

REVIEW OF EMOTIONAL INTELLIGENCE AND EMPLOYEE RETENTION AND JOB SATISFACTION

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Abstract: *It is difficult, in today's organisational dynamics, to find a right fit for a job and to retain it. Labour turnover for career development goals and no job satisfaction end up adding to the problem in employee retention. This paper delves into understanding the history and concept of emotional intelligence and encompasses the measurement factors to be utilized in any organisation. It pours light on how understanding emotions lead to improving work environment and increases employee's commitment towards the organisation and enhances employer-employee relationship. The paper hence comprises of comprehending the concept of emotional intelligence and how it affects job satisfaction which ultimately lead to employee retention in an organisation.*

Key Words: *Emotional Intelligence, Employee Retention, Job Satisfaction, HR, Emotion, Intelligence, Employee Commitment, Retention, Leadership*

1. INTRODUCTION:

With ever-increasing changes in telecommunication and globalization in industry, organizations face additional international competitiveness in business and services. The new challenges propel business houses to adapt and adopt new methods of management. Retention of knowledgeable, experienced and talented employees is a challenge to administration since employee turnover is a key issue in the industry. Though, the issue arises that there are numerous difficulties facing human resource management in retaining employees. In a competitive environment, management success depends on its capability to recruit, employ and retain skilled employees having far above the ground rate of performance. Labour turnover has been a concern for managers for a long time, because it is high cost impact and is capable to affect customer relationship and production schedules. Scholars, Cho et al and Hinkin and Tracey stated that managers, who comprehend the worth of human assets and adopt high-quality organizational policies and management practices for employee retention, will do better than the competition. Indeed, tenured workforces not merely reduce the separation, selection, recruiting, and hiring costs coupled with employees' turnover, but also become more productive over time, resulting in superior competitiveness and added effectiveness and profitability. An assortment of reasons for individuals leaving an organization has been established as external discrimination of salary, restricted growth opportunities, role stagnation, under utilization of skills, and lack of acknowledgment/appreciation. Other reasons may include job dissatisfaction, minimal degree of job security and other working environment.

The construct of emotional intelligence (EI) concerns how manager allows emotions to lead his/her way of philosophy and actions; in other words, emotional intelligence has as much to do with knowing the way and the time to communicate emotions as well as to control them. As a result, emotional intelligence expresses the ability of the manager to improve his/her thinking to get to the bottom of problems and take decisions. Increased levels of EI can predict additional favourable social results. Lower levels of EI can predict increased relationship divergence and the inability or failure to meet social or cultural expectations. According to Rosete and Ciarrochi, managers who rate superior in EI are in an enhanced position to develop effective and long-lasting relationships with other groups. So, emotional intelligence is one of the key determinants of success in leading people in business.

2. HISTORY OF EMOTIONAL INTELLIGENCE (EI):

During 1970's and 1980's the emotional intelligence was developed by the psychologist Howard Gardner (Harvard), Peter Salovey (Yale) and John D. Mayer (New Hampshire). Peter Salovey and John D. Mayer, in the beginning used the term emotional intelligence was published, they described it as: A form of intelligence that involves the ability to monitor one's own and others emotions and feeling to differentiate among them and to use this information to steer one's thinking and actions (1990). The concept of emotional intelligence can be traced back to Gardner's research on numerous intelligences which do not use the term emotional intelligence (1983). This term of emotional intelligence originally appeared in an unpublished dissertation (Payne, 1986). A flood of popular writers

provided added perspectives on the concept of emotional intelligence since 1990, that include much wider domain and which include many personality variables such as assertiveness, impulsiveness and optimism.

3. EMOTIONS:

The philosophical outlook emotions govern and often signal inspired response to the situation (Darwin, 1972/1872). It refers to a feeling state or felt predisposition. They are like waves of the sea, they never stops they keep on coming, like wave one after another, totally unpredictable of its power and strength. Feelings and emotions provide us with insight and energy and are involved in virtually every decision we make (Brotherson, 2009). In reality, emotions are the adhesive that connects individuals to each other (Segal J, Smith M, Robinson L (2010). A variety of emotions are experienced in work, as well as in our daily set of routine. However, scholars have clustered all emotions into six basic categories namely, anger, fear, joy, love, sadness and surprise (McShane and Glinow, 2005). It has been indicated (Cavelzani, A., Lee, I., Locatelli, V., Monti, G., & Villamira, M. A. (2003), that emotions play a significant role in our life, providing us with vital and potentially advantageous information and experience and they are the main source of inspiration that derives a subject to act in a positive and certain way.

