



universität
wien

MASTERARBEIT

Titel der Masterarbeit

„Emotional Intelligence, Leadership and Organizational Performances“

Verfasser

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angestrebter akademischer Grad

Master of Science (MSc)

Wien, 2012

Studienkennzahl lt. Studienblatt:

A 066 915

Studienrichtung lt. Studienblatt:

Masterstudium Betriebswirtschaft

Betreuer:

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Declaration

Hereby I, Branimir Đokić, declare that this study work is my own original work and that all sources have been accurately reported and acknowledged, and that this document has not previously in its total or parts been submitted at any university in order to obtain an academic degree.

November 2012

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Acknowledgements

I wish to express respect and gratitude to following people:

my parents, Kosara Đokić and Ranko Đokić for their love, support, encouragement and faith in me through all my life, my sister, Dragana Đokić-Ferraby for her love, support, guidance's and belief in me, my nieces, Anastasija Ferraby and Aleksandra Ferraby for their love and inspiration.

Prof. Mag. Dr. Josef Windsperger, my mentor, for his patience, guidance and assistance throughout the writing of this paper.

My dear friends, that have been like family to me throughout my study time in Vienna, for listening to me, giving me advices and sharing precious moments with me. Particularly, I want to express my gratitude to Vitomir Đorđević BSc, who has been my devoted friend and guide during my academic time.

Abstract

The main object of this study is to show the relationship between emotional intelligence and leadership, and relationship between EI and organizational performance. Apart from presenting main concept, measurement and the techniques of EI, I also wanted to find out how the reality looks like in this context. Two good examples are showing that there is strong and positive correlation between EI and leadership. EI increases organizational performances like profit, sales and ROI. On the other hand, there is no one theory, which explains EI and its effects; there is a more than one truth about it. We cannot express EI in just one number, as if we can do it by IQ; interpretation of the result is more complicated and unclear. Nevertheless, EI can positively influence on leaders, their subordinates and entire organization. I think that EI is more than good start in to making changes and motivate people in an organization, rather than a general solution for all problems and situations that can occur. On contrary, there are some limitations of EI concept. Firstly, it looks like some old ideas wrapped in new phrases are being used in modern EI theory. Secondly, many authors failed to define the idea of leadership, and we know that number of leader is scarce. Finally, authors think that leaders have flexibility to use different leadership styles, but we know that people in their nature are inflexible and resistant to changes in behaviours because of their stable personality.

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"Management is about skills,
leadership is about skills
coupled with character."
Patrick and Joan Gebhardt

1. Introduction and statement of problem

1.1 Introduction

Fierce business competition, fast technological changes and intense globalization require from organizations to create strong competitive advantage in order to outperform their competition. Therefore, there is strong demand for excellent leaders, which possess more than just required skills and intelligence quotient to do the job. Apart from these technical skills or so-called hard skills, they should also have strong soft skills like right values, behaviours, character, social skills, and emotions to meet these challenges.

Leadership styles have been changing over time, from autocratic to more democratic. This is due to the fact that workforce have more choices and options than in past. Nevertheless, it should not be always exclusively one or another style, but rather the combination of different styles and the competencies. Therefore, it is very important nowadays to have a balance between different styles and to have additional competencies in order to deal with new challenges and sensitive issues in working place. Leaders need to manage an empowered workforce and go more and more beyond consultative, cooperative and democratic leadership styles. The today's workforce does not accept an autocratic leadership style as they have now far more freedom. In addition, there is a growing sense of democracy and independence in the workforce. Emotional Intelligence has become a vital and more and more important part of how today's leaders meet the significant challenges they face. It seems that Emotional Intelligence can help leaders in an evermore-difficult leadership role, one that fewer and fewer leaders seem capable of fulfilling. Moreover, especially in the highest levels in organizations Emotional Intelligence can give developing leaders a competitive edge. The bottom line is that the manager who can think about emotions accurately and clearly may often be better able to anticipate, cope with, and effectively manage change.

Recent studies are showing, that the emotional intelligence accounts for significant difference on top level of management. Moreover, Emotional Intelligence (EI) dimensions

were able to influence effective leadership, where 59% of variance in effective leadership was explained by EI. ¹

Therefore, Emotional Intelligence is important ingredient in effective leadership and in the success of an organization. That is why; managing relationships plays a vital role in sustaining the human platform that supports productivity and profit. “When people feel good, they work at their best.”[Goleman, 2002, The New Leaders]

1.2 Stating the problem

By writing this work, I would like to find out the answers on some of the following questions in particular:

- Does emotional intelligence makes such a difference that we can differentiate between best leaders and the average one?
- Is there a measurement of level of emotional intelligence with which help the best candidates can be select for high positions? This could help companies in profiling leader types or indentifying so-called star leaders as McClelland² proposes.
- How EI affects firm’s results? Otherwise, what is an impact of EI on the organizations profitability?
- How important is EI for leaders? What is role of EI in leadership? Finally, is it worthwhile for them to invest their time and an effort to develop themselves and entire organization in this direction?
- Is there are enough empirical evidence that we can say that EI really makes a difference?
- Who are successful emotionally intelligent leaders?
- Emotional Intelligence cross-cultural context

I think that there is a need to search available literature and publications about this topic in order to get the better picture about the positive effects of emotional intelligence and competence building. The concept of primal leadership suggests the development of essential competencies of emotional intelligence leadership and helps organizations to transform to

¹ Freedman Joshua, Jayne Morrison, Andreas Olsson: Leadership Success and Emotional Intelligence in the Middle East Research: November, 2009. Publication August 6, 2010.

² McClelland, 1973, Testing for competence rather than for intelligence

foster emotionally intelligent leaders. According to group of authors³, the primal job of leadership in its root is emotional. The problem is that many executives are not aware of the concept and the benefit that it brings to an organization on a long run in general and financially. Leader's main task should be to drive emotions into right direction. They should drive emotions positively and bring everybody's best out of them. This effect called resonance, as opposed to dissonance. The key to making primal leadership work to everyone's advantage lies in the leadership competencies of emotional intelligence and the answer on questions: How leaders handle themselves and their relationships? Daniel Goleman with his books about EI did significant prior research in this area. He suggests four fundamental dimensions of EI and accompanying competencies. This is the core of personal development and organization of firm on these principles.

Firstly, there is a need to introduce the concept of Emotional Intelligence in general for better understanding. I think that there is not enough of awareness about the concept in schools and in business community. From my individual experience, many students have heard about EQ (or EI as it Goleman calls), in particular in association with IQ, or as an opposite side of the pole. They know that it has to do something with emotions and that it is possible to measure it, same like IQ, but they do not know more than that. It is such a shame that we do not hear more about these concepts like EI or other useful psychological concepts at the business schools or at working places. For sure, many corporations offer the courses for personal development and there are many available seminars and firm programs for this subject. Nevertheless, there should do more to use potential of this concept for the company, its employee and in particular for their leaders. Leaders are that driving force that can move the people and organizations, they can create positive atmosphere and motivate people to bring the best out of them. Of course, we should not underestimate the financial side of the problem, as many studies in this area have already confirmed, there is the positive correlation between emotional intelligence and performance outcomes. Therefore, it can be profitable.

Secondly, after introduction of the concept in the organizations there should be clear plan of action, how to implement EI in an organization, on which levels, how to measure performance and what are expected outcomes. There has to be distinction between the use of EI on individual and organizational level. Everybody can participate on this project, in order to increase individual and organizational skills. On individual level, we can improve the communication, understanding and coordination can be better. Especially in the times of turbulence and anxiety, when emotions start to boil, the use of learned EI skills can be vital.

³ Goleman Daniel, Annie McKee, Richard E. Boyatzis: Primal Leadership: Realizing the Power of Emotional Intelligence.

People should enhance their EI competencies continuously and need to improve them all the time. The Honeymoon effect indicates that after many training for staff the immediate improvement fades almost entirely within three to six months. EI development should not be one-time game this should be continuous process.

Finally, the construct of EI has gain recent interest for its potential utility in leadership development as evidence by the recent increase in the volume of empirical investigations assessing individual difference among those in leadership positions. There is series of works that relate EI and leadership and emphasize the crucial contribution of leaders who channels emotions in positive directions to support high organizational performance. Moreover, there are scholars who want to link emotion competencies to leadership behaviour and organizational performance (Hay, 1999).

1.3 Research methodology

Research method will be literature research of published works in the area of emotional intelligence and leadership. The main job is to read, analyze, evaluate and summarize academic material about this topic.

Potential outcome of my research is that there will be many positive examples in practice about the positive effects of emotional intelligence on leadership and their performances, which could suggest that it is desirable to invest the time and energy into this concept.

Exploratory research methods of literature search, review, and analysis of selected cases should be main tools for formulation of problem questions. Literature search will include existing books of leading authors in the area of EI and leadership, publications by trade journals and professional journals, market research findings publications and the sources from internet.

There are many years of prior research about topic of EI and its relation with leadership. Moreover, my diploma thesis that I did in 2007 in Sarajevo B&H, is about the “Importance of EI in Leadership”. In this work, I tried to bring closer the concept of EI to my colleagues and possibly to some leaders, and to highlight the importance of bringing these idea and two disciplines together. I was personally motivated to write about economics and psychology because of my interest in both disciplines. With this new work, I want to broaden my previous work with new insights about the effects of EI in leadership, about application of different EI models, analyse few selected cases and bring up some word of critiques.

2. Emotional Intelligence

2.1 Definition of EI

Emotional Intelligence refers to the ability to perceive, control and evaluate emotions.⁴ It also regulates emotion in oneself and others. Leadership refers to the ability to influence, motivate and enable others to contribute to the effectiveness and success of the organizations of which they are members.

Salovey and Mayer (1990)⁵ defined emotional intelligence as “the subset of social intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions”.

Why is it that not all intelligent people succeed in life and career? Moreover, what accounts for the instances wherein people of average intelligence succeed when their more intelligent counterparts fall short? The answer comes in the form of emotional intelligence. Researchers and business community wanted to understand what makes the variation when it comes to differentiating between successful and less successful leaders. They needed to find out more about human aspect of the organization especially when it comes to international operations. Prerequisite to lead others has become first to understand and be comfortable with himself. Emotional intelligence also denoted as EQ or EI. The shortcut EQ is used when the emotional intelligence tool is referred to. Regardless of the term, emotional intelligence (EQ) is concerned with understanding oneself and others, relating to people, and adopting to and coping with immediate surroundings to be more successful in dealing with environmental demands. EQ is dynamic tool, which continues changing with time, perspective, individual or environment. Daniel Goleman was first to establish the link between EQ and leadership. He first described this relationship with his Primal Leadership Model (2002). According to the theory of Primal Leadership, leaders undeniably play a primordial emotional role in the lives of others. Thus, the primal job of leadership is rooted in being intelligent emotionally. In leader-follower relationships, the leader is an “emotional guide” who navigates the course of uncertainty, threat, clarity, assurance and work. It is also the fundamental task of leaders to create resonance; resonance being “a reservoir of positivity that frees the best in people”. To

⁴ <http://psychology.about.com/od/personalitydevelopment/a/emotionalintell.htm> Search on: 11.08.2012.

⁵ Salovey and Mayer (1990), Emotional Intelligence (p.189)

practice emotional intelligence is to assert a conscious effort of awareness and control of ones self. Also important is how he or she relates to others.⁶

Emotional intelligence must somehow combine two of the three states of mind: cognition and affect or intelligence and emotion.

