

## **Emotional Intelligence and Demographic Variables: A Study on Banking Sector**

**Neha Choudhary<sup>1</sup>, Prof. S.P.S. Bhadu<sup>2</sup>**

*Research Scholar<sup>1</sup>, Professor<sup>2</sup>, Department of Management Studies*

*Jai Naraiyan Vyas University, Jodhpur, Rajasthan, India*

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### **ABSTRACT**

Banking sector acts as a catalytic agent in economic growth of any country. Indian banking industry has undergone major metamorphosis as a consequence of LPG (Liberalization, Privatization and Globalization) of economic policy 1991. Only banks with high level of financial performance will be able to survive in the long run. As per Heffernan et. al. (2008) higher the levels of EI a relationship manager possesses, higher the profitability of the bank will be. Literature reviewed postulates that more the number of women in company financial performance Ghaeli, R. Md. (2019). Therefore, organizations need to understand the importance of Emotional intelligence while hiring the employees at key positions. The purpose of the current study is to find out the influence of demographic variables namely, age and gender on emotional intelligence among groups of bank managers in Western Rajasthan. The study has been conducted on sample of 367 bank managers in. The sample was taken from age groups ranging from 25 to 55 years. The study confirmed to the earlier findings that EI enhances with age, whereas gender showed no influence on EI of the bank managers.

**Keywords: Emotional Intelligence, Demographic variables**

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### **INTRODUCTION**

Banking sector in India has been facing drastic changes in its working environment and culture due to entrance of many private sector banks, foreign banks, advancement of

technology, changing expectations of customers, increasing customers awareness, threshold competition etc. Organizations are becoming more customer oriented and trying to cope up with their changing needs and expectation to sustain in the market which put lots of pressure and creates stressful situations in the organization that leads to low morale, frustration, dissatisfaction, decrease motivation, commitment productivity among employees. Employees are required to possess both emotional intelligence competencies and technical knowledge to remain happy, satisfied and successful in mode work environment. Many previous studies indicated that employees having high emotional intelligence competencies are able to understand their own and other's deep emotions, manage well in the chaotic and stressful situations, use their emotional information to motivate themselves and increase performance, maintain cordial relationship with their colleagues, create positive work environment, sympathize with others their emotions.

In lay man's language Emotional intelligence is basically balancing emotions and rationality. One who does not let emotions to dictate decisions is said to be emotionally balanced. Although, Emotional intelligence has become a flourishing area of research as it has attracted attention from corporate world and researchers about two decades back worldwide but it still at nascent stage in India. An interesting theory was given by Goleman, D. (1995) who claimed that "Emotional Intelligence can matter more than IQ" asserted that IQ accounts for only 20% success whereas EQ accounts for 80% success; therefore, EQ is crucial for handling career and relationships. Traditionally it was thought that Work place success is attributed to intelligence quotient but this thought was challenged by Goleman.

Emotional intelligence in the words of David Carsuo "It is important to understand that emotional intelligence is not the opposite of intelligence, it is not the triumph of heart and head, unique intersection of both." Darwin advocated that emotional expression is crucial for existence. Thorndike (1920) first outlined social intelligence as "the ability to understand and manage men and women, boys and girls to act intelligently in human relations." Wechsler, D. (1939) developed first standardized adult intelligence test (WAIS) and argued that intelligence includes both cognitive as well as non-cognitive abilities of a person which is essential for success in life. Gardner, H. (1975) introduced multiple intelligences in his book "The Shattered Mind". Gardner, H. (1983) in his book Frames of mind: The Theory of Multiple Intelligences talked about multiple intelligences, which comprised of seven

intelligences that are inborn to human beings and that can be further developed in one's lifetime through education. The seven inborn intelligences are: logical-mathematical, linguistic, spatial, musical, bodily-kinaesthetic, and finally interpersonal and intrapersonal intelligences and said that intrapersonal and interpersonal skills are as important as the traditional concept of intelligence (IQ) which focused on the cognitive skills alone. Payne, W. (1985) described emotional awareness as a crucial factor in child development in his doctoral dissertation. Bar-On (1997) introduced the term "emotional quotient", defined emotional intelligence as trait or ability to cope up with one's immediate environmental issues to be successful in life through the intelligent display of emotions. Ryback, D. (1998) described Emotional intelligence (EI) as an ability to perceive, control, and evaluate emotions. Freedman et. al. (1998) have explained emotional intelligence in terms of ability of, being aware and choosing how one should think and respond to emotional stimulus; focusing on aspects consciously feeling and behaving in a certain way. Salovey, P. and Mayer, J. (1990) were the first to conduct research and introduced the construct of Emotional Intelligence. They illustrated emotional intelligence as a form of social intelligence which comprised of individual's ability to perceive and monitor one's own and other's emotions, ability to discriminate among these emotions, and their ability to apply this valuable information and direct one's thinking and decision making, later on in 1998 introduced Ability model. The most popular book named Emotional Intelligence: Why It Can Matter More than IQ authored by Daniel Goleman (1995) made the term EI most popularized. Salovey, P. and Mayer, J. (1990) in their influential article "Emotional Intelligence," 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. Emotional Intelligence (EI) encompasses abilities distinct from, but complementary to, the purely cognitive abilities measured by Intelligence Quotient (IQ). EI was formally defined for the first time by Salovey, P. and Mayer, J. (1990). Bar-On (1997) opined EI as "an array of non-cognitive capabilities, competencies and skills that influence one's ability to succeed in coping with environmental demands and pressures". It is emphasized that EI primarily embraces personal, emotional, and social competencies and not the cognitive dimensions of intelligence. Current scenario marks the era of competition and stress in personal as well as professional lives of people around the globe. This has made it necessary for the individuals to equip themselves with high EI so as to have better understanding of emotions of self and others and also how to manage oneself and handle relationships. Emotionally weak