4. INTELLIGENCE:

Intelligence can be defined as, capacity to carry out conceptual thought, as well as the general ability to learn and become habituated to the environment. Intelligence have been associated to reason and rational process and emotions to irrationality and unconscious.

5. EMOTIONAL INTELLIGENCE (EI):

At the most universal stage, emotional intelligence refers to the capability to recognize and regulate emotions in ourselves and others (Goleman, 1995). Mayer and Salovey, offered revised definition with further elucidation; the ability to perceive emotions, amalgamate emotions to facilitate thoughts, understand emotions and to regulate emotions to promote personal growth. Emotional intelligence can also be defined as the conscious management of our own emotions. Emotional Quotient (EQ) originate this term by Reuven Bar-on which was to some extent dissimilar approach. The understanding oneself and others, relating to people and adopting to and coping by means of the immediate surroundings to be more successful in dealing with environmental demands (Bar-on, 1997). Four ability models of Emotional Intelligence in which emotional self-awareness, emotional self-management, social awareness and relationship management is included. Behaviours or practices as measured by observing the behaviours of the leaders, which can be learned, changed or moderated by individuals who are motivated to do so. These integrated emotional intelligence factors are below:

Table 01: Factors Utilized To Measure Emotional Intelligence

Sl.No.	EI Factors and Facets	High Scores are perceived as...
1.	Sociability	
	Assertiveness	Forthright, frank and willing to stand for their rights.
	Emotional Management of others	Capable of influencing on other persons feeling
	Social competence	Accomplished networker with superior social skills
2.	Emotionality	
	Emotional expression	Capable of communicating their feeling to others
	Relationship skills	Capable of maintaining, fulfilling personal relationship
	Empathy	Capable of taking someone else perspective
	Emotional perception	Clear about their own and others people feelings.
3.	Self-control	
	Impulsiveness (sudden response without plan)	Reflective (thinking carefully) and less likely to give in to their urges (strong wish)
	Stress management	Capable of opposite pressure and regulating stress
	Emotion regulation	Capable of controlling their emotions
4	Well being	
	Self esteem	Successful and self-confident
	Happiness	Cheerful and satisfied with their lives
	Optimism	Confident and tend to "look on the bright side" of life.
5.	General EI	
	Adoptability	Flexible and willing to adopt to new conditions
	Self-motivation	Driven and unlikely to give up in the face of adversity

6. EMPLOYEE COMMITMENT:

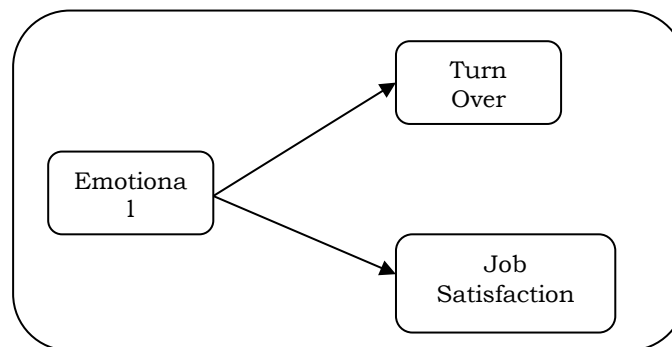
Employee commitment is the truthfulness and support of personnel towards the goals of an organization or business. Meyer and Allen (1991) presented the three component of employee commitment. A positive self-willing desire of the employees to work with an organization is termed as Affective Commitment. Recognition of organizational values, willingness to exert endeavour and desire to be the part of an organization are key attributes of this commitment. Secondly a continuance commitment; this commitment based on the consideration of cost and benefits associated with organization association. Threat of wasting time, giving up seniority based privileges or disrupt personal relationships can be perceived as impending cost of leaving the company. Normative commitment is the last essential part in which employees demonstrate their commitment with an organization due to the obligation of their manager or organization. Reward in advance, cost associate with job training and learning etc. are facets of this employee loyalty and commitment.

7. APPLICATION OF EMOTIONAL INTELLIGENCE IN ORGANIZATIONS:

Psychological studies have revealed that understanding and controlling emotions play important role in rewarding one's life and work environment (Cooper RK, 1997). Employee commitment takes on significant importance when the amount of expenditure incurred while replacing high performing individuals as well as the excruciating cost of retaining underperforming staff members is considered. Organizations with employees who enjoy high levels of commitment to the organization and job satisfaction furthermore they demonstrate lower incidences of absenteeism, lethargy, turnover, and smaller amount of grievances (Montana & Charnov, 1993). Major two factors which have been related to increases in employee performance are high levels of employee satisfaction and commitment. Studies indicate that emotionally intelligent managers be inclined to develop high commitment in the direction of their careers and high affective commitment for their organizations. On the other hand, emotional intelligence is negatively related with employees' withdrawal intentions from the organization. Studies reveal a noteworthy positive relationship of employees' emotional intelligence with their organizational commitment An investigational study revealed that higher emotional intelligence of service providers leads to greater customer satisfaction. People who possess more emotional intelligence are in good health, less depressed, extra productive at work, and have healthier relationship (Emotional intelligence, 2014).

