„Can the Emotional Intelligence of Leaders influence the Level of Personnel Motivation and affect the Organizational Performance?“

verfasst von / submitted by

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Declaration of Authorship

Hereby I, Hinna Mohammad, confirm that I am the sole author of the work here enclosed, that it is my own work and I have documented all sources and materials used. The Thesis is not used in the same or in a similar version to achieve and academic grading or is being published elsewhere.

Place and date                     Signature
Acknowledgement

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Abstract

Emotional Intelligence has recently been arousing a fair amount of interest in the business community. This master’s thesis touches upon the key issue of whether the qualities that fall in the category of this notion are an essential part of leadership in the motivational process of the personnel and as a result, can have a germane impact on organizational results. Despite of a growing body of empirical literature, leadership efficiency, the involved factors and its measurement, are still a controversial question. In this theoretical work, it is substantiated that the Emotional Quotient, or EQ, which is a synonym for Emotional Intelligence, is a sine qua non for sustainably successful management. Furthermore, the operating climate has been declared as a main indicator of corporate performance, which is created by the senior management level. However, it takes a reasonable quantity of Emotional Intelligence skills to set the right tone in this regard. With regard to the performance of executives, it should be noted that there is no such thing as a standard approach. This makes EI all the more critical, as diverse situations, circumstances and people, ask for disparate methods. The working atmosphere is moreover of importance in the constellation of managerial leverage and the motivation of employees. As it has been determined in this work, the working attitude of an individual can only be impacted with fundamental information about that person. Even then, it has to be taken into consideration that the intrinsic motivation of someone cannot directly be influenced. In other words, if someone is not dedicated to his or her occupation and further does not want to be, a supervisor will have a hard time trying to motivate that person. It is suggested that managers engage with the limbic profiles of their mentees and, based on these data, assign appropriate tasks to every staff member.

The bottom line is that sufficient Emotional Intelligence from leaders is needed in order to strike the right chord, when it comes to the business climate and realize how to encourage subordinates, among other things. Only when the necessary conditions are met, the stage is set for efficient processes within an entity and hence, corresponding outcomes.
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<th>Full Form</th>
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<tr>
<td>CET</td>
<td>Cognitive Evaluation Theory</td>
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<td>e.g.</td>
<td>exempli gratia</td>
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<td>EI</td>
<td>Emotional Intelligence</td>
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<td>EQ</td>
<td>Emotional Quotient</td>
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<td>Et al.</td>
<td>et alia</td>
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<td>HPM</td>
<td>Human Potential Movement</td>
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<td>IQ</td>
<td>Intelligence Quotient</td>
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<td>SDT</td>
<td>Self-determination Theory</td>
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<td>TMT</td>
<td>Temporal Motivation Theory</td>
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1. Introduction

1.1. Background

“One ought to hold on to one’s heart;
for if one lets it go,
one soon loses control of the head too.”
— Friedrich Nietzsche
(The Portable Nietzsche, 1977)

More than five decades ago, on August 28, 1963, a civil right activist in Washington prepared for one of the most important moments in his life. As a leading figure in the Human Rights and Peace Movement of that time, he had come far. Still, the Baptist felt that there was a long way to go till social equality could become the norm in the United States. Little did he know that on the aforementioned date he would give his most relevant speech and one of the most outstanding speeches in the history of the US. On the stage Martin Luther King Jr. did something irrational, which made all the difference. Having nearly arrived at the end of his appeal, King put aside the memos, he carefully prepared the night before, and proceeded with the words, “I have a dream.” (The Guardian, 2013). What followed is written in history books and very well-known, not only by United States citizen. Call it gut instinct, a hasty decision, or call it as you like. It is clear that this decision was not based on a logical basis and had to be done within a couple of moments. The true extent of his move revealed the following years, as he received the Nobel Prize for his untiring efforts for peace and equality (The Nobel Peace Prize, 1964).

There is a significant number of historical events that illustrates similar tipping points. Some led to admiration, progress and positive change, like in the example above. Other decisions however, to the exact opposite. “Human behaviour flows from three main sources: desire, emotion, and knowledge.” already stated the Greek philosopher Plato (The Story of Philosophy, 1961, p.20). The question whether to follow one’s head or heart while deciding upon critical issues is not only a sticking point in economics and politics. There is no universal rule or right or wrong regarding this issue. However, the magnitude of influence this can have on our and other people’s lives, is in some situations tremendous. Reason enough to examine the topic of emotions in the context of economic decisions more carefully.
Ever since the beginning of my studies, I was curious about the interdisciplinary interface between economics and other fields. An area, which is principally based on cognitive research findings and its connections to the field of psychology for instance, which has a quite distinct reputation, especially captivated me. This fascination accounted for one part of the story about how the topic of this Master’s Thesis was finalized. The other, was taking a vivid interest in the field of leadership. I have always genuinely believed that the role of a leader has been underrated in the literature for a very long time and wondered about its true scale. Even though, the significant amount of responsibility of the person(s) in charge has always been a commonly known fact, there are other facets of leadership, which have been overlooked for a considerably long period. There are several cases in the history, that visualize the immense impact of the head, whether we look at business entities, or the world of politics. From CEO’s who enjoy the reputation of being a saviour of their venture, to head of states who were allegedly considered as being a danger to society, there are various examples. It might be stretching a point to claim that one person can turn an entire company or country around, but wrecking it may be a totally different matter. It is also exaggerated to hold one single person accountable for the failure of something, which is impacted by a group of persons and factors. However, there are certain duties of the leader which only he or she can and has to perform, that have an enormous effect on the resulting situation.

With these reflections, it did not take long until I stumbled upon the topic of Emotional Intelligence and its claimed influence on our everyday and professional lives. With a growing literature, its connections to the economic field and organizational performance, the initial thought of focusing on the leadership’s Emotional Intelligence and a corporation’s, originated. With the help of my thesis supervisor, Univ.-Prof. Dr. Rudolf Vetschera, the final decision of further taking the motivation of staff members into consideration, was made.

1.2. Overview

In the following, an initial problem statement and then the research questions will be provided. In the section “Research Methodology”, a brief description of the used problem-solving approach along with a rationale, will be given. The following chapter will address the broad subject of Emotional Intelligence. After introductory words and a short historical review, the different approaches towards the concept will be discussed. Apart from the existent models, of which one method will be applied as the fundamental premise in this
thesis, also the diverse measurement tools will be explained here. To conclude this part of my work, the chapter “Importance of Emotional Intelligence” will cover its potential connections to gender, age and workplace contentment.

Having outlined the basics of Emotional Intelligence, the next part will deal with its linkage to leadership. This requires a very brief introduction to leadership, as the notion cannot be fully covered in here, due to its scope. For a better understanding of the interface between the two concepts, a basic understanding of neuroanatomy in conjunction with leadership needs to be provided. On the issue of leadership, it further needs to be declared, whether only the main leader on the top, or rather the upper management level is meant in this context. Additionally, the specification of “successful” leaders or companies has to be presented. As a last point in this section, an insight into the development and improvement of the Emotional Quotient will be given.

This takes us to the final subchapter in which eventually the previous findings will be summarized and the connection between an executive’s Emotional Intelligence, the motivational level of her or his subordinates and the overall corporate success will be scrutinized. First of all, motivation in general and some relevant approaches in this context will be addressed in this section. Then incentives in the workplace and commonly made misinterpretations, along with suggested solutions will be presented. Finally, everything will be wrapped up in the final subsection of this chapter.

In the conclusion, I will once again stress on the most remarkable aspects and findings of the thesis.

1.3. Research Questions

There are certainly a couple of questions that might cross one’s mind, while reflecting upon the constellation of Emotional Intelligence, employee motivation and organizational success. Many of them have not fully been addressed or answered in the existing body of literature yet. The following mentioned issues will be dealt with in particular, as they are of particular essence here.

First of all, it has to be specified, whether Emotional Intelligence has such a vast impact on a person’s professional and personal life. There have been several researchers, who tried to demonstrate that more effective executives exhibit higher levels of non-cognitive skills (e.g.
Goleman, 2000). They even go so far as to claim that, the Intelligence Quotient, which has been touted for a long spell, does not account for much when it comes to leading a successful and satisfying life (Cooper, Sawaf, 1998). Moreover, the Emotional Quotient is, in their opinion, the answer to the solution being sought. In this context, it is further of relevance to quantify the subject-matter.

Subsequently, the influence of the leaders’ emotional abilities on their workers needs to be questioned. If there is a correlation here, to what extent does it have an effect on them? Furthermore, does it change their level of motivation and thus also their working behaviour? With respect to the notion of motivation, it should also be mentioned whether the intrinsic motivation of an individual can, in the first place, be altered.

