regards culture as a possession of an organization.

In 1984 Davis has defined organizational culture as; “the pattern of shared beliefs and values that give members of an institution meaning and provide them with the rules for behavior in their organization” (Shili, 2009). Studies in the field of organizational theory have contributed to the theoretical development of the concept of “organizational culture”.

“Organizational culture is generally seen as a set of key values, assumptions, understandings, and norms that is shared by members of an organization and taught to new members as correct” (Daft, 2015).

The descriptions and categorization of organizational culture could provide high-level summary of the distinctions between the various theorists’ descriptions of the conception, while a considerable amount of research has been conducted on the various effects of corporate culture.

3.8. Emotional Intelligence and Organizational Culture

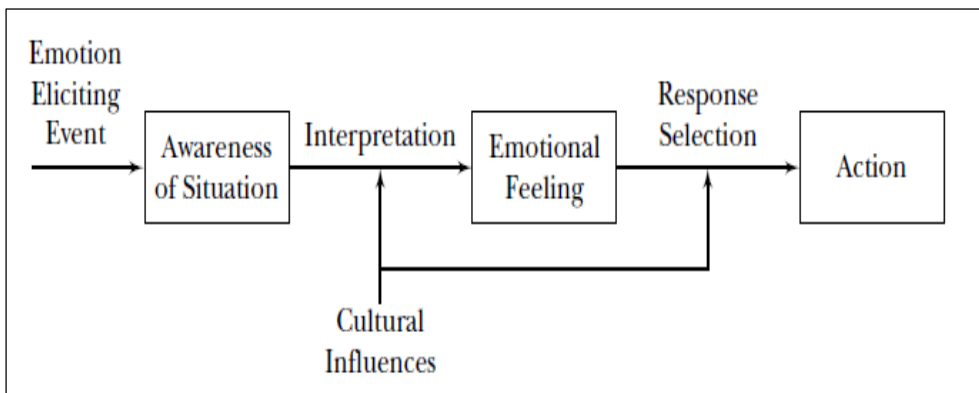
The organizational culture is what differentiates one organization from another. Accordingly, organizational culture serves the same purpose for an organization as personality helps an individual.

“A better handling of culture can have benefits beyond implementing a business strategy. A strong, sustainable culture that respects and inspires employees also helps to create a powerful employment brand and can have positive effects on the bottom line. Engaged employees are more productive and loyal, and much more likely to recommend the company to their talented friends” (Johnson, 1990, as cited in Abbattello & Ccheng, 2016).

Organizational culture has an effect on a variety of employee and organizational outcomes. Organizational culture has an effect on employee behavior, learning and development. (Saeed & Hassan, 2000; Bollinger & Smith, 2001, as cited in Kariyapperuma, 2014).

Cherniss and Goleman's book (2003) “The emotionally intelligent workplace: How to choose for, assess, and develop emotional intelligence in individuals, groups, and organizations” stated that sequentially emotional intelligence touches the emotional process and culture can influence the emotional process as illustrated in figure 02.

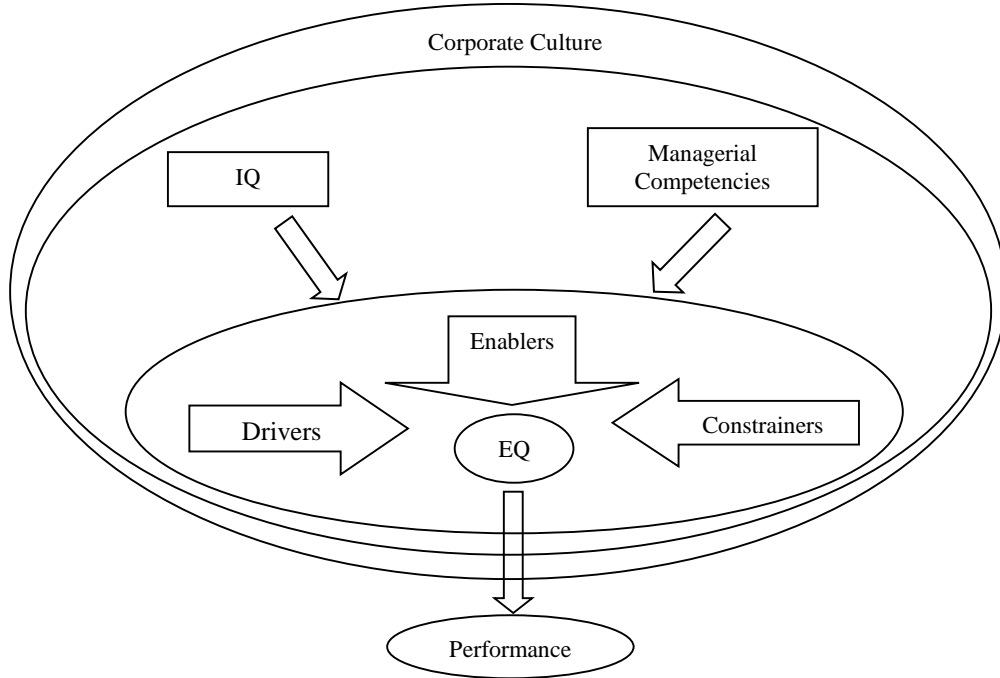
Figure 02: The Emotional Process (Emotional Intelligence/Feeling and the Emotional Process)