Emotional intelligence newly defined by Salovey and Mayer in 1997 as follows:

Emotional intelligence is ability to perceive the emotions, to accesses and generate emotions, so as to assist thought, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth.

These four areas are further defined, as follows:

- Identifying emotions – the ability to recognize how you and those around you are feeling.
- Using emotions to facilitate thought – the ability to generate an emotion, and then reason with this emotion.
- Understanding emotions – the ability to understand complex emotions and emotional “chains”, how emotions transition from one stage to another.
- Managing emotions – the ability which allows you to manage emotions in yourself and in others.

Applications of emotional intelligence in the workplace may include these:

-Career development - If you have a talent for understanding people, and yourself, perhaps you should consider people-intensive career such as those in the mental health field.

-Management development – Managers who focus on their technical skills do not manage, they are just in charge. Understanding and enhancing emotional intelligence may enhance certain management skills and styles.

-Team effectiveness – Teams are more then the sum of individual parts. The glue that holds teams together may be supplied by emotional intelligence.

Latest definition of emotional intelligence dated 2007 by S.Hein:

Emotional intelligence is the innate potential to feel, use, communicate, recognize, remember, describe, identify, learn from, manage, understand and explain emotions.⁷

Definition based on work of Mayer and Salovey and it differentiates in one important point that emphasizes emotional intelligence as *innate potential*. Put differently, everybody is born with a specific and unique potential for these components of emotional intelligence: Emotional sensitivity, emotional memory, emotional processing ability and emotional learning ability. This definition is based on innate potential and it makes very important distinction between this inborn potential and what actually happens to that potential over the

⁶ Journal of International Business Research, Volume 9, special issue 1, 2010

⁷ Hein S. 2007 <http://eqi.org/eidefs.htm>, searched on 26. 08.2012

person's life. Some researches suggest that EI can be learned and strengthened, while others claim it is an inborn characteristic.

There are many definitions of emotional intelligence but the basic idea stays the same. Emotionally intelligent people are aware of their emotions and the emotions of others. They use that information to guide their thinking and actions.

Some of the associations related to emotional intelligence are interpersonal intelligence, social intelligence, soft skills and empathy. To conclude the part about definition, I will use the quote by Goleman (1998, p.93) that "Emotional Intelligence is the sine qua non of leadership".

2.2 A Brief History of Emotional Intelligence

1930s – Edward Thorndike describes the concept of "social intelligence" as the ability to get along with other people.

1940s – David Wechsler suggests that affective components of intelligence may be essential to success in life.

1950s – Humanistic psychologists such as Abraham Maslow describe how people can build emotional strength.

1975 - Howard Gardner publishes *The Shattered Mind*, which introduces the concept of multiple intelligences.

1985 - Wayne Payne introduces the term emotional intelligence in his doctoral dissertation entitled "A study of emotion: developing emotional intelligence; self-integration; relating to fear, pain and desire (theory, structure of reality, problem-solving, contraction/expansion, and tuning in/coming out/letting go)."

1987 – In an article published in *Mensa Magazine*, Keith Beasley uses the term "emotional quotient." It has been suggested that this is the first published use of the term, although Reuven Bar-On claims to have used the term in an unpublished version of his graduate thesis.

1990 – Psychologists Peter Salovey and John Mayer publish their landmark article, "Emotional Intelligence," in the journal *Imagination, Cognition, and Personality*.⁸

1995 - The concept of emotional intelligence is popularized after publication of psychologist and New York Times science writer Daniel Goleman's book *Emotional Intelligence: Why It Can Matter More Than IQ*.⁹

2.3 Measuring Emotional Intelligence

Firstly, is it possible to measure emotions? For many people this sounds impossible to assign a number to people emotions, qualities, skills and abilities. We are human beings and not commodities. Nevertheless, people always wanted to know more about themselves and others and they had to find the way to quantify it. The best way to get good results is to get independent feedback from others. This should be possible because Emotional intelligence is just one part of our personality.

Secondly, we have to ask ourselves how we can measure EI. How can we make EI operational? We can do it with help of test approach. Test approach is also called ability testing, performance testing or criterion-report testing. This test employs item that ask a person to solve a problem, and then evaluate the given response according to its correctness in relation to a criterion.

On contrary, we have self-judgement scales where they ask the individual about his own self-perception, without any checks to its correctness. With this scales we can measure internal experiences such as moods and emotions. Finally, ability testing is more desirable for measuring emotional intelligence then self-judgement scales. Scales can be useful when measuring moods and emotions in relation to emotional intelligence.

We can differentiate between two valid tests for a measure of emotional intelligence:

1. Specific **ability** tests that measure key specific ability related to emotional intelligence, such as the capacity to accurate identify emotions in faces.
2. General integrative test, that measures across a number of specific emotional intelligence **skills** to provide an overall picture on an individual's emotional intelligence.

⁸ <http://psychology.about.com/od/personalitydevelopment/a/emotionalintell.htm> Search on: 19.08.2012.

⁹ Goleman Daniel, *Emotional Intelligence: Why It Can Matter More Than IQ* (1995)

The question is what EI is and what is best way to measure it. Emotional intelligence is an ability that exists inside of personality. That is, it is a property of the personality system - - internal, mental, and functional. There is a variety of proposals as to what kinds of data one needs to collect in order to establish someone's emotional intelligence. Some people argue that one should use 360-degree assessments (that is, multiple observers of the target individual). Others use paper-and-pencil tests. Others argue for self-report data. Still others argue for ability testing.

"In regard to measuring emotional intelligence – I am a great believer that criterion-report (that is, ability testing) is the only adequate method to employ. Intelligence is ability, and is directly measured only by having people answer questions and evaluating the correctness of those answers." --John D. Mayer

- **Reuven Bar-On's EQ-i**

A **self-report test** designed to measure competencies including awareness, stress tolerance, problem solving, and happiness. According to Bar-On, “Emotional intelligence is a range of no-cognitive capabilities, competencies, and skills that influence one’s ability to succeed in coping with environmental demands and pressures.”

- **The MSCEIT**

Designed for individuals 17 years of age or older and aims to measure the four abilities outlined in Salovey and Mayer's model of emotional intelligence. Each of ability (perception, facilitation of thought, understanding, and regulation) is measured using specific tasks.

- **Multifactor Emotional Intelligence Scale (MEIS)**

An **ability-based test** in which test-takers perform tasks designed to assess their ability to perceive, identify, understand, and utilize emotions.

- **Seligman Attributional Style Questionnaire (SASQ)**

This test, originally designed as a **screening test** for the life insurance company Metropolitan Life, the SASQ measures optimism and pessimism.

- **Six Seconds EI Assessment (SEI)**

The SEI based on the Six Seconds Model of EI consisting of eight core competencies associated with three macro areas: Self Awareness, Self Management, and Self Direction.

- **Emotional Competence Inventory (ECI)**

Based on an older instrument known as the **Self-Assessment Questionnaire**, the ECI involves having people who know the individual offer ratings of that person's abilities on a number of different emotional competencies.

3. Leadership and Emotional intelligence

With his works (1995; 1998), Goleman assessed the link between emotional intelligence and leadership ability. He researched and analysed 188 companies (primarily large and global organizations). Aim was to determine personal capabilities among leaders, which appeared to drive outstanding performance within these organizations, and to what degree they did so. Personal capabilities clustered in three categories: technical skills, such as accounting and engineering; cognitive skills like analytical reasoning; and competencies demonstrating emotional intelligence, such as ability to work with others and effectiveness in leading change. According to Goleman's research, emotional intelligence proved to be twice as important as technical skills and cognitive abilities for leadership jobs at all levels of an organization. Intellect remained a driver of outstanding performance, and cognitive skills such as big picture thinking and long-term vision were important, but mainly as threshold capabilities; entry-level requirements for executive positions.

The purpose of studying the relationship between emotional intelligence and leadership behaviour is to contribute to the leadership practices literature and to test emotional intelligence applications for leadership. The role of emotional intelligence in determination of leadership effectiveness have been examined and the results confirmed that EI is valued more

highly than technical skills and cognitive skills, especially regarding social skills, and supported earlier findings that transformational/charismatic leaderships are favoured across cultures. When researchers discuss the place of emotional intelligence in leadership, they have senior executives or chief executives in mind. Occupying the role with such heavy responsibility for so many important resources, often including large number of people does require integrity, emotional intelligence and other sterling character traits. For this reason it is not surprise that established large companies usually do not have any twenty-year-old chief executives in their fleet. As Goleman thinks, "Emotional intelligence increases with age". There is an old-fashioned word for the phenomenon called maturity. Global corporations and their leaders operate in an increasingly interconnected business environment. The fact that business world is becoming increasingly global does not mean that cultural differences are diminishing. Business success and profitability overseas will rely heavily on the quality of effective multinational corporate leadership (Adler 2002). On contrary, the chief executives of large companies think that there is a shortage of global leaders to sustain their multinational operations. A country culture profoundly influences the behaviour of organizations as well as behaviour of people within organizations. Prior research has shown that many cross-cultural differences, such as Hofstede's (1997) collectivism/individualism, may affect organizational performance. For example, in some cultures, people prefer to act as a cohesive group (collectivism) rather than individuals motivated primarily by self-interest (individualism). Examples of collectivist societies include Panama, Colombia, Japan and India, while individualistic cultures are found in Australia, Germany, Canada and USA (Hofstede 1997). Furthermore, a nation's specific cultural attributes play an important role in determining the selection of management and leadership style. Effective leadership in one cultural setting e.g. China, may be ineffective in another. Organizations become more effective when they are able to identify and foster the appropriate leader's behaviours for the relevant cultural situation. Managers are expected to come promptly for meetings in time-focused cultures like USA, while deadlines may have little importance in less time-focused cultures such as Greece or Italy. Some cultures, such as India, may display a long-term orientation in terms of employee rewards and career development, compared to USA, which focus on short-term recognition and reinforcement. For the global manager to lead effectively in a diverse international environment, he must recognize cultural differences and learn to integrate culture and leadership style to his advantage, rather than either attempting to ignore them or allowing them to cause problems. Prior research has identified the importance of considering emotional intelligence when selecting expatriate managers, together with study that indicate

positive relationships between manager effectiveness and the self-awareness component of EI. Experienced managers familiar with a country culture may incorporate one or more of the components of emotional intelligence to effectively, match the needs of a particular culture, thus leading the organization towards desired results. While it is useful to study cross-cultural differences, it is important as well to assess the extent of similarities between cultures. Prior research (House 2004) found that several attributes associated with charismatic/transformational leadership were seen as contributing to outstanding leadership across most of the cultures studied. One way to explore cultural similarities in the world is to study cultural clusters. A cultural cluster is a group of countries that share many similarities; the countries in the cluster are more like each other than another country from outside the cluster. To test the proposition linking EI and cross-cultural leadership, the study surveyed the manager from four cultural clusters (Project Globe¹⁰). The Anglo cluster with USA, Canada, and Australia suggests that charismatic, team-oriented and participative leadership styles perceived to be the most effective leadership attributes. The Latin European cluster with France, Italy, Portugal and Spain suggests that charismatic/value-based, team-oriented and participative leadership are considered the most effective leadership attributes. The Eastern European cluster comprises Greece, Poland, Russia and the best style is transformational/charismatic and team-oriented leadership. The Southern Asia cluster consists of India, Iran, Malaysia and the transformational-charismatic and team-oriented leadership are perceived as the most effective leadership styles. Finally, we have to underline the importance for global managers to systematically study and understand the cultural environment within which they operate. Global leaders should attempt to match their leadership styles to various cultural conditions. Link between emotional intelligence and cross-cultural leader attributes in Project Globe is not established. Nevertheless, EI trait social skill may be critical to effective global leadership. The requirement of building long-term relationships among both multicultural clients and colleagues is a good illustration for social skill, which is defined as proficiency in managing relationships and building networks with people, and an ability to find the common ground and build rapport with others.¹¹

¹⁰ GLOBE is both a research program and a social entity. The GLOBE social entity is a network of 170 social scientists and management scholars from 61 cultures throughout the world, working in a coordinated long-term effort to examine the interrelationships between societal culture, organizational culture and practices, and organizational leadership.