After summing the previous questions and their potential answers up, this gives rise to the assumption whether all of these factors together could possibly change organizations on various levels. It may be a little exaggerated to say that business results may be enhanced and other changes might be triggered through the presented maxim. However, even one little step in the right direction can herald the start of a chain of events and changes. Furthermore, the key problem of inventive issues can be addressed in this process, which has for a long time been much debated. The main figure in this constellation is the organizational climate, which needs to be scrutinized in this context.

1.4. Purpose

With this Master’s Thesis, I hope to put the spotlight on some interrelations, which have not yet gotten a great deal of attention from scholars, studying this field. Emotional Intelligence might have been one of the hottest debated subjects in the business literature in the previous decades, but there are still gaps in the available body of literature, which need to be filled. Especially, more empirical studies are essential, in order to obtain a better picture of the notion. I furthermore want to put emphasis on the importance of soft skills and other non-cognitive abilities in a rationalized world, which is more and more moving away from sentiments. Believing that something seemingly vague, such as sentiments, does not have a place in a world dominated by technology, is in a variety of ways misleading. One possible rationale for their significance, is that the connections in our brains are strongly interconnected, which make a switching off of emotions a physical impossibility. Hence, the best way to deal with feelings is to train ourselves to employ them to our advantage. Only
then an optimal exploitation of our skills can be ensured. In my opinion, every individual who has to deal with subordinates needs to possess a certain level of social skills, among other things.

The today’s fast evolving economic entities should not leave space for miscommunication or misunderstandings. One effective way of bypassing such mistakes, which can turn out as severe, is working on more Emotional Intelligence at every hierarchical level of a company. This may not be an all-purpose answer to every single problem of struggling organizations, but can definitely make the difference between a mediocre result and a top performing venture.

Which is further essential to keep in mind is the significance of employee motivation in terms of overall success. Incentives at the workplace have also gained a reputation as a controversial subject, among experts.

1.5. Research Methodology

The chosen method, of the presented work, is a literary approach. Various writings and studies on Emotional Intelligence, leadership and personnel motivation, have been compared, analysed and eventually evaluated in the context of the thesis.

As the body of literature on the constellation here is sparse, an empirical study seemed rather difficult. Furthermore, a not specified way of measuring the Emotional Quotient and diverse models impede a comparability of the existent writings. Hence, conducting a study or meta-analysis did not come into question here.
2. Emotional Intelligence

2.1. Introduction

Before addressing terms such as the Emotional Intelligence or Emotional Quotient, it is of primary importance to take one step back and discuss the concept of emotions. This is especially relevant with regard to the significance of Emotional Intelligence in organizations. Hence, in order to get a better understanding of the model, let us first take a look at the underlying idea.

Whereas the cognitive intelligence has always been perceived as the Alpha and Omega, not merely in business terms, but also regarding other aspects of life, emotions have rather been neglected. Moreover, they have been considered as something troubling, which had no place in a rational and organized world. The fundamental idea behind this sociological aspect, which is still being considered as fair, is that emotions can’t be foreseen or controlled, among other things. They don’t occur according to a specific or uniform pattern, and are therefore seen as something disruptive. They have furthermore no measurable shape, which could fit into a world that is ruled by numbers. Consequently, it is widely believed that they have to be suppressed in order to maintain control (Salovey, Mayer, 1990). Even today in the twenty-first century, it is generally believed that feelings are inappropriate in the workplace. However, there are also contrary views on this issue, which some researchers hold. Since emotions are triggered through certain stimuli, it is proposed that they serve as a form of reply to external or internal occurrences (Cooper, Sawaf, 1997). From this perspective, they are seen as something organizing, as they might hold potentially important information. Labelling them as misplaced is hence an improper approach, as the situation is decisive in this connection. As Robert Cooper and Ayman Sawaf mentioned in their work “Executive EQ. Emotional Intelligence in Leadership and Organizations”, the response is rather a form of wake-up call, which signals that we are in need of something (Cooper, Sawaf, 1997, p. 13). Hence, occurring emotions align our focus on something, which might be of utmost priority, but is not being addressed by us. According to this approach, ignoring feelings with relevant information could lead to unhappiness or even worse, serious health issues.

The name Daniel Goleman is not an unfamiliar one in the field of emotions and feelings. As a psychologist, he has published remarkable works in the field of behavioural research (Goleman, 2016). His status as a well-known author and one of “the most influential business
thinkers”, according to The Financial Times, among others, was however attained with his writings in the field of Emotional Intelligence (Goleman, 2016). In his bestselling book he tried to underline the connection of the brain and feelings with neurological proof and emphasized on the importance of the limbic system, also called the “emotional core” of the brain. As such, it is not solely responsible for regulating feelings, but is also a key player involving other processes including the motivation, certain behavioural aspects, the memory and even certain facets of rationality (Swenson, 2006). Furthermore, Goleman argued that the open–loop character of the limbic system is of specific importance, which needs to be factored in when managing and leading corporations (Goleman et al., 2002). The openness indicates that, in contrast to a closed–loop system, it can be influenced by external factors. In case of the limbic system, this means in concrete terms that our feelings are impacted by external signals from other people, the direct surroundings or influencing occurrences. However, not merely our feelings, but moreover our general well – being is affected, a phenomenon which is also called “interpersonal limbic regulation” by experts (Goleman et al., 2002, p.7). Among other things, this includes psychosomatic processes, and thus not only the mind, but also the body and the overall health. Some researchers have been examining the phenomenon of emotional assimilation during conversations between individuals. In experiments it has been determined that mirroring is not merely a delusion, but an actually measurable occurrence (Goleman et al., 2002, p.7). For this purpose, test persons were monitored while being in the same room and either communicating verbally or non – verbally. The results were especially remarkable when emotions were involved. As we are constantly confronted with human interaction in our daily life situations, especially in get-togethers such as in our working lives, we are steadily impacted by other individuals and their feelings. Most of the processes in this context happen on an unconscious level, which might explain some sudden mood swings.

Once we get a better insight into how signals are processed in the brain, it will become clearer how the cognitive and emotional intelligence are intertwined. In most of the cases an external input, which we either see, taste, smell, hear, or touch, is forwarded to the thalamus and then the neocortex, which takes care of the appropriate reaction (Culver, 1998, p. 886). When stimuli, which could lead to emotions, are being absorbed, a part of them is directly forwarded to the limbic system. In cases in which the stimulus is too intense, an emotional processing may be quicker than a rational one. In other words, an emotional response would be faster than a response from the cerebrum, the rational centre of our brain (Krumbach- Mollenhauer, Lehment, 2007, p. 188). As such situations, in which the heart gains the upper hand, are not
rare, they are a crucial factor when it comes to understanding the human nature.

**Basic Emotions**

However, each emotion causes a different operation in the mind and body, in order to yield the most appropriate response for a certain situations. The previously mentioned experiment on contagious feelings leads to the question, how emotions can be absorbed by others and whether there are certain visual clues as to define them. The American psychologist Paul Ekman, who is well known for his work on emotions and the associated facial expressions, distinguished between a specific set of six measurable basic emotions (Ekman, 1999):

- a) Anger
- b) Disgust
- c) Fear
- d) Happiness
- e) Sadness
- f) Surprise

Whereas some researchers in this field argue that there are more than six basic feelings, such as Daniel Goleman, who added love and shame to the list, more recent studies claim that there are only four, putting fear and surprise, and anger and disgust in one category, respectively (University of Glasgow, 2014). In order to determine the number of fundamental emotions and differentiate between them, anthropologists started with a certain starting point. The essential question which was raised here was how many general accepted and identifiable countenances there are worldwide, which can be assigned to specific emotions. The fact that this includes all kinds of different cultures, also less developed ones, is an indication that facial expressions are universal.

On a more general note and to conclude this short excursion concerning basic emotions, the authors Cooper and Sawaf also referred to recent studies, which indicate that emotions may be relevant in more various ways, than we have previously assumed. Findings imply that our brains might be wired to that extent, that feelings may be essential for different kind of thinking processes (Cooper, Sawaf, 1997, p.30). Other brain researchers, on the other side, emphasize on the vast influence of the limbic system on our lives. According to them, people may not be aware of how impacted there are by their emotional centres, due to its unconscious attribute (Cooper, Sawaf, 1997, p.34).
2.2. History and Theoretical Base of Emotional Intelligence

When we take a close look at the previous decades and the economic and social values prevailing at that time, we can observe a general tendency towards favouring rationality and cognitive abilities. As already implied, these factors have for a long spell, been perceived as the keys to success, both in the workplace and in society and private life. However, just as long as these assumptions have existed, there have been contradicting theories.

One of the earliest records, approaching a different ideology than mentioned above, dates back to approximately 400 years before Christ and was written by none other than the well-known Greek philosopher Plato. With his, for that time very bold statement, “All learning has an emotional base.” he was already several years ahead of some current ideologies (Freedman, 2010). Still, it was until the previous century that the majority held on to the traditional approach and neglected the influence of emotions.