Source: Druskat and Wolff (2016)

Further, Dulewicz and Higgs (1999) stated that IQ accounted for 27% of the variance in organizational growth, Emotional Quotient (EQ) for 36%, and Moral Quotient (MQ) for 18%. These three factors account for 71% of the variable that contributes to organizational growth. Figure 03 represents the emotional intelligence model created by Dulewicz and Higgs in 1999 (as cited in Chahar et al., 2014), which relates IQ, MQ, and EQ to an individual's effectiveness in an organization.

Figure 03: Expanded Model of Emotional Intelligence



Source: Chahar et al. (2014)

Dulewicz and Higgs (1999) established a model that explains how corporate culture affects the link between individual emotional competencies and performance. “If we want to completely escalate the significance of emotional intelligence, we need to recognize that the relationship between it and performance which is mediated by corporate culture” (as cited in Chahar et al., 2014). The literature demonstrates that corporate culture has an impact on EI. Culture of an organization is composed of shared, expressed or undefinable values, opinions and behaviors that contribute to the organization’s culture (Haberberg & Rieple, 2008). It reacts as a glue, guiding our behaviors and enriching corporate decision making with a purpose. As a result, the employee will work for the company which will promote trust, facilitate communication and increase organizational commitment.

Wallach (1983) describes that organizational culture is the result of the interaction of three unique factors; bureaucratic, innovative and supportive to varying degrees. Bureaucratic culture is characterized by its rigid hierarchy, discrete lines of authority and ordered, divided and systematic activity. According to the control and power, information and authority are allocated hierarchically. Numerous characteristics are used to describe bureaucratic culture including power-driven, steady, conservative, regimented, established, procedural, and culturally hierarchical (Supramaniam & Singaravelloo, 2021).

A creative and dynamic work atmosphere is a hallmark of innovative culture. Individuals are always pressed to perform better. Numerous terms have been typically

used to refer to inventive cultures. A supportive culture is defined by a setting that is self-assured, encouraging, trustworthy, people-oriented, and friendly. This culture is described as supportive, trusting, equitable, safe, social, encouraging, relationship-oriented and collaborative (Supramaniam & Singaravelloo, 2021).

Morris et al., (1998) found that cultures influence management styles. The management grid design was created in 1964 by Robert Blake and Jane Mouton. It's a grid with care for both production (jobs or results) and people (employee oriented). Management takes into account employees' needs, interests, and areas for personal improvement while determining how to achieve a task (Muller et al., 2013).

A strong culture is a set of principles specifying how individuals should act (Deal & Kennedy, 2000). The character of culture can have a beneficial effect on organizational performance. A supportive culture is defined by confidence, motivation, respect, a pleasant workplace climate and a people-oriented work culture (Wasti, 2016). This style of culture is trusting, egalitarian, safe, social, supportive, relationship-oriented and collaborative (Saha & Kumar, 2018). Employees in collective work environments, such as those found in the Indian context, frequently have a favorable attitude about their occupations (Bigliardi et al., 2012). As a result, it is assumed that employees with different degrees of affective commitment will report high levels of job performance if their organizations have a positive culture.