¹¹ Reilly Anne H. Loyola University Chicago, Tony J. Karounos Loyola University Chicago Journal of International Business and Cultural Studies, Exploring the Link between Emotional Intelligence and Cross-Cultural Leadership Effectiveness

4. Models of Emotional Intelligence

4.1 Primal Leadership

Daniel Goleman was first author who popularize the term of emotional intelligence when its book "Emotional Intelligence" became bestseller in 1995. To get to this concept first, they were asking themselves the following questions. What makes good leader and what kind of leadership style gets results? The term EI itself was already well known but he managed to raise it to the level of importance that IQ has for people and business community. Moreover, he enlarged the importance of the term even over the importance of IQ, because EI should be this essential ingredient for effective leadership and success of the organization. He thinks that managing relationships plays a vital role in sustaining the human platform that supports productivity and profit. "When people feel good, they work at their best" (Goleman et al, 2002, p.14). The idea of intelligence (IQ) that supports attitudes of cold analysis and production above people's feelings has long held influence in the modern leadership environment. Over following period, EI seen as tool for constructive handling of emotions for personal development and social effectiveness. After this success, came the work of Primal Leadership in 2002 by Goleman, Boyatzis and McKee, which analysed the role of emotional intelligence in leadership, and emphasized the critical contribution of leaders who channel emotions in positive directions to support high organizational performance. The authors wanted to tackle the application of emotional intelligence principles to the behaviour of leaders in our institutions and organizations.

They think that fundamental task of leaders is to prime good feeling in those they lead. That happens when they manage to create resonance that frees the best in people and brings performance. Hence, *primal job of leadership in its root is emotional*. This primal dimension of leadership determines what leaders will do. Leader's primal task is driving emotions in the right direction. That means that the emotional task of leader is primal. They should drive emotions positively and bring everybody's best out of them. This effect is resonance, as opposed to dissonance. The key to making primal leadership work to everyone's advantage lies in the leadership competencies of emotional intelligence and the answer on questions: how leaders handle themselves and their relationships. That is why emotional intelligence of leader is so important for success. ¹²

¹² Goleman Daniel,, Richard E. Boyatzis,Annie McKee. Primal Leadership: Realizing the Power of Emotional Intelligence

They coin the phrase “primal leadership” to identify the foundational principle of this application—” that the fundamental task of leaders . . . is to prime good feelings in those they lead. . . .At its root, then, the primal job of leadership is emotional” (p. ix). Passion and enthusiasm, long held to be essential elements in the leadership process, are products of attuned emotions emanating from people at every level of the organization (p.Xiii), and not just a necessary element for those at the top level of the organization. Primal leadership applies holistically to the organization as a body and reflects the emotional maturity and balance of the organization as a whole rather than that of the individual in isolation from the community. Authors use term “attunement” to emphasize non-linear nature of emotional intelligence. Attunement aims at maintaining the quality of relational health among those who comprise the team or group. They treat leadership as a function of the group as opposed to that of the individual. The skills of the individual leader contribute to the process of leadership, done primarily via emotions (p.3). The "emotional task of the leader is primal" (p.5) and positions the leader as the emotional guide for the group and establishes the emotional climate of the group. The group spirit thus led to a state of resonance that brings out the very best of each member of the group. In this state of resonance, the leadership contribution of each member becomes a force in an overall effectiveness of the organization.

Main challenges for the writers were, to try to develop these essential competencies of emotional intelligence in leadership and to help to organizations to foster emotional intelligence leader. The organizations themselves need to discover the power and the advantage of primal leadership to cultivate leaders who generate the emotional resonance that lets people prosper. Many studies of successful companies have been conducted to determine which personal capabilities drove outstanding performance within these organizations. Based on that, the capabilities were divided into groups of three categories: Purely technical skills like accounting, cognitive abilities like analytic reasoning and emotional intelligence like self-awareness and relationships skill. The competencies models were created based on different methods of interviewing and panels. They got the list of different skills as ingredients for different type of leaders. The results showed that emotional intelligence based competencies play important role in high ranked management level. This results indicate the importance of sensibility of leaders and the fact that they could distinguish themselves from other executives by high EI. Furthermore, authors calculated that EI contributes up to 80% to competencies that distinguish outstanding from average leaders.¹³ The need for emotional intelligence

¹³ Patterson Hughes & Terrel, Emotional Intelligence In Action: Training and Coaching Activities for Leaders and Managers, Publisher: Pfeiffer (August 24, 2005),

increases with increased level of responsibility –such as management – and becomes even more significant when dealing with groups of people or teams (Goleman, Boyatzis, McKee).

4.1.1 Dimensions of EI: Goleman’s Leadership Competencies

Emotional intelligence presented as a dynamic condition in a leader or organization, and may be learned by addressing associated emotional competencies. These competencies, listed in four categories associated with two general domains (Goleman: Primal Leadership p. 39). The model consists of two components mainly personal competence and social competence.

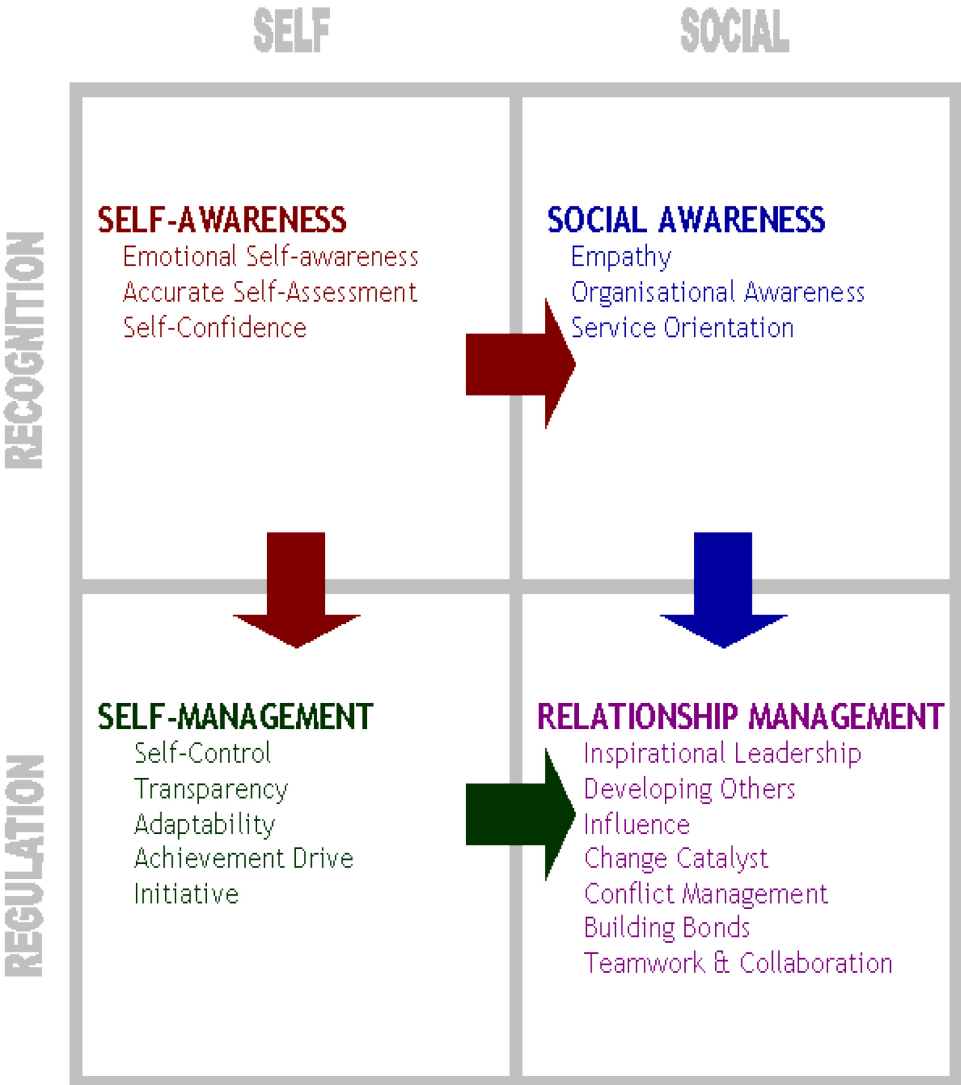


Figure 1: A Framework of Emotional Competencies¹⁴

¹⁴ http://www.sonoma.edu/users/s/swijtink/teaching/philosophy_101/paper1/goleman.htm

1. Personal Competence

a. *Self-awareness* supported by the ability to read one's emotions and recognize their impact. It involves accurate self-assessment that allows cognizance of one's strengths and limits, as well as self-confidence.

Self-awareness is the ability to recognize and understand one's own moods, emotions, drives and their effects on others. Self-confidence, realistic self-assessment and often a self-deprecating sense of humour are among characteristics of self-awareness. In self-awareness leaders are supposed to be able to recognize a feeling as it happens, to accurately perform self-assessment and have self-confidence. Goleman's study (1995) found that effective leaders are those who demonstrate self-awareness, have high self-confidence as well as able to assess their strengths and weaknesses. It can be concluded that a high level of self-awareness that is associated with EI tend to encourage leaders to demonstrate self-confidence, earn respect and trust from followers. Meisel (2004) found that self-awareness is the greatest predictor of success in everything people do.¹⁵

b. *Self-management* draws from competencies of emotional self-control, transparency, adaptability, achievement, initiative and optimism.

Self-regulation or self-mastery is the ability to control emotions, to remain calm, encounter problem and resistance, manage stress skilfully, finding ways to handle fears, anxieties, anger and sadness and to stay focused on the tasks performed. Individuals with self-regulation are able to handle change and being comfortable with uncertainty. Through self-regulation, leaders can objectively consider the needs of others despite their own immediate feelings. Goleman (1998) highlighted that qualities of self-regulations are like trustworthiness, integrity, conscientiousness, self-control, adaptability, innovativeness and taking responsibility for one's own actions. A leader with EI is expected to be able to keep disruptive emotions and impulses (self-control); maintain standards of honesty and integrity (trustworthiness); take responsibility for one's performance (conscientiousness); handle change (adaptability) and be comfortable with novel ideas and approaches (innovation). A leader with EI would be optimistic and show happiness despite obstacles, setbacks and failure. According to Sheperd (2004) effective leaders do not let negative emotions (example; worry, anxiety, fear and anger) interfere with getting things done effectively (Sarminah Samad Dr 2009).

¹⁵ Sarminah Samad Dr., Universiti Teknologi MARA Malaysia, 2009, The Influence of Emotional Intelligence on Effective Leadership Among Managers in Malaysian Business Organizations

Motivation relates to expanding energy in a specific direction for a specific purpose. It refers to the emotional tendency guiding or facilitating the attainment of goals. It encompasses achievement drive (meeting a standard excellence); commitment (alignment of goals with the group and organization); initiative (acting on opportunities) and optimism (persistence reaching goals despite set backs). Good emotion will encourage leaders to be more motivated in the tasks performed. Motivation also involves passion, confidence, enthusiasm and normally zeal to work not because of money or status but to pursue goals with energy and persistence. Motivated leaders will have a high desire to achieve and are constantly optimistic in any situations while unmotivated leaders tend to be pessimistic and may give up earlier. Highly self-motivated individuals and leaders are result oriented who have a high drive to meet their objectives and standards (Goleman et al., 2002). Leaders who have the ability to maintain balance will always keep themselves motivated, optimistic and hopeful to be a role model and inspire others.