Addressing historic statements, as mentioned above, leads us to the question of the domain’s commencements. There is no consensus among scholars about the first reference of Emotional Intelligence in the scientific literature. However, the idea goes back to the Human Potential Movement (HPM) in the 1960s, which was to a large extent impacted by the work of the psychologist Abraham Harald Maslow (Lewis-Barr, 2009). With his classification of human needs in the 1950ies, Maslow argued about the importance of self – actualization in order for individuals to enhance their sense of fulfilment. Among other factors, this included the development of one’s own emotional strength. This was the main trigger for the Human Potential Movement, which shifted the focus to various perspectives that had been neglected until then. Basically, the main idea behind the era was for individuals to get more satisfaction out of their lives through their very own potential.

2.2.1. Multiple Intelligences

The concept of Emotional Intelligence (EI), as it is widely known today, has its roots in several underlying theories and approaches. A generally accepted definition has proved somewhat tricky, as opinions here are rather divergent. They range between formulated very general, like Descarte’s statement that it comprehends assessing skills, with which can differentiate between right and wrong, and very narrow definitions (Mayer, Salovey, 1990). However, the basis behind each model is the idea of different existing intelligences, which is
almost as old as the notion of intelligence itself. The fact that intelligence is, in some
countries with entirely diverging norms and values, perceived somewhat different, is no
surprise. Scientists have in the previous years aimed at finding solid evidence for this
phenomenon. Being able to establish a decent social network and generally being adept in
terms of interpersonal relationships is especially in some eastern cultures deemed as
intelligent (Benson, 2003). Having Pakistani roots and visiting the country almost every other
year, I cannot fail to agree that there are in fact some major discrepancies in the definition of
intelligence. Cultures and subcultures are things that are quite elusive, thus my observations
may not be representative. Still, I have always felt that the majority of people in Lahore,
Pakistan I interacted with, considered certain interpersonal skills as more, or at least as
relevant as cognitive capabilities, regarding the term intelligence. As some recent studies have
been able to show, the idea of an intelligent human being is sometimes a mixture of cognitive
and social properties, such as being able to show empathy or to react adequately in certain
situations (Benson, 2003).

The concept of a social intelligence is of particular relevance here, since it most closely
approximates to the model of emotional intelligence. It was the American psychologist
Edward Lee Thorndike who did pioneering work in this field, at the beginning of the 20th
century. Thorndike differentiated between three distinct intelligences, which were the
following (Thorndike E.L., 1920, p.228):

a) Abstract/ scholastic intelligence:
   The ability to use and understand abstract ideas, such as words or rules, belongs to this
category.

b) Mechanical/ visual spatial intelligence:
   Being able to properly use and manage things, such as cars.

c) Social /practical intelligence:
   “the ability to understand and manage men and women, boys and girls – to act
   wisely in human relations.” (Thorndike E.L., 1920, p.228)

Another major milestone regarding the concept of intelligence was set in 1983 by the
American psychologist Howard Gardner. In his work “Frames of Mind: The Theory of
Multiple Intelligences” he claimed that there are several intelligences and especially lay focus
on intrapersonal and interpersonal intelligence (Gardner, 2011). Both intelligences are closely
linked to the social and therefore also to the Emotional Intelligence. Whereas the first one is
the competency to understand the very own emotions, the other one is the quite opposite and deals with understanding other individual’s emotions. However, it should be noted that social intelligence is a relatively wide concept that includes factors which go beyond the realm of Emotional Intelligence. The authors Salovey and Mayer claimed that the latter was a fraction of the term Social Intelligence (Mayer, Salovey, 1990).

2.2.2. Emotional Intelligence

Later in the 20th century, the focus of several researchers started to shift more and more to the emotional and social aspect of intelligence. As a consequence, a more narrow definition of EI started to assume shape, even though the designation followed at a later stage. One of the first scientists, whose research was an important landmark, was Reuven Bar-On and his work on emotional–social intelligence (ESI). Ever since the year 1980, the psychologist is widely recognized as a main contributor to the inception of the concept of Emotional Intelligence and its measurement. It is also believed that Bar-On created the first scientific tool to gauge Emotional Intelligence in 1996, which he termed as the Bar-On Emotional Quotient Inventory, EQ-i™ (Reuven Bar-On, 2013). Whereas Bar-On’s approach is believed to be one main contribution to the origins of EI, it still heavily relies on the social aspect, rather than laying emphasis on emotions in the first place.

However, the breakthrough in this field was more due to two psychology professors, who were jointly working on their paper “Emotional Intelligence” at around the same time (Salovey, Mayer, 1990). John D. Mayer and Peter Salovey, both professors at the New Hampshire University and Yale University respectively, were doing research on emotions and related topics, and in a simple everyday conversation coincidentally came to the same conclusion about decision-making and intellect. Their random discussion evolved about a politician, who made rationally unexplainable decisions, despite of his assumable high intellect (Freedman, 2005). Or, how Peter Salovey put it at the American Psychological Association's 111th Annual Convention, “Why do smart people do dumb things?” (Dittmann, 2003). As a conclusion, the professors claimed that decision-making is much more complex than generally assumed and requires more than just a high intelligence quotient. That resulted in their publication “Emotional Intelligence” in 1990, which became one of the most cited and accepted approaches in this field.
However, the field didn’t gain fame until Daniel Goleman, who was inspired by the professors’ work, issued his bestselling book “Emotional Intelligence: Why it can matter more than IQ”, five years later. With his work Goleman triggered off a real hype and people in several fields started to rethink their approaches towards the link between the Intelligence Quotient of individuals and their general level of success in life. As a ground-breaking approach, the topic unsurprisingly had to face initial scepticism. Even after the first couple of years and a considerable number of scientific works, some critics are still not convinced. One of their main points is that EI is merely an old concept, wrapped up in a new designation, in order for it to be more appealing to people (Matthews et al., 2004). Furthermore, they argue that it has been presented as a somewhat exaggerated all-round application, especially by Daniel Goleman. According to Gerald Matthews and his colleagues, Goleman’s arguments are rather bold, while providing little empirical support at the same time (Matthews et al., 2004).

Another way to look at the concept’s popularity is that people in the previous century, and even today, are looking for means to improve their lives. The phenomenon of a happy and fulfilled life is still being chased by individuals, who are endlessly and fruitlessly looking for it in their professional or private lives. Goleman made the claim, that understanding the own feelings and being able to deal with them in a proper manner will eventually lead to a more satisfied self. Additionally, applying these skills in your day-to-day-life also impacts the social abilities and can hence enhance interpersonal relationships, which are another argument that speaks for more quality of life. One distinct feature, according to proponents of this thesis, is that Emotional Intelligence and the implied competences can be improved at all ages, with no actual upper bound. This characteristic has played a major role in the popularity of the approach and also represents a big disparity between the Intelligence Quotient and the Emotional Quotient (EQ). Nevertheless, scholars such as David Caruso emphasized on the importance, that both previously mentioned concepts should not be viewed as counterparts and therefore not become subject of comparison, but are rather complements and coexist side by side (Freedman, 2010).

### 2.3. Models of Emotional Intelligence

It is not very surprising, that ever since its genesis Emotional Intelligence has been subject to controversies. Objects of dispute did not only include the relevance and novelty of the subject,
but moreover the conceptuality and measurability of the newly emerged domain. Since Emotional Intelligence has its roots in the psychological and management literature, diverse approaches towards the notion have been suggested, in the attempt to receive universal scientific recognition. Generally speaking, we can distinguish between three main models of EI that have been established in the previous decades and which will be addressed more precisely in the following:

- The Ability Model
- The Trait Model
- The Mixed Model

2.3.1. The Ability Model

One of the earliest and most covered approaches in the literature was created by Peter Salovey and John D. Mayer in the late 1990’ies (Mayer, Salovey, 1997). The model of the two psychologists has been gaining credence by being viewed as a reasonable concept, even by some convinced pessimist, who did not attach great importance to other approaches towards Emotional Intelligence. One of the main contributing factors to this was the theoretical foundation by which the authors wanted to prove its classification as an intelligence, in their work (Fernández-Berrocal, Extremera, 2006).

As the denomination already implies, Salovey and Mayer’s model illustrates Emotional Intelligence as a set of certain mental abilities. In their well-recognised work “What is emotional intelligence?” the two professors reviewed and slightly altered their initial definition of EI to:

“Emotional intelligence involves the ability to perceive accurately, appraise, and express emotion; the ability to access and/or generate feelings when they facilitate thought; the ability to understand emotion and emotional knowledge and the ability to regulate emotions to promote emotional and intellectual growth.” (Mayer, Salovey, 1997, p. 10).