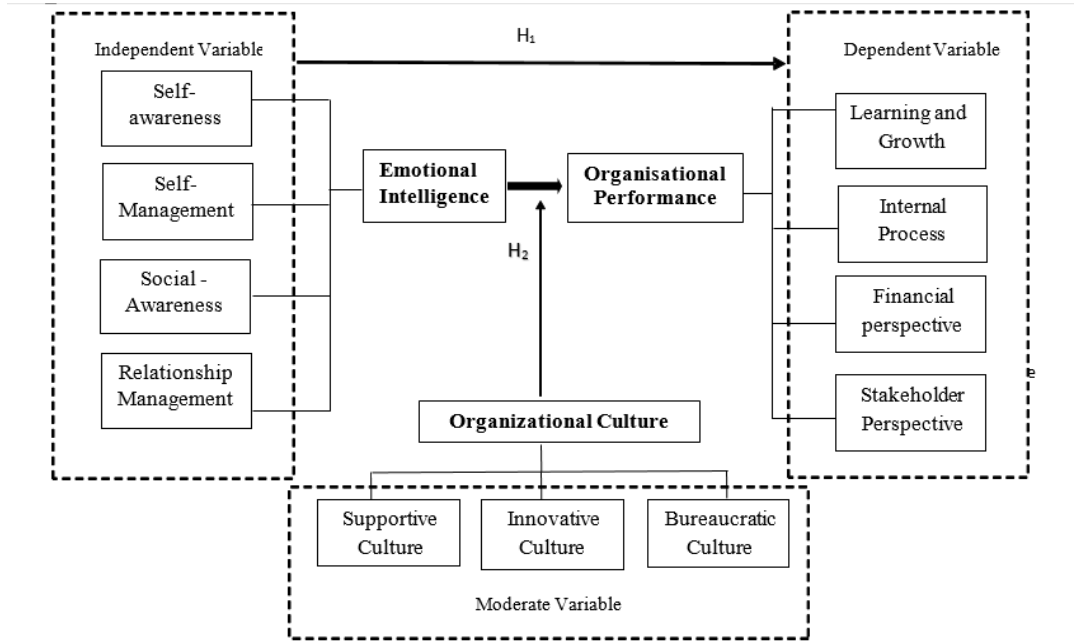
Along with supportive culture, innovative culture may have an effect on employee job satisfaction and performance. For instance, individuals seeking to expand their skill sets and knowledge base choose to take on personal responsibility for task fulfilment at work (Yiing & Ahmad, 2009). They strongly dislike bureaucratic obstacles and impediments because, such limit their ability for invention (Bigliardi et al., 2012). Innovation culture in organizations encourages a creative and dynamic working environment. Thus, inventive culture may have an effect on the relationship between EI and organizational performance. Innovative cultures are defined by a variety of traits, including being result-driven, risk-taking, creative, pressurized, tough, thrilling, enterprising, and driving.

A corporate culture characterized by defined hierarchies and an authoritarian structure may be unattractive to employees and may also have an adverse effect on overall work performance (Fock et al., 2013). The term "Bureaucratic Culture" refers to this type of culture. Strong, conservative, regulated, established, ordered, politically controlled, methodical, and hierarchical are all terms used to describe this culture. Employees in a bureaucratic culture are constantly pushed to improve their performance (Kalsi & Kiran, 2013). Madlock (2012) established a link between bureaucratic culture and a rise in the use of negative forms of commitment for work-related concerns, meaning that employees are dissatisfied with their jobs. According to Bigliardi et al. (2012), devoted and ambitious employees demand fewer specific rules and restrictions. Given the foregoing, it is logical to believe that the prevalence of bureaucratic culture results in an employee being unsatisfied with his or her

employment, which has an adverse impact on the organization's performance (Bigliardi et al., 2012).

On the basis of the above arguments and hypotheses, the conceptual framework is developed.

Figure 04: Conceptual Framework



Source: Literature Survey

3.9. Hypotheses Development

Although a growing number of studies have investigated the contributions of EI to organizational performance, the results have often been limited, and sometimes even contradictory (Zeidner et al., 2004) and also numerous studies have been conducted on the relationship between organizational performance and EI (Landy, 2005). Some studies demonstrate a positive relationship between EI and job performance (Lam & Kirby 2002; Sue-Chan & Latham, 2004). According to the literature following hypotheses are derived.