2. Social Competence

a. **Social awareness** supported by empathy, organizational awareness that enables the leader to discern the relationships and politics of the organization, and service that meets the needs of those connected to the organization.

Empathy is a person's ability in sensing the emotional makeup of other's feeling and perspective and taking active interest in their concerns and problem (Goleman, 1998). Accordingly, empathic people will treat others according to their emotional needs. Empathic leaders are those who are expert in building and retaining talent; sensitive with diversities; appreciative of various perspectives and avoid unnecessary conflicts. Leaders who are highly empathic are also skilled in managing other's problem. They are able to understand others by being aware of their needs, perspectives, feelings, concern and sensing the developmental needs of others. EI helps leaders to recognize and respect subordinates with feelings, opinion, ideas, unique needs and abilities. Accordingly, empathic leaders help followers to grow and develop; to enhance their self-images and sense of self worth; and to achieve their needs and goals through social skills (Sarminah Samad Dr 2009).

b. **Relationship management** requires developed skills in inspirational leadership to motivate, influence that allows for persuasion, developing others through feedback and guidance, change catalyst, conflict management, building bonds that cultivate and maintain relationships, and teamwork and collaboration that support cooperation and team building.

Social skills or interpersonal skills refer to a person's proficiency in managing relationship with others and building networks. It involves the ability of meeting each other's needs; relating to each other over time and exchanging information about one's feelings, thoughts and ideas. Other qualities of social skills are effectiveness in leading change, persuading others, building and leading teams (Goleman 1995). As a fundamental to EI, social skills relate to leaders who have the ability to influence (induce desirable responses in others through effective diplomacy to persuade); to communicate (listen openly and send convincing messages); to lead (inspire and guide groups and individuals); to build bonds (nurture instrumental relationships, to collaborate work with others towards a shared goal) and to cooperate (create group synergy in achieving goals). The ability of leaders to manage interpersonal skills tends to motivate and inspire the followers or subordinates. Effective leaders can deal with a diversity of people including personalities that are not emotionally stable, able to develop networks and play organizational politics (Zaslow, 2004).

There is a suggestion that effective leaders will possess at least one competence from each of the four fundamental areas of emotional intelligence.

4.1.2 Leadership styles

Emotional intelligence is presented as being demonstrated through six styles of leadership—visionary, coaching, affiliative, democratic, pacesetting, and commanding (they are repertoire of choices).

Pacesetting and commanding styles are useful in some very specific situations but leaders should apply them with caution. These styles presented not as static styles practiced as a property of the individual leader but rather as a repertoire of choices that the emotionally intelligent leader may draw on, as the leadership context requires. The unique elements and relevant contextual applications of each of these particular styles well defined for the reader seeking a better understanding of versatility in leadership. This may prove especially helpful for the developing leaders who practice the pacesetter or command styles, those that conform to the linear models that deny the value of emotion having a rightful place in the context of organizational leadership. Authors¹⁶ are giving many examples in their book how pacesetting or commanding leaders managed to change their leadership styles to one of more appropriate one for specific situations. Best-case scenario is when skilful leaders switch between different

¹⁶ Goleman Daniel., Richard E. Boyatzis, Annie McKee, The New Leaders, 2012

styles depending on situation. People do not change easily, but this kind of flexibility can bring positive results and create resonance. Four of these styles-visionary, democratic, affiliative and coaching- create kind of resonance that boost performance. Pacesetting and commanding styles are useful for time of crisis and turbulences, e.g. when companies merge, but on a long run rather destructive and dissonant for working climate, teamwork and performance. Analysis made on how the climate that resulted from various leadership styles affected financial results, such as return on sales, revenue growth, efficiency, and profitability. Results showed that, all other things being equal, leaders who used styles with a positive emotional impact (resonance) saw decidedly better financial returns than those who did not. Perhaps most important, leaders with the best results did not practice just one particular style. Rather, on any day or week, they used many of the six styles, seamlessly and in different measures depending on the business situation (The New Leaders, p.68).

The Resonant Styles:

The Visionary Leader moves people towards a shared vision, telling them where to go but not how to get there - thus motivating them to fight forwards. They openly share information, hence giving knowledge power to others. They can fail when trying to motivate more experienced experts or peers. This style is best when organization needs a new direction. Overall, it has a very strong impact on the climate. Visionary style gives people chance to talk with their executives, to share their dreams and goals, to talk about future and to share common values. Good leaders incorporate these wishes and visions of their subordinate into corporate vision, strategies and values. This style builds resonance in a way that moves people toward shared dreams and impact on a climate is most strongly positive. They articulate where a group is going, but not know how it will get there, setting people free to innovate, experiment and take calculate risk. Of the six leadership styles, research suggests that overall visionary approach is most effective. The result is inspired work. Works well in all business situations, particularly effective when a business is adrift, during turnaround. Transformational leaders, those who seek to radical change an organization are those who use this style the most (p.72).

The Coaching Leader connects wants to organizational goals, holding long conversations that reach beyond the workplace, helping people find strengths and weaknesses and tying these to career aspirations and actions. They are good at delegating challenging

assignments, demonstrating faith that demands justification and which leads to high levels of loyalty. Done badly, this style looks like micromanaging. It is best to use it when individuals need to build long-term capabilities. It has a highly positive impact on the climate (p.77). Good coach has strong EI competence of developing others; he acts as counsellor and has strong emotional self-awareness and empathy. It has a positive impact on climate.

The Affiliative Leader creates people connections and thus harmony within the organization. It is a very collaborative style, which focuses on emotional needs over work needs. When done badly, it avoids emotionally distressing situations such as negative feedback. When done well, then often used alongside visionary leadership. It is best to use for healing rifts, getting through stressful situations, improve team harmony, increase morale, improve communication, or repair broken trust in an organization. Open sharing of emotions is one hallmark of the affiliate leadership styles. Leaders tend to value people and their feelings and putting less emphasis on accomplishing tasks and goals, and more on employee's emotional needs. In most Asia, Latin America and some European cultures, establishing a strong relationship is a prerequisite for doing business. The empathy- the ability to sense the feelings, needs and perspectives of others is fundamental competence here. Use of this style alone is not good idea because this could lead to poor performance (p80). It has a positive impact on climate.

The Democratic Leader acts to value inputs and commitment via participation, listening to both the bad and the good news. When done badly, it looks like lots of listening but very little effective action. Best used when the leader is uncertain about what direction to take and needs ideas from competent employees. The democratic style builds on a trait of emotional intelligence abilities: empathy, teamwork and collaboration, conflict management, and influence. The listening is key strength (p.88).It has a positive impact on climate.

The Dissonant Styles:

The Pace-setting Leader builds challenge and exciting goals for people, expecting excellence and often exemplifying it themselves. They identify poor performers and demand more of them. If necessary, they will roll up their sleeves and rescue the situation themselves. They tend to be low on guidance, expecting people to know what to do. They get short-term results but over the long term, this style can lead to exhaustion and decline. Done badly, it

lacks Emotional Intelligence, especially self-management. A classic problem happens when the 'star techie' gets promotion to do the job of leader. Best used for results from a motivated and competent team, like in technical fields, among highly skilled professionals. Pacesetting makes sense during entrepreneurial phase of a company's life cycle, when growth is all-important. This style best used carefully, when company needs high performance and when deadlines are to meet. The EI foundation of this style lies in the drive to achieve by continually finding ways to improve performance. There is an absence of crucial EI competencies like empathy, self-awareness and self-management. Best works together with visionary or affiliate style (p.93). It often has a very negative effect on climate.

The Commanding Leader soothes fears and gives clear directions by his or her powerful position, commanding and expecting full compliance (agreement is not needed). They need emotional self-control for success and can seem cold and distant. This approach is best in times of crisis when you need unquestioned rapid action and with problem employees who do not respond to other methods. This style is least effective in most situations with lack of self-awareness, emotional self-control and empathy. To execute it effectively this style needs to draw on three EI competencies: influence, achievement and initiative. Executing the commanding style effectively, requires the leader “to be angry with the right person, in the right way at the right time, and for the right reason” as Aristotle put it (p.98).

Table 1: Goleman’s six leadership styles¹⁷

	Coercive	Authoritative	Affiliative	Democratic	Pacesetting	Coaching
The leader’s modus operandi	Demands immediate compliance	Mobilizes people towards a vision	Creates harmony and builds emotional bonds	Forgoes consensus through participation	Sets high standards for performance	Develops people for the future
The style in a phrase	‘do what I tell you’	‘come with me’	‘people come first’	‘what do you think?’	‘do as I do, now’	‘try this’
Underlying emotional	Drive to achieve, initiative, self-control	Self-confidence, empathy, change catalyst	Empathy, building relationships, communication	Collaboration, team leadership, communication	Conscientious, drive to achieve, initiative	Developing others, empathy, self-awareness
When the style works best	In a crisis, to kick start a turnaround, or with problem	When changes require a new vision, or when a clear directive is needed	To heal rifts in a team or to motivate people during stressful circumstances	To build buy-in or consensus, or to get input from valuable employees	To get quick results from a highly motivated and competent team	To help an employee improve performance or develop long-term

¹⁷ Goleman, D, 2000 ‘Leadership that gets results’, *Harvard Business Review*, p 7-8.

	employees					strengths
Overall impact on climate	Negative	Most strongly positive	Positive	Positive	Negative	Positive

4.1.3 Resonant leaders with five discoveries

“Old leaders can learn new tricks”(p.121). This reveals the authors’ underlying statement that it is possible to learn leadership skills. It challenges the perception that “leaders are born” (nature) and posits that leaders can be made through intentional learning (nurture). Old behaviours are possible to change and emotional intelligence is possible to acquire. Self-awareness is critical component of these change process, as is honest assessment by others around the leader. Research referenced reveals that most leaders overestimate the effectiveness of their leadership; as a rule subordinates rate leader’s skills and behaviours below what the leader perceives of self. Awareness of this tendency is a necessary enabling of the process of learning and change that leads to more effective leadership contribution.

The authors¹⁸ orders steps to learning in Five Discoveries as follows:

1 The ideal self

This is where change begins. This step asserts, “Connecting with one’s dreams releases one’s passion, energy, and excitement about life” (p. 115).

2 The real self

Are you a boiling frog? This step reveals the need to remain loyally aware of one’s vision and the real self to avoid the invisible slide into acceptance and apathy regarding practices and policies of organizations.

3 A learning agenda

This step emphasizes the need to build improvement plans around the vision of the real self. Rather than the ought self or those ideals established by another person.

Goals must be owned by the person setting them if they are to be matching with the real self.

¹⁸ Goleman Daniel., Richard E. Boyatzis, Annie McKee., Primal Leadership 2002

4 Reconfiguring the brain

This step requires dependence upon implicit learning that takes place tacitly in the course of life and relationships. This sort of learning must be predicated by “three things: Bring bad habits into awareness, consciously practice a better way, and rehearse that new behaviours at every opportunity until it becomes automatic” (p. 156).