According to them, four categories of abilities can be identified:

i. Perceiving emotions

The first of the four clusters involves sensing not only the own feelings, but also those of other individuals and even of artefacts, such as designs, pictures and sounds.
ii. Using emotions

The second group of abilities deals with utilizing emotions and making the most of the information that they bear. This includes, among other things, using them in social interactions and tasks.

iii. Understanding emotions

The comprehension of emotions happens on a more complex level, than the two previous sets of abilities. Observing the diverse and elaborate variances of feelings, understanding their meaning and the realization that they collaborate and may change over time, fall under this category.

iv. Managing emotions

The fourth and last clustering of mental competences that account for Emotional Intelligence, combines the abilities of the previous three categories and their further application. On the one hand, this implies controlling and managing feelings and using them to one’s own benefits, whereas on the other it also entails influencing emotions in other individuals.

Peter Salovey and John D. Mayer claimed that these four skills – perceiving, using, understanding and managing feelings – alter from person to person. Furthermore, they build on each other, with the last competence being the most comprehensive and complex one (Mayer, Salovey, 1997). Thus, it can be deduced, that sensing emotions is the foundation and requirement of the following three groupings.

2.3.2. The Trait Model

Contrary to Salovey and Mayer’s approach, the so-called trait model assumes Emotional Intelligence as a bundle of emotional perceptions of oneself, which are part of an individual’s enrooted personality. With this assumption, the trait model of EI clearly distinguishes itself from other suggested approaches in this field, which will be clarified in the following by a short introduction to the fifteen decisive perceptions (Petrides, Pita, Kokkinaki, 2007):

a) Assertiveness

b) Adaptability

c) Perception of emotion
d) Expression of emotion  

e) Management of emotion  

f) Regulation of emotions  

g) Impulsiveness  

h) Self-esteem  

i) Relationships  

j) Self-motivation  

k) Social awareness  

l) Stress management  

m) Trait happiness  

n) Trait optimism  

o) Trait empathy  

It was proposed by the psychologist Konstantinos Vasilis Petrides and his colleagues in the early 2000ies and is consequently one of the latest additions to the attempts of defining EI (Petrides, Pita, Kokkinaki, 2007). Consequently, the literature addressing Petrides’ and his colleague’s suggestion, is somewhat scanty. Due to this fact, a further reflection here is not reasonable; but for the sake of completeness the model has been presented at this point.

2.3.3. The Mixed Model

Even though it was Daniel Goleman, with his ground-breaking work in 1995, who helped the newly emerging topic to achieve fame, the true cornerstone of the domain was laid by John D. Mayer and Peter Salovey. Goleman, who was inspired by their work, used it to create his own notion of Emotional Intelligence, which is today the most recognized and covered approach in this field. Many times, when we hear or read something related to the EI or Emotional Quotient (EQ), it is most likely originated from the work of the famous author and psychologist (Emotional Intelligence, 2010).

The considerable difference which makes this model stand out from the rest, is that it comprises competencies of Emotional Intelligence and factors of one’s personality, or in other words, things that can be learned and improved and congenital traits. Due to its constellation, the denomination of the approach was termed the mixed model.

In his attention-getting initial work “Emotional intelligence: Why it can matter more than IQ” in 1995, Dr. Goleman listed a wide range of competencies, which were the primary focus of
severe criticism. According to the author, EI comprised the following five components: Knowing the own feelings, managing them, motivating oneself, recognizing emotions and handling relationships (Goleman, 1995). The third mentioned subdivision “motivating oneself” was in the following removed, as the author primarily focused on the other four constituents. As if these points were not comprehensive enough, he even took things to the next level and claimed that “there is an old-fashioned word for the body of skill that EI represents: character” (Goleman, 1995, p.34).

While on one side his writing became an international bestseller, it was subject of harsh criticism, mainly because of its broad spectrum and the allegation of not being a scientific work, on the other. However, it was not long before Goleman published his following book, with a slightly altered definition of Emotional Intelligence. This time he claimed that the four components self-awareness, self-management, social awareness and social skills and their twenty sub-dimensions represented the construct, which are illustrated in table one. Whereas the first two competencies are self-referential, the remaining two are the opposite and thus address our social surroundings. The categories can also be divided into recognizing divisions, which are self- and social awareness and regulating ones, which are self-management and relationship management.

These four dimensions are highly interdependent and each one forms the basic framework for the following group of competences, which, similar to the ability model of Salovey and Mayer, results in a hierarchical structure. The slightly altered concept by Goleman himself and its integral parts will be illustrated in the following (Goleman et al., 2002).

**Self-awareness**

Since the other three domains build upon self-awareness, it therefore represents the requirement and basis of the remaining competences. Considering the fact, that one cannot manage the own feelings or relationships with other human beings, unless one does not properly identify the own emotions, illustrates clearly why the first competence is of such importance. Acknowledging, that we are capable of sensing a broad range of various sentiments, grasping that each of them comes with certain consequences for the self and for the immediate surroundings and knowing that we can use and alter them in order to get particular outcomes; is only one part of what this ability is comprised of.
In Daniel Goleman’s words, the three inherent sub-abilities are emotional self-awareness, accurate self-assessment and self-confidence. More precisely, this includes the knowledge of the own senses and their influence on the environment, as stated above and the knowledge of the own strong and weak points in this regard. These aspects are closely linked to a healthy self-awareness, which can also be defined as the cognition of the own worth.

**Self-management**

Whereas the previously discussed category is a perceiving capability, the second personal competence is about handling the own emotions. Goleman listed six competencies, which are substantial in order to master the challenges of self-management and those of the remaining social skills. Thus, it is not surprising that the author listed emotional self-control as the first capability in here. As the titling may already indicate, thinking before reacting to feelings, especially strong ones that, many times induce us to act without due consideration, is of particular relevance here. Once again the close conjunction to cognitive intelligence becomes apparent at this point, as contemplating different options before responding to an emotional stimulus, requires both, emotional and cognitive skills. With the term transparency, the author means integrity, remaining true to oneself and one’s beliefs, and furthermore displaying these convictions with actions and words. Another used description of transparency in the literature is also trustworthiness. Under the designation adaptability, Daniel Goleman refers to handling an altering environment with ease and without letting the own feelings become a blockade in the process. Successfully managing yourself further has also to do with achievement orientation, the fourth item in this listing. Setting high standards, trying to push the own limits and the aim to define higher goals, once the initial ones are reached, is meant when speaking of achievement orientation in this regard. The next step after setting goals would be to go after them, and take the initiatives, which is also the denomination for the fifth skill in this construct. Not merely the own objectives are meant, but moreover recognizing and embracing potentially profitable situations, are included here. As the sixth and last ability in this category, optimism is mentioned by the author. In this context, optimism is to be understood as not letting defeats or barriers get in your way, while striving after his or her defined targets.
Social awareness

Before trying to master interpersonal skills, one first needs to work on her or his personal abilities and on being able to understand and manage the very own feelings. Only then it is possible to move on to social awareness and relationship management, the two social components of the mixed model.

Awareness of social matters is composed of three subgroups in Goleman’s approach, which are empathy, service orientation and organizational awareness. That fact that every other point in the two social competences builds upon empathy, does not come as a surprise. Logically, the most underlying factor in this constellation is empathy, as it comprises being able to put oneself in somebody else’s position in terms of his or her emotional state and thoughts. This enables and facilitates the process of understanding other individuals and their point of view, which in turn allows for managing relationships. Organizational awareness and service orientation, which are the remaining two competencies, require empathy and the previously mentioned self-management cluster. Organizational awareness can also be described as applying one’s empathy skills in groups, such as organizations, and being able to use the yielded insights in order to operate effectively within that setting. This also involves the comprehension of an entity’s culture and is especially relevant for individuals located in higher levels of a corporation’s hierarchy, such as managers. The same that applies to within a business entity, is also valid when it comes to interactions outside of an organization. With the term service orientation the last skill of the social competence cluster is described, which encompasses the capacity to foresee and identify needs of customers and meet them.

Relationship management

The fourth and last dimension of Dr. Goleman’s mixed model builds upon every previous competence and is hence the most sophisticated one. In order to be intelligent in terms of emotions, it is of decisive relevance for one to hold certain social skills. Once someone understands the importance of emotions and their vast effect on our daily lives, it will become clear how essential this dimension is to round off the picture of Emotional Intelligence. This is not merely crucial in the business world, where communicating and being able to work with other people is essential for success, but also when it comes to the quality of our everyday lives, according to the creator of the model. The management of relationships is divided into
six abilities here, which are: developing others, inspirational leadership, change catalyst, influence and conflict management and teamwork and collaboration.

The first point listed in this section, developing others, is in the first place crucial for leaders. When executives have the capability and willingness to discover others’ needs in order to grow in terms of personal and professional success, they are said to be in possess of this feature. This can especially be observed in the business world and the success of a leader’s subordinates. The more a CEO encourages and supports them, the more likely they will be able to move up the career ladder. At this stage it becomes clear why the previous abilities are indispensable for relationship management, as one needs to hold a certain amount of self-confidence and empathy, among other things, to develop others. Even though mastering this aptitude is of particular importance in the upper management level, being proficient within the scope of developing others can prove to be a useful tool for everyone in an organization.