8. EMOTIONAL INTELLIGENCE AND JOB SATISFACTION:

In the study of emotional intelligence and Job satisfaction, (Abi & Jijo, 2012) established that employees with high emotional intelligence will comprise higher job satisfaction. This is for the reason that the employees with higher emotional intelligence are able to build up strategies to triumph over the possible consequences which may arise out of stress whereas those with less emotional intelligence will not be in a position to overcome stress situation. In addition, in a cluster of employees with higher EI will be able to influence the emotions of others in such a manner that, they will be able to enhance their own as well as their co-workers' spirits and morale



A person in charge with far above the ground emotional intelligence will be able to respond properly to workplace stress and to the emotional behaviour of his or her subordinates. These abilities are anticipated to a great extent to enhance job satisfaction. Moreover, studies have already revealed that emotional intelligence leads to far above the ground job satisfaction, enduring mental health, better outcome in work groups and leadership qualities and organizational success.

9. EMOTIONAL INTELLIGENCE AND LEADERSHIP:

Organisational and individual success is determined by the levels of emotional intelligence of the people. This implies that, when the employer/organisation and individual/employees emotional intelligence is developed both will benefit in the long run. In support to this, Langley (2000) pointed out that subordinates of the managers will be betrothed in the work with enthusiasm, and on the other hand, managers would be receptive and open to the needs of the employees.

The analysis on the effectiveness of emotional intelligence to effective leadership is getting hold of a drive according to numerous researchers. According to Abraham (2000), with regard to the above, as soon as a leader is emotionally intelligent, he/she will be further more committed to the organisation. To further this idea Goleman (2000) adds as and when leaders are emotionally intelligent they would be better-quality performers in the workplace.

In support to above, Miller (1999) maintains that emotionally intelligent leaders bring great success to an organisation, an emotionally intelligent person in charge, by means of his or her interpersonal relationships, builds trust and teamwork in other employees, their decision making is enhanced by the use of their emotions and also the functioning of the organisation is improved when leaders make use of their positive emotions (George,2000).

When emotions are managed in an accurate way, they can lead to flourishing outcomes. However, the failure of leaders to control their own emotions, the quality of work, thinking and decision making process and the interaction with others will result in employee dissatisfaction (Palmer, Jansen & Coetzee, 2006). Therefore for an organization to be successful, it requires people who are in a better position to motivate their own actions and those of their subordinates.

10. RETENTION:

Organizations have more and more realized that employee is the key to their success and view employer-employee relationship as a equally beneficial process. Cascio, describes retention as initiatives taken by management to keep employees from leaving the organization, such as honouring the employees for performing their jobs efficiently; ensuring pleasant-sounding working relations amid employees and managers; and maintaining a safe, healthy work environment. In fact, the price of an individual quitting organization and get a substitute for him may include direct costs as advertising, recruiting, and training, as well as not direct costs, such as, lost work hours, cost of overtime, and expenditure of errors made by the new replacement. In addition to that, retention of employees is critical to business success because it is essential to retain talented and high-rated performers and keep them beginning poached to competitors.

Effective employee retention is a methodical effort by employers to create and promote an environment that encourages existing employees to remain employed by having policies and practices in place that address their varied needs. It is worth saying that new employees are quicker to make a decision whether to stay or refrain from the work in any organization, and this may be due to loyalty problem. Excessive turnover is a sign of organizational problems that should be addressed and solved. Beadles et al., found a positive and important correlation between employee retention and organizational performance. Romzek, explained that employees having higher involvement in their work and organization have better relations with their families and social environment which creates a psychological attachment with the organization. Employees who are satisfied have higher intentions of staying with an organization, which results in less employee movement. Organizations having satisfied employees have more pleased customers and fewer complaints. This results in organizations with satisfied employees having higher levels of customer retention.

11. CONCLUSION:

The importance of emotional intelligence it dominant role in the workplace, as it is considered a key factor in creating and maintaining effective relationships in the workplace, thereby achieving higher levels of satisfaction at work. There is a positive relationship between aspects of emotional intelligence of employees and the satisfaction they feel from their work. Job position held by the employees seems to affect the levels of emotional intelligence.

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