5 The power of relationships

This step stresses the importance of the people who help one in the journey through the gap that leads to the envisioned ideal self. This discovery recognizes that established relationships will often resist the change necessary for one to reach the ideal self-goal. Positive groups and encouraging individuals who relate with openness and trust provide necessary help in the process of positive change.

4.1.4 Self-directed learning

The learning process necessarily begins with change in the individual, but Goleman et al. insist that concentrating on individual change is inadequate to accomplish change toward creating emotionally intelligent organizations. In order to bring about such change in an organization or team, it is necessary to focus on the norms and culture reflected in these groups. This begins with “understanding of the emotional reality and norms of the team and the culture of the organization” (p. 173), and leads to an ideal vision of the group or organization. It also assumes that the individuals within the group will share a common vision with that of the hopeful organization. The book cites the work of James Surowiecki (2005), relating to the intelligence of crowds being greater than that of individuals. Goleman et al. insist that this is true only when the group exhibits emotional intelligence. Group emotional intelligence occurs when resonance marks the state of the group. Unwise use of command or pacesetting leadership styles by the group leader can neutralize the emotional intelligence of the group or even on a greater scale, that of a large organization. Collective emotional intelligence is what sets top-performing teams and organizations apart from average. Such organizations demonstrate “the same capabilities as emotionally intelligent individuals: Self awareness, self management, social awareness, and relationship management” (p. 177) In order to reach such a positive state, leaders must be willing to question the emotional reality and the cultural norms that underlie the behaviour of the organizations they serve.

Primal Leadership presents the paradox of changing organizations from the bottom up by insisting that the principles of the model must first be embraced at the top level of the organization (p. 219). This requires leaders to “focus on people” (p. 221) and the foundational bonds that support a healthy working relationship in good times and bad. Top leaders must demonstrate what the ideal vision looks like as well as ensuring that organizational structures, job design, relationship norms, and systems and performance expectations are consistent with the vision. “Creating organizations that are emotionally intelligent is ultimately the leader’s responsibility”. (p. 222) *Primal Leadership* recognizes the established maxim that by nature organizations resist changes. Routine and status quo provide a context wherein people carry out their professional jobs in established systems that produce minimal resistance and stress. The development of a new leadership style challenges this comfortable context and requires learning that leads to fundamental change. Goleman et al. project the necessity of making leadership development a strategic priority that emanates from the core of the enterprise. The culture of the organization must be changed. “You can’t ignore culture, and you can’t hope to change it one leader at a time” (p. 232). Change must be part of a process as opposed to being the goal of a program. A process addresses change and attunement continually. There is no terminal point when the process is complete. It addresses the organization holistically by attending to change at three primary levels with a multifaceted process: “the individuals in the organization, the teams in which they work, and the organization’s culture” (p. 234). This approach applies an intellectual understanding of emotional intelligence to organizations by implementing an action-based strategy that leverages the passion and dreams of its members, thus creating sustainable change. Social, political, economic, and technological changes in our society require a renewed emphasis on the application of emotional intelligence in organizations. People can no longer be viewed as interchangeable parts within our organizations. The functional focus of leadership that marked the industrial period must give way to a focus that attends to the emotional and personal dimensions of our work communities. “Leadership excellence is being redefined in interpersonal terms”(p. 248). The principles set forth within the book of *Primal leadership* forcefully challenge long-held beliefs about management and leadership as a process that has been driven primarily by analysis and control leading to efficiency. We are compelled to consider the human qualities that influence the effectiveness of our work communities and organizations that enrich society. The passion and enthusiasm that moves people forward in organizations, tied to the human spirit that cannot be managed or controlled without suffering loss to both. *Primal Leadership* begins to fill in the blanks in our understanding of what it takes to optimize the

emotional and relational forces that drive commitment beyond the possibilities of managed compliance. Goleman et al (2002) understands why emotional and relational resonance matters—the workforce necessary to a society built around technology no longer responds to the command and control methods of the industrial era.¹⁹

4.2 Other EI Models

These two prominent models of emotional intelligence including an ability-based model and a skill-based model differ in their conceptual approach to the application of EI. The ability model defines EI according to intelligence theory, emphasizing the cognitive elements of EI and uses a performance-based assessment method known as a **MSCEIT** (Mayer, 2002) to discriminate various levels of EI. Particularly, Mayer and Salovey (1990) defined emotional intelligence as the ability to monitor ones own and others feelings and emotions, to discriminate among them, and to use this information to guide ones thinking and actions.

The skills based model is trait-based and encompasses a broad set of competencies. In this framework, **Bar-On** (2005) defines EI as a cross section of interrelated emotional and social competencies, skills and facilitators that determine how effectively we understand and express ourselves, understand others and relate with them, and cope with daily demands. A measurement tool that underpins the skills based model is the Emotional Quotient Inventory (EQ-I; Bar-On 1997).²⁰

¹⁹ The Harvard Business Review Press (2002), Daniel Goleman, Richard Boyatzis, and Annie McKee Boston.

²⁰ Stein Steven and Papadogiannis Peter, EI of leaders: a profile of top executives, 2008

5. EI skills and performance outcomes

5.1 The relationship between EI and various aspects of performance

There are numerous studies documenting the relationship between emotional intelligence and various aspects of performance, but this is one of the first studies of this kind in the Middle East. The UAE, one of the region's business centres, is the base for a wide range of businesses led by an incredibly diverse mix of leaders from all over the globe. Six Seconds (global) and Six Seconds Middle East conducted this study in partnership with Dubai Knowledge Village (DKV), the region's first and largest centre for human resource management professionals.²¹

Sample Group

The invitation to participate in this study was sent by email to chief executives, General Managers, Executives, Managers and Leaders based in The Middle East by Dubai Knowledge Village as well as to those on the Six Seconds Middle East mailing list. The 418 individuals who responded by taking the assessment and performance survey range from entry-level managers to senior executives from a wide variety of organizations.

The sample group is 41% female and 59% male, ranging in age from 18-63 years (mean age is 35 years); 91% hold university degrees. (Freedman, Morrison, Olsson 2006)

Table 2: The roles represented are (by Freedman, Morrison, Olsson 2006)

Job Level	Number	Percentage
Free-lance	7	1,7%
Employee	48	11,5%
Manager	204	48,7%
Executive	140	33,4%
Entrepreneur	19	4,5%

²¹ Freedman Joshua , Jayne Morrison, Andreas Olsson LEADERSHIP SUCCESS AND EMOTIONAL INTELLIGENCE IN THE MIDDLE EAST

Table 3: The sectors represented are (Freedman, Morrison, Olsson 2006)

Work Sector	Number of respondents	Percentage
Education	43	10,3%
Entertainment	9	2,1%
Finance	60	14,3%
Healthcare	9	2,1%
Hospitality/Travel	89	21,2%
Industrial	23	5,5%
Other	98	23,6%
Service	40	9,5%
Technology	47	11,2%

Participants live in variety of countries in region and represent 51 different nationalities reflecting the wide cultural diversity of the region. The frequencies of nationalities presented on next table:

Table 4: Nationalities

Country	Number of respondents	Percentage
Jordan	9	2,15%
Germany	11	2,63%
Sweden	11	2,63%
Sri Lanka	12	2,86%
USA	12	2,86%
Egypt	13	3,10%
Philippines	18	4,30%
Lebanon	24	5,73%
Pakistan	27	6,44%
UAE	32	7,64%
UK	39	9,31%
India	121	28,88%

Assessment

The assessment is SEI based on the Six Seconds Model of EI consisting of eight core competencies associated with three macro areas: Self Awareness, Self Management, and Self Direction.

- Self-Awareness, called “Know Yourself” includes two competencies: Enhance Emotional Literacy and Recognize Patterns.

- Self-Management, called “Choose Yourself” includes four competencies: Apply Consequential Thinking, Navigate Emotions, Engage Intrinsic Motivation and Exercise Optimism.
- The Self Direction area, called “Give Yourself” includes Increase Empathy and Pursue Noble Goals.

The assessment provides an overall EQ score, scores for each of the three-macro areas, and scores for each of the eight competencies for the 12 normative values.

The Performance scale was developed from a questionnaire Six Seconds has used for previous research²² and expanded for the purposes of this study. Using a 5-point Likert scale respondents rated themselves on 42 items related to:

1. Effectiveness (completing the right work in the right timeframe)
2. Influence (engaging others in ideas)
3. Decision making (accurately evaluating options)
4. Career (growing professionally, both in skills and in revenue)
5. Relationships (building mutually supportive alliances)
6. Finance (creating prosperity)
7. Health (maintaining physical and mental fitness)
8. Quality of Life (living in a fulfilling manner)
9. Family (developing caring and connected relations)

Respondents are asked to rate their agreement with a series of statements, such as, “My choices are effective,” “People come to me to get the job done,” “I have a strong network,” “My career is progressing smoothly,” and “I am financially secure.” The 42 items form a combined variable called “Performance,” with a Cronbach alpha²³ of $a = .91$ indicating high scale reliability.

The nine sub-scales of the performance questionnaire have Cronbach Alphas ranging from .57 to .83, indicating that some subscales are effective independently while others are only statistically meaningful in combination with the whole. (Freedman, Morrison, Olsson 2006).

²² Freedman Joshua, Massimiliano Ghini and Carina Fiedeldey-Van Dijk, “Emotional Intelligence and Performance” www.6seconds.org/sei 2006.

²³ Cronbach Alpha is a measure of the internal consistency of the scale; numbers from .55-.65 represent moderate consistency, .66 and higher represent good scale consistency.

Analysis

A high correlation appeared between the emotional intelligence (EQ) scales and the performance outcomes. There is a strong *positive relationship* between EQ and Performance. Those participants with higher EQ had higher Performance scores:

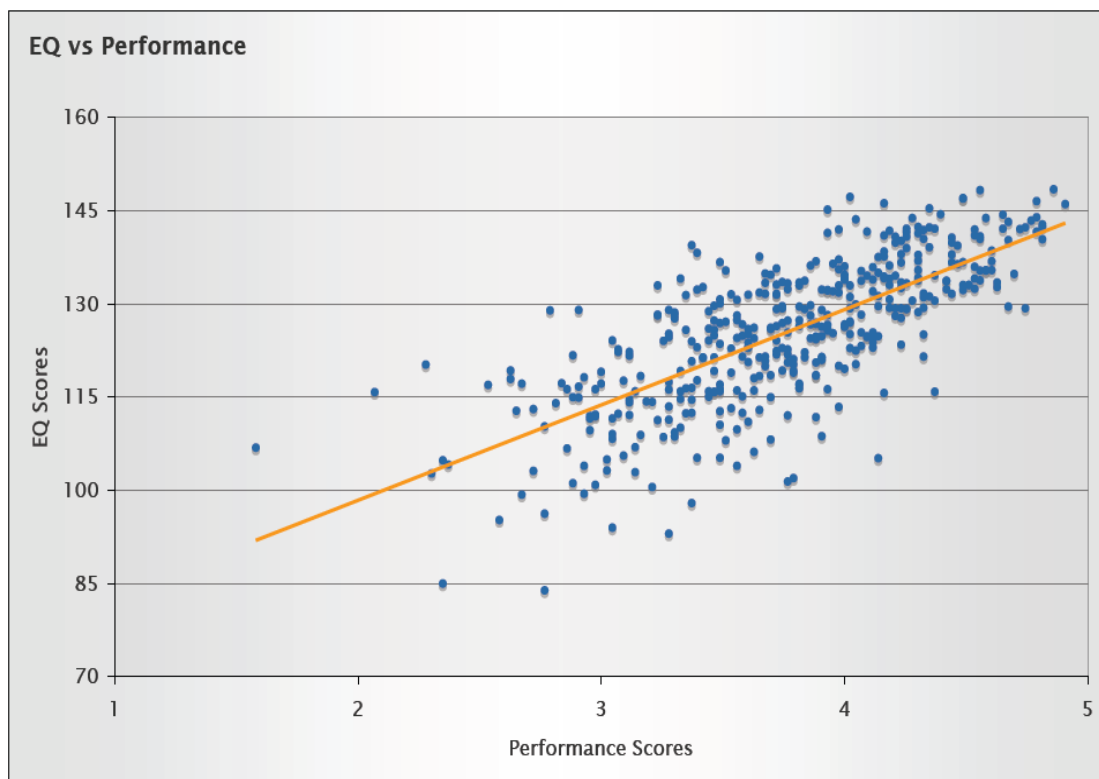


Figure 2 (Freedman, Morrison, Olsson 2006) EQ vs. Performance

To assess the strength of the relationship, a linear regression analysis found in this sample, EQ is a strong predictor of the Performance variable: $F(8) = 73.22$, $p < .001$ (R square = .58). **Put differently, over 58% of the variation in Performance among these Middle East leaders explained by emotional intelligence.**

Variations by Job Level

The relationship between emotional intelligence and performance was strongest in the group of “Entrepreneurs” where over 70% of the variation in performance is predicted by EQ scores. The relationship is still powerful, but lowest for the group of Middle Managers where 47% of the variation in performance is predicted by EQ.