Whereas the previously mentioned skill evolves around recognizing individual needs, inspirational leadership is furthermore about large groups. Also referred to as visionary leadership, the designation already suggests that it is all about leaders and their ability to communicate a vision and align people with it. This is not only true for CEO’s and top executives, but moreover everyone in an entity with the possession of EI skills. Aspiring executives in today’s economy realize that one cannot force people to do something for them, but it is rather of increasing importance to convince and motivate them to work towards a joint mission and convey the feeling that their work is crucial for the organization. This involves illustrating an exemplary presentation for senior managers and believing in and being enthusiastic about the vision themselves.

However, the mere fact of having a vision is only the beginning. In order to really get things going towards a goal, it furthermore requires people who question the status quo from time to time. Individuals who are not afraid to stir up and change things, where change is needed, are perceived as mastering the ability change catalyst in this model.

The three abilities mentioned above are closely related with the fourth, which is Influence. Whereas influence is generally associated with negative connotations, it is considered as a decisive character in the mixed model approach of emotional intelligence. The key point, on which the author stresses is, that the competence is used in order to help people instead of having egoistic motives. Nevertheless, someone with this skill is said to own elaborate skills
when it comes to winning people over. This comes along with the power of influencing others and their decisions, also in indirect ways.

The second last competence in this composition can also be a significant determinant in companies, but already requires sophisticated Emotional Intelligence–capabilities. Every accumulation of individuals is bound to experience difficulties and controversies from time to time. This is where conflict management and people who dispose over this proficiency, come into play. It takes someone to see the good parts and opportunities in such situations, to solve these conflicts. Moreover, those affected need to be able to turn disputes into solutions, in which not only one party is better off, but everyone involved gets something out of it. Being proficient in managing conflicts sometimes also requires detecting potential controversies, before they even come to light, identifying the root cause of them and solving them before they even escalate.

The last ability in the dimension relationship management is also the last one in the whole constellation and is hence the most sophisticated competence. Teamwork and collaboration are indispensable aspects, not only in the business world, but further in our day-to-day lives, which can play a considerable part to the success of an organization. The fact that it takes more than just a bunch of people working towards a goal in order to be effective, might not come as a surprise. However, trying to successfully manage a group and pushing them in the same direction, is a completely different story. Everyone in a team should have equal participation rights and should be dedicated to achieve the group’s objectives, among other factors.

As a concluding remark, it should be said that these competences and its sub–abilities are not something immutable or that cannot be altered any more above a certain age. Quite the opposite is the case, as the own Emotional Quotient can be improved throughout life, with the adequate development technique. The question, why there are such wide divergences among people in terms of their EI capabilities, can on the one hand be explained by taking a look at people’s personal development, according to researchers in this field. They also stress on the fact that a background with numerous opportunities to build up a solid EQ base, might be more favourable in this regard, than in the opposite situation.
### Table 1. Goleman’s Mixed Model of Emotional Intelligence.

<table>
<thead>
<tr>
<th>Personal competence</th>
<th>Social competence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recognition</strong></td>
<td><strong>Social awareness</strong></td>
</tr>
<tr>
<td>Self-awareness</td>
<td>Empathy</td>
</tr>
<tr>
<td>Emotional self-awareness</td>
<td>Organizational awareness</td>
</tr>
<tr>
<td>Accurate self-assessment</td>
<td>Service orientation</td>
</tr>
<tr>
<td>Self-confidence</td>
<td></td>
</tr>
<tr>
<td><strong>Regulation</strong></td>
<td><strong>Relationship management</strong></td>
</tr>
<tr>
<td>Self-management</td>
<td></td>
</tr>
<tr>
<td>Emotional Self-control</td>
<td>Developing others</td>
</tr>
<tr>
<td>Transparency</td>
<td>Inspirational Leadership</td>
</tr>
<tr>
<td>Adaptability</td>
<td>Change Catalyst</td>
</tr>
<tr>
<td>Achievement</td>
<td>Influence</td>
</tr>
<tr>
<td>Initiative</td>
<td>Conflict management</td>
</tr>
<tr>
<td>Optimism</td>
<td>Teamwork and collaboration</td>
</tr>
</tbody>
</table>

**Note:** Adapted from Zeidner et al. 2009, p. 11.

### 2.4. Measuring Emotional Intelligence

One of the main points of criticism, by sceptics of the newly emerged model, has always been the validity and measurement of the construct. In order for it to be quantifiable, the assumption that Emotional Intelligence can in fact, as asserted by its proponents, be termed an intelligence on its own and meets the criteria of such. Several critics argued that the concept is nothing but a part of other already established constructs and is only presented in a new light. However, as already discussed above, there are empirical indications that classify the construct as an own model of intelligence.

Assuming this takes us to the next issue, which is the measurement. Whereas the Intelligence Quotient, which is based on cognitive abilities, may be straightforward to quantify, the exact opposite might be the case when it comes to Emotional Quotient. The main issue here seems apparent – how does one operationalize emotions and the ability to identify and handle them, among other things involved in the concept? Nevertheless, the measurability of the model might not be of less importance, than it is the case with the Intelligence Quotient. Whereas the latter has always been used to predict the prospect of general success throughout life, the EQ should not be underestimated in this regard. This is especially true since the latter is said to have a major difference as compared to the IQ – namely the characteristic of being
sustainably and considerably modifiable. Apart from these facts, the concept is in urgent need of further empirical investigation, which is only possible with quantitative or qualitative data. Having said this, it seems of utmost importance to find applicable ways and means to make it measurable, on the one side, and use the yielding results in order to work on more empirical surveys with them, on the other.

Ever since its inception and the diverse scientific approaches, Emotional Intelligence has been subject to differences of opinion. Every time a new contribution was added by researchers from various fields who proposed their own model, the constellation became even more complex. As the views differ in terms of its definitions, it can be deduced that there is, to date, no consensus about the appropriate measurement instrument either. Since every single model is a different approach towards the subject matter, each one proposed its own appropriate type of measurement. As it is the case with the general models of EI, also the corresponding tests have been subject to harsh criticism. In the upcoming section the most accepted methods will be addressed in more detail.

2.4.1. Measurement tools

Generally speaking, the various tools of measurement can be classified according to their complexity. They range from instruments, which can be used alone, to others which require other persons. The former mentioned methods, which can be summarised under the term self-report questionnaires, pertain to the easier instruments (Bar-On et al., 2010). As the designation already suggests, individuals may ascertain their level of Emotional Intelligence abilities by answering certain questions about themselves. The problematic nature with these kinds of measurements seems obvious – errors due to distorted perceptions are almost inevitable. Most people tend to overestimate their own abilities, do the exact opposite when it comes to their weaknesses, may not be honest in the first place or might simply not see their abilities from an objective point of view.

Another possible way to test a person’s EI skills is by 360 degree tests (Bar-On et al., 2010). As opposed to the prior method, this one requires other people who are familiar with the individual who is being tested. In this scenario these acquaintances are being interviewed about the behaviour of the affected person. In comparison with self-report questionnaires, this method offers the advantage that certain biases, as mentioned above, can be avoided. However, still errors may appear due to several reasons, such as the person executing the test
making mistakes or not being fully aware of the correctness of her or his assumptions. By asking several respondents, such incidents can be counterbalanced.

The most complex tests in this grouping are performance tests. Even though they can, similarly to self-report questionnaires, be done without the involvement of other persons, performance tests have certain benefits compared to them. Instead of simply answering questions on your self-perception, the tested person has to solve certain problems with his or her EI abilities (Furnham, 2008).

The three clusters listed above are one possibility to group emotional intelligence measurement tools. Another, more common way is to classify them according to their appertaining model, which will be illustrated in the section below. The most recognized models of EI, as listed in the previous subchapter, are the ability-based, the trait, the mixed model and the Bar-On model of emotional-social intelligence.

**Measurement of the ability-based model**

Since Peter Salovey and John D. Mayer were pioneers with regard to the topic of Emotional Intelligence, they also presented seminal work in terms of assessing the EQ. Their first method was the Multifactor Emotional Intelligence Scale (MEIS) with 402 items and the competencies of perceiving, assimilating, understanding and managing emotions (Mayer, Caruso & Salovey, 2000).

The Mayer-Salovey-Caruso Emotional Intelligence Test (MSCEIT) V.2 was developed as an upgrade to its prototype, and also builds upon the four main competences of the ability-based model of the authors. The comprising items were reduced from 402 to 141, which provide a more rapid operation of the test, and can be assigned to self-assessment tests. Since the MSCEIT V.2 is a recent approach, it has not often been subject to research in the literature.