employees fail to deliver the desired performances. It is imperative to study the EI levels of bankers as service industry needs more emotionally stable people as compared to manufacturing units.

## **REVIEW OF LITERATURE**

As pointed out by Mayer et. al. (1999) that the EI level of males and females are not same. Whereas, some studies have proved that females score higher than men in EI (Singh 2002). Contradicting the earlier finding Ahmad et. al. (2009) found that males are better than women in EI. Some finding revealed that gender has no role to play in EI core of individual. Mustafa et. al. (2014) revealed there were no significant differences between male and female's level of emotional intelligence.

## **OBJECTIVES OF THE STUDY**

This study aimed at investigating the impact of various demographic variables namely age and gender on the emotional intelligence of bank managers in Western Rajasthan.

## **HYPOTHESES**

The following null hypotheses were formulated and tested:

**H<sub>01</sub>:** There is no impact of Gender on EI of bankers in Western Rajasthan.

**H<sub>02</sub>:** There is no impact of Age on EI of bankers in Western Rajasthan.

## **RESEARCH METHODOLOGY**

### **Population and sample**

The population of the survey comprised of bank managers of various banks in Jodhpur division and Bikaner division. The respondents were selected from State Bank of India (SBI), Punjab National Bank (PNB), Bank of Baroda (BOB), Housing Development Finance Corporation Limited (HDFC Ltd.), AXIS Bank, ICICI Bank. The sample of 367 managers of previously mentioned banks were selected for the survey.

### **Questionnaire**

EI was measured using EI questionnaire on five point Likert scale which consisted of 40 statements. The questionnaire was based on the EI Model of Goleman 1995. Demographic

details such as age and gender were studied. Reliability of the questionnaire was found to be .826.

## Data Analysis

The data analysis was done on SPSS 21.0. T-test was applied to test relation between EI and gender and ANOVA have been used to find the relation among age and EI.

**Table 1: Demographics of respondents**

Demographic variables	Categories	Details (In Percentage)
Gender	Male	77.8
	Female	22.7
Age	25-35	38.7
	36-45	34.3
	46-55	27

**Table 2: Frequency for level of Intelligence**

Level of Emotional Intelligence	Frequency	Percentage
Low	127	16.9
Medium	185	65.6
High	59	17.5
Total	371	100

**Table 3: ANOVA results for Relationship between EI and Age of the respondents**

	Sum of Squares	Df	Mean Squares	F	Sig.
Between Groups	8743.857	3	2914.619	12.908	.001
Within Groups	35223.518	156	225.792		
Total	43967.375	159			

**Table 4: t-test results for relationship between gender and EI**

	Gender	Mean	Std. Deviation	T	Sig.
Emotional Intelligence	Male	75.44	16.90	- 1.069	.287
	Female	78.43	16.02		

## RESULTS

Results revealed that age of the respondents significantly influenced the level of their emotional intelligence whereas no significant relationship existed between gender and employee’s level of emotional intelligence. Research results suggested that age and work experience should be considered important factor that could influence the emotional intelligence. These findings are in line with the study conducted by Kumar and Muniandy (2012) they reported significant relationship between age and EI. It also supported the findings of Bar-On (2006), researcher in his study stated that older group of respondents usually scored higher than the younger group of respondents as far as their emotional intelligence is concerned. Abi and Jijo (2012) found that respondents level of emotional intelligence increases with increase in the years of experience.

## CONCLUSION

The study shows association between age and high EI scores. Whereas, no significant relation existed between EI scores and gender. High level of EI among employees helps them

in better handling of relations with customers as well as colleagues, decision making and conflict management. The banks need to consider EI scores as an important factor at the time of recruitment, promotion, training and performance appraisal of bankers and further development of emotional intelligence skills in bank employees may produce better work outcomes in terms of increased communication skills, job satisfaction, leadership skills, adaptability, interpersonal skills etc. Employees working in the banks should be provided training of EI competencies and management should make it as a part of training module.

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