Highs and Lows

Emotional Intelligence scores were also compared for those who scored in the top 25% of Performance versus those who scored in the lowest 25% in Performance. The top performers have, on average, almost 1.2x higher scores on Emotional Intelligence.

Performance Factors

To understand the relationship between EQ and Performance, several of the Performance subscales were examined separately. This table shows the name of the scale, the Cronbach alpha³, a sample item from the scale, and the R-squared²⁴ value in percentages.

Table 5: Scale, Alpha Item and R-squared (Freedman, Morrison, Olsson 2006)

Scale	Alpha	Sample item	R ²
Effectiveness	.58	I am achieving what I've set out to accomplish	44% ²⁵
Quality of Life	.68	I feel good about life	34% ²⁶
Relationships	.75	I have a strong network	34% ²⁷
Decision Making	.57	I have more priorities than I can handle	49% ²⁸
Health	.69	I eat a balanced diet	23% ²⁹
Finance	.83	I am financially secure	10% ³⁰
Family	.68	I have a healthy work-life balance	17% ³¹
Influence	.66	Others follow my ideas	38% ³²
Career	.77	I have many job opportunities	30% ³³

Final remarks regarding Leadership success and EI

There is a very strong relationship between emotional intelligence and performance; a very large percentage of the variation in performance predicted by EQ, especially for entrepreneurs. This finding suggests that the skills of emotional intelligence are critical for professional success at all levels, and even more critical for those creating new enterprises.

²⁴ R-squared is a measure of one variable's capacity to predict another variable; the higher the percentage, the more closely the two variables will cluster. A higher R-squared indicates a stronger relationship; 1, or 100%, would mean a perfect match between the two variables.

²⁵ EQ vs Effectiveness: $F(8) = 41.48, p < .001$, R square = .45, Adjusted R Square .44

²⁶ EQ vs Quality of Life: $F(8) = 28.04, p < .001$, R square = .35, Adjusted R Square .34

²⁷ EQ vs Relationships: $F(8) = 27.43, p < .001$, R square = .35, Adjusted R Square .34

²⁸ EQ vs Decision Making: $F(8) = 51.23, p < .001$, R square = .50, Adjusted R Square .49

²⁹ EQ vs Health: $F(8) = 16.50, p < .001$, R square = .24, Adjusted R Square .23

³⁰ EQ vs Effectiveness: $F(8) = 6.62, p < .001$, R square = .12, Adjusted R Square .10

³¹ EQ vs Family: $F(8) = 11.65, p < .001$, R square = .19, Adjusted R Square .17

³² EQ vs Influence: $F(8) = 33.14, p < .001$, R square = .39, Adjusted R Square .38

³³ EQ vs Career: $F(8) = 23.12, p < .001$, R square = .31, Adjusted R Square .30

Emotional intelligence scores can predict all the aspects of performance in this study, but there is a great deal of variation in the strength of that correlation. The performance factors most strongly predicted by EQ are Decision Making, Effectiveness, and Influence. These outcomes are critical to leadership, suggesting that emotional intelligence is most important in this domain. In short: It appears that leaders who develop greater emotional intelligence are more likely to succeed (Freedman, Morrison, and Olsson).

5.2 Influence of EI on effective leadership

The purpose of this study³⁴ is to inspect the relationship between EI and effective leadership. In addition, what is the influence of EI on effective leadership and which of EI dimensions most explain effective leadership. Study uses different levels of management from Malaysian companies with self-administrated questionnaire. Data are collected and analysed by using descriptive and inferential statistics. Effective leadership is one of the most important factors for organizational performance, where the performance of managerial leadership contributes highly to the success or the failure of an organization.

Sample

Data for this study collected randomly from 500 senior and middle-level management staff of the selected telecommunication companies in Malaysia. The data from the self-administered questionnaire then analyzed using SPSS. The average age of the respondents was 34 years. 62.4% of the respondents were male and the remaining 37.6 % were female. In terms of position, 57% of the respondents were from the senior level management and 43% were among the middle level management staff.

Instrument

The independent variable of the study was EI, which consisted of five dimensions namely self-awareness, self-regulation, motivation, social skills and empathy. The 5 dimensions of EI were measured based on the seven point Likert scale ranging from 1 (strongly disagree) to 7

³⁴ Sarminah Samad Dr., Universiti Teknologi MARA Malaysia, 2009, The Influence of Emotional Intelligence on Effective Leadership Among Managers in Malaysian Business Organizations

(strongly agree). The reliability coefficient for these dimensions was within the acceptable and expected value ranging from .81 to .92.

The dependent variable was effective leadership and was measured based on the summative score of 5 dimensions of effective leadership (challenging the process, inspiring a shared vision, enabling others to act, modelling the way and encouraging the heart). The study measured on the seven point Likert scale ranges from 1 (strongly disagree) to 7 (strongly agree).

Data analysis

Data obtained in the study, analyzed using SPSS. Pearson correlation coefficient, multiple regression and t test employed to answer the objectives and hypotheses of the study. Pearson correlation, used to determine the relationship between EI dimensions and effective leadership. Multiple regression analysis used, to examine which of the EI dimension most contributed or explained effective leadership and to examine the amount of variance explained in effective leadership by EI. Finally, t test employed, to test the difference in EI between the senior and the middle level of management staff.

Hypothesis

H1: There is a positive and significant relationship between EI and effective leadership,

H2: EI dimensions contribute significantly on effective leadership,

H3: There would be a significant difference of EI score at different management levels.

Outcomes of study

-Relationship between EI and Effective Leadership (HA1)

Table 1 shows the results of the overall means, standard deviations and correlations among variables of the study. The means ranges from a minimum value of 5.10 (self-awareness) to maximum value of 5.29 (effective leadership).

Table 6: Correlation Coefficients for the Main Variables of the Study

	Mean	Std	1	2	3	4	5	6
1	5.10	1.04	(.87)					
2	5.24	1.03	.47*	(.81)				
3	5.27	.96	.50*	.33*	(.92)			
4	5.15	.90	.51*	.52*	.62*	(.88)		
5	5.11	1.10	.48*	.49*	.56*	.50*	(.84)	
6	5.29	1.16	.45*	.54*	.69*	.41*	.58*	(.89)

Note N= 500; * p < .05; 1.self-awareness 2.self-regulation 3.motivation 4.social skills 5.empathy 6.effective leadership Cronbach's coefficients alpha are in parentheses

As can be seen in Table 6 the correlation coefficients for the variables under investigation indicate a positive and significant relationship between EI dimensions (self-awareness, self-regulation, motivation, social skills and empathy) and effective leadership ($p < 0.05$). All of the correlations were in the expected directions indicating a positive and significant relationship between independent variables and dependent variable. This finding is consistent with expectations, that there were significant and positive relationship between EI dimensions and effective leadership. HA1 has support.

-Influence of EI on Effective Leadership (HA2)

The second objective of the study was to examine which of the EI dimensions that most explain effective leadership. Meanwhile, the third objective was to determine the influence of EI dimensions on effective leadership. In other words, it determined the amount of variance explained on effective leadership by EI. Table 6 presents results of the multiple regression analysis to answer the objective two and three as well as the HA3 of the study. As can be observed the beta values indicate that all of the EI dimensions had a positive and significant influence on effective leadership. Specifically, self-awareness ($\beta = .35$), self-regulation, $\beta=.41$), motivation ($\beta = .28$), social skills ($\beta = .55$), and empathy ($\beta = .53$) were found to have a significant and positive impact on effective leadership ($p < .05$). Among all of the EI dimensions, social skills emerged as the most significant effect on effective leadership. This shows that social skills appeared as the most important factor to enhance effective leadership and the aspect that most influenced effective leadership. When the five EI dimensions were regressed on effective leadership, the R^2 value found to be .59. This indicates that the EI dimensions explained 59 % of the variance in effective leadership. The data revealed that all of the EI dimensions were able to contribute or influence effective leadership. Therefore, this data provided support for the HA2 of the study and the HA2 of the study was accepted.

Table 7: Multiple regression of EI on Effective Leadership

Independent variables	Beta	T	Sig
Self-awareness	.35	2.37	.000*
Self-regulation	.41	1.44	.000*
Motivation	.28	1.34	.000*
Social skills	.55	3.74	.000*
Empathy	.33	3.69	.000*
R ² = 0.59			
F = 15,60			
* p < .05			

-The Differences in EI at Management Level (HA3)

The fourth objective and HA3 of the study was to determine whether the senior and the middle level of management staff had distinct levels of EI. As presented in Table 8, a significant difference in EI between the senior and the middle level of management staff was detected ($p < .05$). Data indicate that the senior level management staff scored the highest EI compared to the middle level of management staff. The results revealed that there is a significant difference in EI between the senior level and the middle level of management staff. This finding provided support for HA3 and therefore the HA3 of the study was accepted.

Table 8: T test on Mean Scores of EI by Management Level

Variables	N	Min	SD	F	Sig
Senior level management	285	14.49	3.27	7.14	.000*
Middle level management	215	12.89	2.18		
* p < .05					

This study examined the contribution of all of the EI dimensions on effective leadership and identified which of the EI dimension most influence effective leadership. In addition, the study identified the significant difference of EI between the senior and the middle-level management staff. The correlation matrix indicated that all of the EI dimensions were positively related and significantly related to effective leadership. This finding implied that all of the EI dimensions had significant relationships with effective leadership. The result was in the hypothesized direction that there was a positive and significant relationship between EI and effective leadership. The multiple regression analysis revealed that all of the EI dimensions had a positive and significant effect or influence on effective leadership. The analysis also revealed that social skills emerged as the dimension that most explained or influenced the effective leadership. The results of the study therefore supported the hypothesis

that EI would be able to influence or contribute effective leadership. Data from the analysis revealed that there was a significant difference between the senior and the middle-level management staff in EI, where the senior level management staff demonstrated the highest score in EI.