**Measurement of the trait model**

Konstantinos Vasilis Petrides and his colleagues proposed their own concept of Emotional Intelligence and the Trait Emotional Intelligence Questionnaire (TEIQue), which should quantify it. There is a full version, as well as a short one, which only encompasses 30, instead of 150 points.
Similar to the MSCEIT, also the TEIQue is a determined by the subject himself, which represents one of its largest downsides. This requires that the individuals being tested are capable of observing their own traits, such as the perception or regulation of the own emotions or self-esteem, on an objective base. As Petrides’ model is one of the latest approaches in the area of Emotional Intelligence, much more research is needed here, which also applies to the Trait Emotional Intelligence Questionnaire.

**Measurement of the Mixed Model**

Daniel Goleman, Richard Boyatzis and colleagues have developed the Emotional Competence Inventory (ECI), which falls under the category of a 360 degree test. Alongside Richard Boyatzis’s Self-Assessment Questionnaire (SAQ) and Hay/McBer’s Generic Competency Dictionary, Goleman altered and improved his measurement tool. The result was the Emotional Competence Inventory 2.0, which includes twenty competences and four dimensions, based on Dr. Goleman’s mixed model of Emotional Intelligence (Goleman et al., 2000).

Regarding the use of the ECI 2.0 Goleman and his colleagues recommend to be tested by several persons instead of only one, in order to increase the validity of the results. For obvious reasons, they also advise against a testing without other individuals.

One of the major critical points about the ECI is especially the similarity to other existing models, such as Big Five personality dimensions. Furthermore the research on its validity still leaves much to be desired (Boyatzis et al., 1999).

For the sake of completeness, the Six Seconds Emotional Intelligence Test (SEI) should be mentioned in this section as well. There are two variant forms of the general test, with one being for non-adults and the other a 360 degree test (Six Seconds, 2015). A review of the SEI in the available literature is somewhat sparse, hence a closer inspection of the tool is hardly possible.

**Measurement of the ES-I Bar-On Model**

Since the focus in this work is on Emotional Intelligence, Reuven Bar-On’s Emotional-Social Intelligence model will only be discussed briefly. As the term already implies, Bar-On also
included social aspects in his approach, alongside with his method of measuring EI, the Emotional Quotient Inventory (EQ-i).

The EQ-i encompasses 133 items and five categories, which are: Interpersonal, Intrapersonal, Stress management, Adaptability and General Mood and is a self-assessment instrument. The clusters are furthermore divided into fifteen subscales. Bar-On’s suggested method was one of the first techniques to operationalize emotional intelligence (Bar-On, 1997). However, researchers, claiming that the concept is obscure on a fundamental level, have harshly criticized the tool and the overall model. Moreover, the fact that the EQ-i a self-report measure, made it subject to criticism.

**Measurement of Group EI**

Apart from evaluating the Emotional Quotient of individuals, it can, especially in the business world, be of importance to be able to assess the Emotional Intelligence skills of a grouping of people. The fundamental hypothesis here is, that the combined Emotional Intelligence of several individuals is not merely the average EQ, but is rather prone to deviate from it.

The Group Emotional Competence Inventory (GEC), Work Group Emotional Intelligence Profile (WEIP) and Organizational Vital Signs (OVS™) are three methods that fall under this category (Druskat et al., 2013).

Vanessa Drusksat’s and Steven Wolff’s Group Emotional Competence Inventory was one of the first moves towards evaluating a team’s EQ competences. The GEC is structured according to nine clusters, which are again divided in seventy-five sub-items. Earlier studies have tested the effectiveness of the GEC, applied in groups within corporations, and came to positive results (Consortium for Research on Emotional Intelligence in Organizations, 2015).

The Work Group Emotional Intelligence Profile, in short WEIP, rates among self-measurement tools. An individual is asked to evaluate specific statements of her- or himself, in relation to a team (Schulze, Roberts, 2005). By falling under the category of self-report questionnaires, the application of this construct should not be recommended, but rather falling back on other possibilities here should be advised.

The last mentioned option to collect data about a team’s Emotional Quotient has been termed as Organizational Vital Signs (OVS™). The analysed coefficients here are adaptability, accountability, leadership, trust, collaboration and alignment (Stillman, 2011).
2.5. Importance of Emotional Intelligence

In one of the previous sections, the role of emotions in our daily life’s, as well as in the organizational world, has been touched upon. As they are the underlying fundamental base of Emotional Intelligence, the same assumptions that have been made above, also apply to EI. With the provided aspect, the concept’s relevance should have become even more substantial. However, when we take a close look at Emotional Intelligence in the scientific literature, it is still confronted with a lot of scepticism. This is especially true for its alleged importance in the subject matter of leadership. These reviews are, on the one hand, justifiable with the fact that there are somewhat several diverse approaches and definitions of the construct, which not merely impede its study, but also cast a negative light on the subject. Other reasons include the lack of comprehensive empirical support, considering various areas of EI.

In order to evaluate the impact of Emotional Intelligence on leadership, it seems obvious to first take a look at the overall importance of the notion, which will be addressed in this section. The chapter will also focus on the possible significance of age, gender and motivation in this regard.

All along scholars from diverse fields have tried to capture the essence of leading a successful and happy life and study its pursuit. This undertaking has been, among other things, hampered by the difficulty of quantifying and assessing these factors. Due to the lack of objectivity, which comes with these labels, it is still a major barrier that impedes progress here. Being content with the own life may for some involve an entirely different set of factors, than for others. However, there are socially prevailing associations about the way this might look. The Intelligence Quotient (IQ) have, as it seems, always played an important role in them. In the past century however, more and more scientists have tried to move away from that perception. Among other things, several studies have indicated that the Intelligence Quotient, which was for a long time believed to be the decisive factor of overall success, does only play a minor role when it comes to such issues (Cooper, Sawaf, 1998). According to some recent studies the overall tendency even seems to indicate somewhat the opposite – namely that the most effective people, both in private and professional life, are not geniuses, but rather average performers in terms of their IQ (Cooper, Sawaf, 1998). Nevertheless, as already implied above, cognitive skills are still considered crucial, not only in the workplace. This bias has over the years given rise to a culture in which quantities, numbers and the like are being deemed more determinative than interpersonal relationships. Researcher fear and warn against
the danger of social isolation, which is especially in today’s technology driven world, not inconceivable.

Having said this, the questions why and to what extent this is important in this work, pop up. The answer lies within the truth about being successful and effective and that the reality looks somewhat different than it has been generally assumed, in this regard. Even though the Intelligence Quotient could possibly provide the necessary resources to allow someone to achieve accomplishment, it still requires several more skills in combination, to get there. To take it even one step further, according to some scholars, also academic abilities do not seem to be a good predictor regarding how well we score after school life. A crucial factor in this regard is having a certain amount of interpersonal skills, since it is impossible to avoid human interaction in professional life. One of the key arguments, why the IQ as a success predictor is an out-dated model, consists of the fact that no life goal can be attained without interpersonal communications and relationships. This is where Emotional Intelligence, and closely related matters, comes in. One should however not forget the fact, that EQ and IQ are not contradictory, but rather complementary concepts. In other words, mastering one without considering the other cannot be more effective than in the case of being proficient in both matters.

Already in the early beginning and in some of the first works on the new subject, did authors emphasize on the impact of EI abilities on success in the profession and overall happiness. The first indications of how important it was deemed even date back to the ancient Greece in 348/347 before Christ, when the philosopher Plato remarked “Human behaviour flows from three main sources: desire, emotion and knowledge.” (Durant, 1961). Around the same time, the Greek philosopher Aristotle made a similar comment in his well-known work the Nicomachean Ethics, in which he stated that, “Anybody can become angry – that is easy, but to be angry with the right person and to the right degree and at the right time and for the right purpose and in the right way – that is not within everybody’s power and is not easy.” (The Internet Classics Archive, 2009). With their writings, both philosophers marked the vast importance and impact of emotions in our lives.

Daniel Goleman, by whom the issue has gained its popularity, also stressed on one of the main reasons he believed his concept was significant. To him the matter goes beyond the application in organizations, moreover it is about living a better life at every level (Six Seconds, 2015). According to him the four dimensions of his model are the main decisive factors to be successful in life, and should not only be used in business entities, but moreover
also in education, parenting and personal life (Goleman, 1995). However, these assertions are still in need of empirical analysis in a sufficient manner.

There is a number of findings that have been emphasized by proponents of the model, which support these assertions and indicate that EI might in fact have an enormous influence on our lives. Some alleged connections in this context are still in need of strong empirical support, whereas some others are said to be derived from results with dubious validity. The most addressed interrelations between Emotional Intelligence and other factors are discussed in the forthcoming subchapter.