H₁: The manager's emotional intelligence level significantly affects the organizational performance of commercial banks in Sri Lanka.

H₂: The organization culture (in terms of supportive, innovative, and bureaucratic) moderates the relationship between emotional intelligence and the organizational performance of commercial banks in Sri Lanka.

3.10. Contribution to Research and HR Practice

Scholars and practitioners interested in the elements that influence the link between EI, organizational culture and OP, that will benefit most from this proposal for establishing valuable human capital for the banking industry in Sri Lanka. This study examines the relationship between EI and successful managers, organizational culture and its effect on OP and how employees can be trained to boost their EI and contribute to OP. While scientific research on EI and its influence on individual, organizational and business performance has increased, academics and researchers in HRM continue to have more questions than answers about the high reliance on EI and organizational culture and its effect on EI and OP.

There is a lack of study of this nature and this study examines organizational culture as a moderator in banking sector in Sri Lanka. The study makes a significant addition in that it includes replies from individuals working in various divisions of the banking sector in Sri Lanka. Specifically, it emphasizes the necessity of affective commitment, which is thought to be extremely important for employees in order to maintain high working standards and bank's performance. Across different departments within an institution in Sri Lanka's banking sector, all three forms of organizational cultures (supporting, innovative, and bureaucratic) coexist in various levels with different combinations.

The concept that emotional intelligence exists naturally throughout a person's life and can be strengthened via training and it is critical for human capital development (Ashkanasy & Daus, 2002). Thus, it is important for any consultants, practitioners in banking or service industry and state managers in schools, universities and organizations, as well as policy makers at all levels to have a reason for giving EI training. Apart from looking at the individual thorough and relevant empirical study, it is necessary to determine whether an organization's learning curve for EI may be accelerated or whether workplace teams can improve the overall EI and OP. Hence, organizations can use EI training to improve individual and team performance. Druskat and Wolff (2016) suggested that suitable training could be designed and provided to produce emotionally savvy teams. Improved definitions and tools to accurately measure EI and its implications on individuals and organizations should help to illustrate the link between EI, organizational performance and organizational culture.

4. Conclusion

This study is groundbreaking because, its implications have made significant contributions to research in non-western economies, where there is a paucity of literature on the measures that managers can take to achieve desired employee attitudes such as emotional intelligence, organizational culture, and organizational

performance. The objective of this paper is to systematically review the literature relating to the emotional intelligence and organizational performance with the moderating effect of organizational culture.

The development of this conceptual framework will provide future research avenues to empirically examine the proposed conceptual model. Thus, this model helps to lay the groundwork for the social and emotional abilities necessary for success in any vocation, which leads to increased job performance and in turn, to improved organizational performance. Additionally, under the new globalization paradigm, it contributes to workplace productivity and psychological well-being by establishing a good organizational culture. Increased organizational loyalty and low employee turnover are demonstrated by human resources who have a high level of emotional intelligence which leads to overall organizational performance. emotional intelligence enables individuals to adjust to changes and take initiative in a flexible manner, which is essential and vital for success. Hence, it ensures that humans attain the success in their social life and professional life while contributing to the performance of the organization.

5. Limitations and Future Research

This research has had some limitations. First, this conceptual framework was developed to conduct research in the banking industry in Sri Lanka. Hence, the sample may not consider other industries. Developing, testing the model and generalizing the findings will be only limited to banking industry. Finally, this research accounts for certain dimensions of EI based on the definition provided by only one author, Goleman et al. (2002), and did not include dimensions of EI highlighted by several other authors.

This study recommends that future research can be performed on other sectors, such as manufacturing, textiles and clothing, tourism, telecommunications and IT services to establish the contribution of EI on a broader scale. The scope of this research can be extended beyond bank managers' level and to the top management staff of banking industry. The EI of different grades with different job scopes may serve to provide a better check and balance on the model and findings. Future research may explore various dimensions of EI to ascertain the success of various alternative scopes of EI at the workplace. Future research may be conducted in qualitative research through interviews in order to further reach additional information that may produce an improvised conceptual framework.

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