6. Can a person be highly successful without EI?

Of course, people can be highly successful without emotional intelligence. This is in context of emotional intelligence measured as ability. The idea that low EI is a mark of failure comes from the latest popularization of the concept. Emotional intelligence is a discrete and important part of personality -- but it is far from everything in a person's personality. An individual's personality is made up of many abilities and many desirable qualities. Just because a person is high on one does not say much about the likelihood of the person's being high or low on others. There are a large number of people who are highly effective, but who lack emotional intelligence. It makes sense that many people lack emotional intelligence. After all, roughly half the population has to be below average in emotional intelligence. However, no one would expect that half of the population to be equally unsuccessful -- and that half of the population certainly isn't all unsuccessful -- in fact, nowhere near it. There are several *reasons* that people lower in emotional intelligence can still be highly successful: Emotional intelligence, though a crucial ability for human beings as a whole, is just one of human ability among many. A person can employ many other abilities aside from emotional intelligence. Human beings show an amazing capacity to adapt to their own skills and preferences in the face of a complex environment. That is, a person will compensate for low emotional intelligence by building on other strengths. The nature of EI as an ability can be clarified by understanding that many kinds of effective, successful people may score low on ability scales of emotional intelligence. On opposite less effective people, may score high on the test.³⁵

Examples of Highly Effective Low Scorers on EI

It is not unusual to hear people ask -- in response to hearing about a successful person's low score -- how someone who is so very successful could have scored in such a way. To explain

³⁵ http://www.unh.edu/emotional_intelligence/ei%20Measuring%20EI/eiMeasure%20success%20without%20high%20ei.htm on 27.08.2012

such an outcome, it helps to begin with the idea that there are many important personality traits, which potentially contribute to a person's success. Table 9 shows six such personality traits, including emotional intelligence (as ability).

Hypothetical profiles provided for a series of kinds of people who were highly successful but often score low on the test.

Table 9: Hypothetical Profiles for Different Kinds of People on Six Personality Traits Including EI						
Emotional Intelligence: reasons with and understands emotion	Conscientious: Organized, On time, etc.	Technical Skills: cognitively smart, well-trained	Altruistic and Sympathetic: May not understand that much, but really cares about others' well-being	Considerate and Polite	Athletic and Attractive	Overall Perception of the Individual
Low	High	High	High	High	High	Very successful
Low	Low	Low	High	High	High	a people person
Low	High	High	Low	Medium	Medium	Effective
Low	High	High	Medium	Medium	High	the best army officer I ever worked with
Low	Medium	Medium	High	High	Medium	the best boss I've had
Low	High	High	High	High	Medium	An experienced HR professional
Low	High	High	Low	Low	High	a superb trainer
Low	High	High	Low	Low	High	a great teacher
Low	Medium	Medium	High	High	Medium	Very empathetic
Low	High	High	High	High	High	has it 'all together'

Put like this, it may seem that functioning without emotional intelligence would be highly problematic. If we step back, however, it is apparent that if you remove any positive capacity or quality from personality, something will be sacrificed. For that reason, it is probably fair to say that emotional intelligence is very important. In addition, at the same time, so are many other qualities. Since only a very small and fortunate few might have all the positive qualities desirable in personality, the rest of us must make do with what we have, and work with it as effectively as possible. Part of working effectively with what is, involves self-knowledge, and self-knowledge can be enhanced from good psychological assessment, including the use of psychological tests³⁶.

³⁶ (<http://www.unh.edu>), searched on 27.08.2012

7. Limitation related to Emotional Intelligence and Leadership

Main critique when it comes to EI is that it is difficult to define in one sentence and to present it concisely. Majority of authors also fail to define the important idea of leadership. Their concept of leadership better fits people understanding of management. The question is how many executives that have being interviewed in different studies, are real leaders in their organizations? As the common sense is telling us, the number of real business leaders is scarce. The leadership definition problem is not new, but it would be much better if authors made clear distinction between leadership and management and define it. Goleman, in particular in his study involves general groups of managers and employees as a potential leaders to be made and how can they acquire and improve EI competencies.

Several theories exist within the paradigm of EI: Theories of Bar-On, theories of Goleman, theories of Mayer & Salovey. Each theory that is presented tries to further and better understand the skills, traits and abilities within social and emotional intelligence. Some researchers claim that the goal of research should be to identify and define a singular framework that must be accepted as the correct version of EI. Another aspect or approach would be to acknowledge that more than one theory could better explain the aspects of complex psychological frameworks (Emmerling, *et al.*, 2003:11). The existence of more than one framework does not indicate a weakness regarding the principles of EI, but rather points to the robustness of the field. Having more than one theory is not unique to EI, but applies to other scientific fields as well. This in no way undermines the validity of the emerging field of EI. Researchers are not all acknowledging or accepting the fact that EI can be learned or taught. Some researchers believe that some EI traits impacted or influenced by individual's genes. Others, such as Bar-on and Goleman, believes that EI traits can be learned through experience but without sustained effort and focus the EI capabilities of an individual is unlikely to increase EI cannot be defined like IQ which has a discrete meaning and is represented by a single measure. Instead of trying to measure EI in a single way, measuring should be done in different ways. It is a fact that most effective leaders today possess reserves of empathy, self-control and other EI capabilities. The question that must be asked is how these leaders apply these capabilities and the answer is through self-regulation (Klemp, 2005:4). Leaders who possess high levels of EI can also be manipulative, selfish or dishonest.

Other qualities such as confidence, integrity, drive and wisdom has to be filtered into the effective leadership paradigm. There has to be a good mixture of the cognitive capacity, people skills, influence skills and the wisdom that comes through experience to drive effective leadership.³⁷

Furthermore, the idea that emotionally intelligent people have significant capabilities in two areas of personal competence and two areas of social competence is not that new. Gardner (1983) indentified these two competencies as intrapersonal and interpersonal intelligence respectively, so the concept is hardly new. The personal competence areas combined with social competence areas together give the list of 19 competencies that are defining emotionally intelligent leaders. If we go back in time in 1950s and 1960s, we can find the studies that focus on leadership behaviour and that have similar lengthy list of “traits”. All this looks like some old ideas wrapped in new phrases so that people can understand it them easily.

Moreover, in the Primal Leadership Model there are six leadership styles presented: visionary, coaching, affiliate, democratic, pacesetting and commanding. Author thinks that leaders are able to switch back and fort between these styles depending upon the situation. This kind of flexibility easily mastered and leaders are able to change behaviours despite their personalities and their inabilities to accurately, diagnose a variety of situations. Common sense is telling us that generally people are inflexible in their behaviours patterns and because of their personalities, which are relatively stable and resistant to change. In addition, there is scepticism that people can do a very good job diagnosing situations accurately and determining what they call for in terms of leadership styles. From the subordinate’s point of view, there is also possible problem of the leader being perceived inconsistent and unpredictable. Finally there is just suggestion what should be done to become an effective leader and little to the how to do it in literature.

8. Which is suitable place of EI in leadership?

Emotional intelligence has a situational role to play in leadership. This simply means that leaders need to be sensitive only when trying to move certain audiences. The bottom line is

³⁷ Cromhout Jaco, The Role and Impact of Emotional Intelligence (EQ) on the Leadership styles of the Systems Integration Management team within T-Systems.

that emotional intelligence is more important for management than leadership. Can a leader who lacks the innate skills and knowledge to manage his or her emotions and connect with people be effective? Yes, says this author, even if such a leader is the arrogant and at-times out-of-control opposite of the typical emotionally mature leader. In fact, such a leader or potential leader can even be found where an organization would least expect, near the bottom of the organizational chart. Thanks primarily to Goleman, it is accepted wisdom that leaders must be emotionally intelligent to be effective. However, this notion is not only wrong; it is harmful, especially if it blocks certain people from showing leadership, such as those who might otherwise be great and vitally important leaders. For example, challenging the status quo is usually a preoccupation of many leaders. We also think of leadership as a relationship between leaders and followers. Nevertheless, we overlook a more important relationship, the one between leaders and their target audiences. Thus, leadership can be defined simply as the successful promotion of new directions. Our conventional concept of leadership ignores the following inconvenient types of leadership because they fall outside the managerial framework: * Leadership shown by outsiders such as King, Mandela and Gandhi. * Leading by example, as when a new customer service employee serves customers more effectively and colleagues soon begin to follow suit, even though there is no reporting relationship between any of them, * Leadership between companies, such as Microsoft following the lead of Apple, * Inspiration from dead leaders, as when present-day activists follow the lead of Gandhi and practice non-violence, * Sports competitors following the lead of better performers, * Bottom-up leadership, where a front-line employee, champions new products. All of these leadership types amount to showing the way to others, nothing more. Second, these types of leadership have only one thing in common - they move people in a new direction and give us the means to differentiate leadership from management. This is critical to understanding that emotional intelligence is critical for management, though not so for leadership. A very different view suggests that leadership and management are totally style-neutral functions. Leadership, promotes new directions, management executes them. An inspiring leader moves us to change direction while an inspiring, transformational, people-oriented manager motivates us to work harder. Because leadership, so defined, can come from outside the organization or from the bottom up, it does not entail managing people. Executives who both lead and manage are wearing a managerial hat when they coach, empower and motivate employees to improve their performance. When Daniel Goleman and others discuss the place of emotional intelligence in leadership, they have senior executives or CEOs in mind. Occupying a role with such heavy responsibility for so many important resources, often including large

numbers of people does require integrity, emotional intelligence and other sterling character traits. "One thing is certain: emotional intelligence increases with age. The reality is that our vision of leadership confuses senior executives with management. Management has a role and all roles involve responsibilities. Unlike management, however, leadership is not a role. Initiative or action influences people to change direction. For example, while managers show leadership when they champion new directions, non-managers can show that same leadership as well. When people are appointed to management roles, it is often because they have shown some leadership. In short, emotional intelligence has a situational role to play in leadership. This simply means that leaders need to be sensitive only when trying to move certain audiences. The power to lead is increasingly knowledge based and is less about personality and character. Conversely, emotional intelligence is essential for all managerial roles.³⁸

9. Who are successful EI leaders?

Which business leaders are the ultimate examples of Emotional Intelligence? Research was made, based on Fortune 500 CEOs of American companies. Some of the popular top 10 Chief Emotions Officers in the U.S. are:

- **Jeff Bezos** (Amazon.com): With his unusual laugh and self-deprecating style, Bezos does not sound like a Fortune 500 CEO and that is probably to his benefit. His obsession with the hearts and minds of his customers and his long-term perspective on relationships (and business strategy) are legendary.
- **Ursula Burns** (Xerox): Direct, yet respectful, her assertiveness is matched by a sense of mission that inspires her employees.
- **Warren Buffett** (Berkshire Hathaway): "Success in investing doesn't correlate with IQ once you're above the level of 25. Once you have ordinary intelligence, what you need is the temperament to control the urges that get other people into trouble investing." Intensely loyal and relationship-driven, he asks his CEOs to run their companies as if they were to own them 100 years from now.
- **Indra Nooyi** (Pepsi): Nooyi is a conscious capitalist whose "performance with purpose" agenda has helped move employees from having a job to living a calling. She is acutely aware that being a woman of color means she may receive more attention and

³⁸ McCrimmon, Mitch. Ivey Business Journal Online (Jan/Feb 2009) WHY EMOTIONAL INTELLIGENCE IS NOT ESSENTIAL FOR LEADERSHIP

scrutiny, but she still projects her personality without reservation -- whether it's singing in the hallways or walking barefoot in the office.