Clearly, having a certain set of capabilities when it comes to perceiving and handling emotions; whether there are our very own or other’s feelings; is indispensable in our daily lives. The more profound they are, the more a person is likely to master interpersonal encounters, which in turn reinforces the likelihood to experience more overall satisfaction in life. This is moreover linked to personal growth, which has also been shown by studies (Davis, 2009). Not only does this account for general contentment, but it can further help to build up a solid network of relationships, which in turn might lead to other beneficial effects. Social interactions are furthermore an essential part of many occupations. The importance for managers and directors should be apparent in this regard. According to some researchers, being able to handle the own and other’s feelings can also nurture intrinsic and extrinsic motivation, which in turn can result in seeing things from a rather positive perspective (Assanova, McGuire, 2009). This also plays a major role in decision making, which is essential for every part of our lives. Even though there is no consensus about the components of the model itself, the majority of researchers agree that decisions are best made when one decides with both, their rational thinking and their feelings (Gardner, 2011). One reason for that is that emotions are, in most instances, not something that interrupt us, but rather play an informing role. Furthermore, a person who knows how to manage his or her own emotional state is more likely to cope with bad moods or generally with mood swings, so that they don’t disrupt or have an impact on their decisions. Other studies have shown that individuals with sophisticated EI abilities are more satisfied with their employment, which also affects their behaviour on the job and their general approach towards their profession (Fisher, 2000).

In the following sections Emotional Intelligence’s relevance and intersections with other areas will be addressed.
2.5.1. Emotional Intelligence and Gender

Since the work on the subject matter has predominantly focused on organizations and education, there is little to no academic literature on Emotional Intelligence in conjunction with other factors. Some studies and their results have moreover been object of some criticism and claimed to have a questionable validity, among other things. Hence, the findings mentioned below must be taken with a grain of salt. This section will focus on whether differences between males and females regarding Emotional Intelligence, have been perceived.

The findings on this context go back to John D. Mayer’s, Peter Salovey’s and David R. Carusos’s work in 1990. Whereas they were not looking for gender discrepancies at all, their results somewhat baffled them in a manner, they did not anticipate. The trio remarked that women seemed to perform somewhat different on their tests, than men (Mayer, Caruso, Salovey, 1999). John Mayer and his colleagues tried to explain this phenomenon by stating that womankind are, on the one hand, because of their social status, inclined to pay more attention to emotions than men, and on the other because of their biological roles (Mayer, Caruso, Salovey, 1999, p.293). Another reasonable factor, for the differing results between men and women, could be that society expects the latter to act in such way, whereas men are told to suppress emotions. This can already be observed in the upbringing of little children, who subsequently grow up with the given mind-set. Furthermore stereotypes and cultures which reinforce them, contribute to such gender differences.

However, it should be factored in that Mayer, Caruso and Salovey’s findings date back to 1990, which is already eighteen years ago. Even though there are still major gender role differences, there has been remarkable progress in some cultures in terms of liberalality and social perceptions of women. In a more recent study in 2000 Lane, Barrett, Sechrest and Schwartz remarked that women seemed to express their emotions with more details than men do (Barrett et al., 2000). This suggests the possibility of a different approach towards perceiving emotions.

Since most of the results here are quite old and have been retrieved from business settings, more recent studies with non-organizational environment are necessary in order to assess potential distinctions between men and women handling their feelings.
2.5.2. Emotional Intelligence at the Workplace

Whereas the last section addressed a potential influencing factor on Emotional Intelligence, the forthcoming subchapter will focus on possible outcomes in entities in connection with EI.

The role and set of responsibilities of managers are generally known facts. A good executive is supposed to hold specific skills, which are indispensable as a leader and economist, but at the same time also be a friend, mentor and confidential person for his subordinates, which requires an entirely different set of capabilities. The relationship between a CEO and his subordinates has also been deemed pivotal, in terms of the behaviour and performance of the employees and the organization’s overall success (e.g. Janssen, Van Yperen, 2004). However, the question, how to master this balancing act, remains largely unanswered. This is the point where other abilities, than cognitive ones, come into play, according to some scholars. The missing pieces here are emotional skills, among other things, that round off the overall picture of a good leader, claim supporters of the approach. In the past decades, several business entities have followed this reasoning and shifted their focus away from the traditional management view, towards a more humane and social one.

The role of Emotional Intelligence in the business field was already at the origins of the topic an important factor. Even though, the existing literature has mainly focused on leaders and their respective skills, the impact of EI goes beyond the upper management level. However, the empirical evidence is missing or sparse in most of the cases. In this section, aspects such as the job satisfaction, the work commitment, work performance and motivation in connection with Emotional Intelligence, will be discussed.

One of the boldest remarks on cognitive intelligence and its general effects on our lives was made by Mayer and Salovey in their work 1997, in which they stated that approximately only 10% to 20% of success is due to the Intelligence Quotient of a person; the remaining quantity is yet to be determined (Mayer and Salovey, 1997). Similar hypotheses have, alongside empirical support, also been provided by other authors, such as Gil-Olarte Márquez, Palomera Martín and Brackett who tested the link between EI, social competence and academic achievement in students (Gil-Olarte Márquez et al., 2006). However, John Mayer and Peter Salovey also claimed that other competences alone, such as EQ abilities, should not be considered as something that prognosticate success in the workplace, but rather as one important part required in this constellation.
One factor that might play a role in this regard, are diverse social situations, which are inevitable in our daily lives. As every individual absorbs environmental stimuli dissimilarly, also the influence of them varies from person to person. Whereas some people are able to react to obstacles in an objective way, others may be more prone to let barriers hinder them, for instance. It is safe to assume that the latter will, in all probability, have a harder time achieving efficiency, than those who are able to stop and reflect for a moment before responding to problematic situations. The manner someone responds to such conditions is closely linked to the person’s self-observation and the management of one’s feelings, among other things. In other words, the Emotional Quotient and its sophistication is one key element here. Hence, someone who is capable of reflecting upon and controlling his or her sentiments may be much more likely to remain pragmatic, which again might increase the proficiency of handling difficult situations and the chances of being efficient. Moreover, the proper handling of setbacks can be determined by one’s ability to handle the own emotions, which further contributes to whether someone learns from such experiences rather than being frustrated because of them. This corresponds with Daniel Goleman’s statement that self-management represents one of the most crucial challenges of leaders (Goleman, Boyatzis, McKee, 2002). Being in charge for several subordinates, business processes and having many other responsibilities, it is of particular importance for managers and executives to have a particular level of Emotional Intelligence.

With these points in mind, other questions start to assume shape. Whether a higher Emotional Quotient can be linked with someone’s performance on the job, will be studied more closely in the upcoming section.

**Emotional Intelligence and job performance**

There are various studies, which tried to support the hypothesis that Emotional Intelligence positively affects workmanship in companies, but relatively few of them have compared the influence of the IQ and EQ in this context. In 2004 the researchers Offermann, Vasilopoulos, Bailey, Seal and Sass claimed that the emotional quotient was more relevant for students when it came to group works, whereas the Intelligence Quotient was more important while they were individually tested (Offermann, Bailey, Vasilopoulos, Seal, Sass, 2004). A recent meta-analysis by O’Boyle Jr. and colleagues found a positive and significant linkage between EI and the performance on the job (O’Boyle, Humphrey, Pollack, Hawver, Story, 2011). However, the authors also remarked that Emotional Intelligence is not the most significant
component regarding productivity at the workplace, but a crucial factor in a quite complex constellation.

Some researchers have been arguing that individuals, who are adept at controlling their feelings, cannot merely apply this in their private, but also in their professional lives. Hence, supporters of this approach argue that this may enhance the prospects of success in both areas. The results of the researchers Sy, Tram and O’Hara’s study in 2006 revealed that a high Emotional Intelligence of an employee was positively linked to his or her work outcome (Sy et al., 2006). The authors Wong and Law argued that the impact of EI on the work outcome cannot be the same for every occupation, since every job comes with its own characteristics and requirements. Furthermore they claimed that a distinction should be drawn between different types of labours. When a profession postulates certain emotions, it is referred to an emotional labour. The two professors found that this key variable moderates the linkage between Emotional Intelligence and performance the job. The connection is stronger for occupations that demand high emotional labour, according to Wong and Law (Wong, S. Law, 2002).

Assuming that the above-mentioned findings do in fact support the hypothesis, which asserts that a high EI can positively influence work productivity; leads us to the next question. Can this consequently play a role in terms of satisfaction at the workplace? Let us take a closer look at this, in the next subchapter.