- **John Donahoe** (eBay): Donahoe inherited a difficult situation from Meg Whitman with the need to truly, alter the company's business strategy. Donahoe's disciplined self-awareness and his listening ability have created a deeply loyal team and a healthy, evolving culture.
- **Alan Mulally** (Ford): Walk around Ford's corporate campus and you will see office cubes featuring handwritten notes that Mulally has sent to employees... praising their work. Great interpersonal skills and an ability to make you feel like you are the only one in the room when you are in a conversation with him.
- **Howard Schultz** (Starbucks): He says that the main reason he came back was "love": for the company and its people. Very dedicated to generous health care benefits -- inspired by his father losing his health insurance when Schultz was a kid.³⁹

10. Conclusion and recommendations

With this work, I hope that I succeed to present the concept of Emotional Intelligence in general, made more people aware of it, showed some relevant results and made some conclusions. Personally, I am interested in the topic of EI for many years now and indeed my diploma thesis from 2007 was about “The role of the EI in leadership”, so this was natural next step for me to continue in this direction and to look for more proofs in real world about this topic.

In order to make the use of EI concept in an organization firstly, there is a need to present it to leaders and persuade them that they should try to make the use of it. They should learn about concept, work on themselves and start to improve their relationships with their subordinates. During this learning process, they might come to some realizations about themselves and about their workers. They may think of changing their leadership style form being too bossy to being for instance more democratic. Of course, all of these processes take time and energy, and to implement this concept for entire organization includes more than personal

³⁹ http://www.huffingtonpost.com/chip-conley/the-top-10-emotionallyint_b_911576.html searched on 17.sep.2012.

commitment. Some people could resist the change and prefer status quo and then everything is destroyed.

We cannot say that EI is only important for success in business, and that technical and cognitive ability does not count. They will always remain an important and essential competency for any individual who strives to be a good leader. To be effective at work depends on a range of factors. Technical skills in combination with IQ are important, but so are personality and EI. Many people with a high IQ and strong technical skills under-perform or fail at work because of aspects of their personality or lack of EI. Recent studies, however, have found that EI is equally important, and in some cases even doubly important as the technical and cognitive competencies combined, to drive outstanding performance. They are doubly important especially on high level of management. Therefore, we can conclude that IQ and EI are more of a complements, joint forces in action, then separate mutually exclusive strengths.

EQ is not defined like IQ, which has a discrete meaning and is represented by a single measure. Instead of trying to measure EQ in a single way, measuring can be done in different ways. There has to be a good mixture of the cognitive capacity, people skills, influence skills and the wisdom that comes through experience to drive effective leadership. Therefore, the interpretation of EI test results is more complicated, cannot be compress in one number, and needs to be broadly interpreted.

There are numerous studies documenting the relationship between EI and various aspects of performance. A high correlation appeared between the EI scales and performance outcomes. This suggests strong positive relationship between EI and performance measures. The leaders with higher EI had higher performance scores. One study in Middle East showed that over 58% of the variation in performance among the leaders explained by EI. The top performers have on average 1,2x higher scores on EI. Especially large % of the variation in performance predicted by EI is for entrepreneurs. This finding suggests that the skills of EI are critical for professional success at all levels, and even more critical for those creating new enterprises.

Leaders can also be highly successful without high level of EI. EI is important part of person's personality but it is not everything.

The conclusion about EI in cross cultural context that leaders need to be familiar with a country's culture and may incorporate one or more of the components of emotional intelligence to effectively match the needs of a particular culture, thus leading the organization towards desired results. Many cross-cultural differences clearly exist between

countries. Prior research has identified many variances in attitudes across cultures, such as power-distance (Hofstede, 1997) and time focus (Trompenaars, 1993). Further, studies have shown that organizational cultures are influenced by national cultures (Hofstede, 1997; Adler, 2002), and the greater the cultural distance between the two countries, the greater the differences in organizational attributes and practices (Javidan & House, 2002). It is also useful for organizations to study similarities between cultures and one way to do it is to study cultural clusters.

People do not change so easily. Their character, habits, behaviours, routine is not possible to change over night or in short time period. I think it is not possible to adapt leadership styles to certain situations on the right time and for the right situation. It might work for certain problems and give some positive effects, but it is not possible to solve all problems with one move. Of course, everybody likes to work in better, relaxed atmosphere with no stress and with tolerant superiors, but this suitable in every situation. Changing leadership styles according to business needs, becoming emotionally intelligent leader, strengthening EI competencies and learning new one requires altogether strong implementation. I think implementation of EI model and learning of EI competencies is a weak point in general in literature. I am not convinced that there is clear path, direction or guidance that can guarantee success in implementation of EI concept on personal or organizational level. It should be more of an individual path for each individual, each situation and each organisation to implement EI with success. People with experience on job, successful in building networks and strongly motivated have good chance to succeed by using EI as a main tool in business. Most of all, I think they need the strong motivation to do it. It is long lasting process of learning and it could be exhausting for leaders to continue. Question is do they have enough time to work on improvement of their skills and is there some kind of incentive to push them toward goal. It must not be money incentive, as we it as business students assume, it could be some kind of satisfaction or imaginary reward. It depends on leader's wishes, dreams and goals. Anyway, strong personal motive should be driver toward implementation of EI. After finishing this work, and when I was once more collecting my thoughts about conclusion and my recommendation about this topic, which I at the beginning found very exiting and challenging, I found myself more at the side of critiques of EI then as a promoter of the idea of EI. The main reason could be that I could not find enough evidence in reality that support the implementation of EI and that the whole theory and studies are not enough for me to say that EI is so great idea.

Nevertheless, we need to remember that recent studies are showing, that the emotional intelligence accounts for significant difference on top level of management. Moreover, to conclude that Emotional Intelligence (EI) dimensions were able to influence effective leadership, where 59% of variance in effective leadership was explained by EI.

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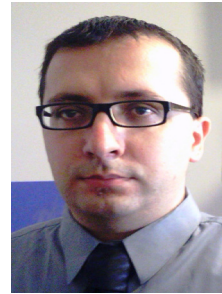
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12. Appendix 1: Abstract in Deutsch

Das Hauptziel dieser Studie ist es, die Beziehung zwischen emotionaler Intelligenz und Führung, und die Beziehung zwischen EI und organisatorische Leistung zu zeigen. Neben der Präsentation wichtigste Konzept, Messung und die Techniken der EI, ich wollte auch herausfinden, wie die Realität in diesem Zusammenhang sieht. Zwei gute Beispiele zeigen, dass es eine starke und positive Korrelation zwischen EI und Führung gibt. EI erhöht organisatorischen Leistungen wie Gewinn, Umsatz und ROI. Auf der anderen Seite gibt es keine einheitlichen Theorie, die EI und ihre Wirkungen erklärt, es gibt mehr als einen Wahrheit darüber. Wir können nicht EI in nur einer Zahl ausdrücken, als ob wir es von IQ tun können; Interpretation des Ergebnisses ist komplizierter und unübersichtlich. Dennoch kann EI positiv auf Führer, ihre Untergebenen und die gesamte Organisation zu beeinflussen. Ich denke, dass EI mehr ist dann guter Start in die Durchführung von Änderungen und motivieren von Menschen in einer Organisation, dann eher eine allgemeine Lösung für alle Probleme und Situationen, die auftreten können. Auf Gegenteil, es gibt einige Einschränkungen beim EI Konzept. Zunächst sieht es aus wie ein paar alte Ideen in neue Sätze verpackt in modernen EI Theorie verwendet werden. Zweitens, viele Autoren haben nicht die Idee von Führung richtig definiert, und wir wissen, dass die Anzahl der Marktführer knapp ist. Schließlich glauben viele Autoren, dass Führungskräfte Flexibilität haben, und verschiedene Führungsstile benutzen können, aber wir wissen, dass Menschen in ihrer Natur unflexibel und resistent gegen Veränderungen sind im Verhalten, aufgrund ihrer stabilen Persönlichkeit.

13. Appendix 2: Curriculum Vitae



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Ausbildung mit Abschluss

2008-2012 **Master of Science (MSc)**, Spezialisierung in Industrielles Management und International Marketing, an der Uni Wien, Fakultät für Wirtschaftswissenschaften, Institut für Betriebswirtschaftslehre
2003-2007 **Diplomierte Wirtschaftswissenschaftler**, Hochschulabschluss, Studiengang Betriebswirtschaftslehre, Fachrichtung Marketing, an der Wirtschaftsfakultät in Sarajevo, Uni Sarajevo, B&H.
1996-1999 **Kaufmann**; Diplom der Fachhochschule für Management, kaufmännische Fachrichtung, an der Wirtschaftsfakultät in Sarajevo, Uni Sarajevo, B&H
1990-1994 **Maschinenbautechniker**, HTL: Reifezeugnis der Berufsschule B&H.

Ausbildung ohne Abschluss

2007- Doktoratsstudium der Sozial- und Wirtschaftswissenschaften. Betriebswirtschaft

Sprachkenntnisse

Bosnisch/Serbisch/Kroatisch - Muttersprache
Englisch - fließend
Deutsch - fließend

Berufserfahrung

2002 -2003 **Referent für Datenverarbeitung**, Sekretariat der Wahlkommission B&H, Sarajevo. Arbeit in der Abteilung für Wählen per Post: EDV, Wähler- und Partei Registration. Arbeit im Hauptwahlstab der Wahlkommission an Implementierung der Wahlresultate.
2002 -2003 **Aufseher** der Druckvorbereitung und des Druckes der Wahlzettel in der Druckerei Alamy Nyomada in Ungarn, Budapest. Sekretariat der Wahlkommission.
1996-1998 **Assistent des Hauptlogistiklers / Transport Manager**, Unithed Methodist Committee on Relief (UMCOR): Programm für das ehem. Jugoslawien/UNHCR Programme

der Rückkehr und des Wiederaufbaus, Zentrales Büro Sarajevo. Koordinierung und Allokation der Fahrzeugnutzung. Aufseher der Fahrer in der Region Sarajevo, Verwaltung der Unfallberichte, wartung der Kommunikation von VH und HF Basisradiostation.

1995-1996 **Welfare Beamter**, Kanadisches 3. Batallion des Königlichen 22e Regiments Kampfeinheit, UNPROFOR / UN in Visoko B&H. Meine Aufgaben bezogen sich auf allgemeine Hilfeleistung und Unterstützung des Welfare Offiziers bei der Durchführung der Welfare Aktivitäten.

Soziale und organisatorische Fähigkeiten und Kompetenzen

Gute Teamfähigkeit und Teamleitung durch Projektarbeiten im Bereich International Marketing und Industrielles Management an der Uni Wien. Offenheit und Verständnis für fremde Kulturen und Religionen. Guter Umgang mit stressigen Situationen. Generalist mit strategischen, analytischen und selbständigen Denkweise. Meine sozialen Kompetenzen wie Empathie, Teamarbeit und Relationship-Management, zusammen mit meinen Personal-Kompetenzen wie Selbstkontrolle, Transparenz und Flexibilität zählen zu meinen grossen Stärken.

Computerkenntnisse Gute Kenntnisse in allen Office-Dokumenten und SPSS Auswertung.
Führerschein Klasse B seit 1997

Interesse Sport, Musik, Lesen, Psychologie und Gesundheit.

Als angehender Magister der Sozial- und Wirtschaftswissenschaften, mit Spezialisierungen in Internationalles Marketing und Industrielles Management sehe ich mich durchaus befähigt, für eine Position in den Bereichen Gross- und Einzelhandel, sowie auch in Produktion, Logistik, Autoindustrie und Service. Ich bin bereit, meine erworbenen teoretischen Kenntnissen sowie praktische Erfahrung einzubringen. Darüberhinaus, möchte ich meine Kenntnisse und Fähigkeiten durch Weiterbildungs- und Trainingsmassnahmen ständig erweitern.