Emotional Intelligence and job satisfaction

When a worker with high EI skills is performing well in his job, the next thought that comes into mind, is whether he is also satisfied with his workplace. The connection between having adept Emotional Intelligence abilities and a high job satisfaction is more complex to determine than the linkage between EI and performance, even though it is generally assumed that a positive correlation exists. This is, among other things, based on the perception that people who are successful at identifying and managing their own feelings, are more skilful at dealing with problematic circumstances. This implies the fact that they are more sophisticated with handling stress, than people who are worse at dealing with their own and others feelings. This may affect the overall satisfaction and consequently the contentment at the workplace. From a study conducted by Nikolaou and Tsaousis in 2002, it became apparent that Emotional Intelligence is negatively linked with stress at the workplace (Nikolaou, Tsaousis, 2002). The
previously mentioned points are also closely related to a person’s level of optimism, which has furthermore been associated with an individual’s EI level. The psychologist Martin Seligman came across remarkable findings about the potential power of optimism at the workplace. In an insurance company results indicated that optimistic employees were more successful at selling insurances, than their counterparts (Schulman, 1995).

In order to evaluate this hypothesis, a definition and way to measure work satisfaction is required. In a recent study, Abraham Carmeli tested the hypothesis on upper-level managers in Israel via questionnaires. His findings supported the assumption and showed a positive correlation between contentment on the job and the Emotional Intelligence of managers (Carmeli, 2003). 262 Chief financial officers were questioned about job performance, withdrawal intentions, altruistic behaviour, work attitudes and their Emotional Intelligence. The latter was ascertained by a relatively recent approach towards self-measurement tools by Schutte and her colleagues, which rests on Peter Salovey and John Mayer’s work (Schutte et al., 1998). A substantial body of work has been focusing on Emotional Intelligence and executives. However, one should not underestimate the importance of non-executives and their impact on the organization. Thomas Sy and his colleagues conducted one of the few studies, which also addressed emotional skills of employees (Thomas Sy et al., 2006). The extensive study involved workers and executives from a restaurant chain, who were given a survey to complete. Similar to the findings regarding managers, the researchers found a positive correlation between the EI of employees and their satisfaction at work.

The authors Chi-Sum Wong and Kenneth S. Law did not only research on the linkage between satisfaction at the workplace and the Emotional Intelligence skills of employees, but also hypothesized, that workers were more prone to be content with their job, when their leader’s EI was high (Wong, S. Law, 2002). Their results revealed support for both hypotheses mentioned above (Wong, S. Law, 2002, p. 268). Another finding by Kafetsios and A. Zampetakis in 2008 yielded similar results, whereas they also remarked that the three domains of the EI trait model, using emotions, regulating emotions and appraising other’s emotions, were predictors of the variable job contentment (Kafetsios, Zampetakis, 2008).

If we conjointly look at the last two sections, the Emotional Quotient does not only seem to be related to the personnel’s work outcomes but moreover to their overall contentment at their occupations. Putting one and one together, happy and productive staff members should also be performing their functions with more dedication. In addition, it can be expected that not only their tasks are done with a certain amount of commitment, but the whole organization as
Emotional intelligence and work commitment

Based on the previously mentioned presumptions and findings, the possible connection between EI and job commitment seems to appear obvious. However, the notion of work commitment is a rather sophisticated constellation and involves several elements and aspects. The University professor Paula C. Morrow presented one of the first works in which she tried to determine these points and came to the conclusion that the dedication towards someone’s occupation can be divided into five general groupings. According to Morrow, these are work ethic endorsement, affective organizational commitment, career commitment, continuance organizational commitment and job involvement (Morrow, 1993).

Before developing any hypothesis about a possible correlation between the EI skills of a worker and the commitment towards his job, each of these categories have to be examined more closely. However, this is not quite the case in the available literature, as most of the works in this regards have been focusing merely on one factor, which is commitment towards the organization. Hence, this should be considered while taking a look at the given studies and results.

Emotional intelligence and organizational commitment / turnover intention

Whereas research on job commitment is far less developed, this somewhat does not hold true when it comes to the commitments towards the business entity itself. According to the researchers John P. Meyer and Natalie J. Allen organizational commitment can be classified in three sections, which are: affective-, continuance- and normative commitment (Meyer, Allen, 1984). When an employee stays in an organization because he wants to due to the feeling of a common identity in the company, it is called affective commitment (Meyer, Allen, 1984, p. 375). The second division, continuance commitment is the case when a worker does not quit his profession because of monetary reasons. The last mentioned classification in this context is normative commitment, which refers to the situation when somebody remains loyal to the organization, because he or she feels obliged to do so (Allen and Meyer, 1996, p. 253). The literature on organizational commitment has mainly focused on the first grouping, which is however not representative for the term organizational commitment. This should be
taken into account, while taking a look at the findings in this field. In a previously mentioned study by Abraham Carmeli, the linkage between commitment towards the firm and the EI level of senior managers was evaluated. The study yielded a positive significant relationship between chief executives with high Emotional Intelligence capabilities and a high affective commitment (Carmeli, 2003, p. 802).

Similar to the idea of organizational commitment is the notion of job involvement, which has also been part of Carmeli’s study in 2003. Some of his main findings included the facts, that emotional intelligence is linked to altruistic behaviour and a positive mind-set towards work (Carmeli, 2003).

**Emotional intelligence and work-family commitment**

Another important aspect in the constellation, especially regarding satisfaction, is if and how the work-life balance is influenced here. Staff members who are satisfied with their occupation, are driven to do a good job, and feel that they are an important part of the big picture at their workplaces, may further reflect this in other parts of their lives. The term work-life balance has received a significant amount of attention, with opinions and suggestions that ranged from granting employees more leisure time to allowing them to do their work at home. It should however be noticed, that the notion does in fact contain many more aspects than just time management and the like. Studies, that examine a potential connection between the Emotional Quotient of a worker and her or his work-family commitment, leave much to be desired. In a broader context, a study conducted in the Arabic region by Suliman and Al-Shaikh in the year 2007 did not support the hypothesis that the family status or commitment to the family and Emotional Intelligence were related with each other (Suliman, Al-Shaikh, 2007). Subjects in their research were five hundred jobholders in the United Arab Emirates, who were asked to answer questions about their demographics and their work-family conflicts, among other things. In a more current scientific work by Laxmi Narayan Sharma in 2014, the author did find a direct correlation in this regard (Sharma, 2014). However, it is worth noticing that the setting of the survey was relatively small and only contained fifty-five employees (Sharma, 2014).

It is safe to say that much more empirical studies are necessary, before jumping to conclusions here. This can also be stated about the previously addressed connections, but summing up these last reflections, a certain entangled structure seems to take shape. The last
sub-section in this part will lay the focus on the issue of Emotional Intelligence and motivation in companies.

**Emotional Intelligence and motivation at work / Emotional intelligence of leader and performance of employees**

On the basis of the preceding assumptions on Emotional Intelligence at the workplace, the next logical thought is whether not merely the satisfaction and performance of employees is affected, but moreover the level of motivation of workers. The work and corporate commitment has already briefly been scrutinized above. In this section a broader view on motivation will be provided. Amongst the most crucial components of being an efficient organization, are the incentives of subordinates. There is an essential difference between a worker, who limits his efforts to the absolute minimum necessary, in order to perform a task, and someone who furthermore strives to be creative and innovative while doing so. Two of the most decisive ingredients of success in today’s fast-moving business world, are creativity and innovation. Some scholar have even been arguing that job descriptions are becoming more and more dispensable, since employees are supposed to be proactive in order to reach the organization’s goals. This comes with the perquisite of having the right incentives. Only then, clear occupational profiles can be step by step be loosened up. A study in the previous decade by Abubakr M. Suliman and Fuad N. Al-Shaikh was the first one of this kind in the Arab world. One remarkable finding of them was that subordinates with more sophisticated EI skills were prone to be more creative and innovative than their counterparts (M. Suliman, N. Al-Shaikh, 2006). However, not only the Emotional Intelligence of subordinates is determining in terms of creative thinking and behaviour, but also the respective competences of CEOs and top executives. A leader cannot merely have an influence on his employee’s creative engagement through leading by example, but furthermore by originating a corporate culture which enables and encourages its members to strive for creativity. The underlying assumption for these two scenarios is that the level of Emotional Quotients is also sophisticated at the higher echelons of business establishments.

Closely related to the incentives of employees, are their goal orientations. Janssen and Van Yperen differentiated between the two most discussed goal orientations in the achievement goal theory: the mastery orientation and performance orientation (Janssen, Van Yperen, 2004). These two are distinguished by the fundamental convictions, an individual might hold. Whereas people with a mastery orientation hold the belief that, the harder someone works, the
more likely he or she is to experience success; the latter consists of the quite opposite presumptions. Employees with a performance orientation, on the contrary, are convinced that making an effort is only necessary for people, who would fail to be successful otherwise and who lack the relevant traits in this regard. This classification is especially of essence, since the goal orientation of an individual is an indication for his intrinsic or extrinsic motivation. Viewed in this light, researchers tend to believe that a mastery goal orientation is associated with an employee’s intrinsic incentives, and therefore might be more suitable for certain jobs. Janssen and Van Yperen even postulated and showed support for the hypotheses that workers, who fit into the first classification of goal orientations, are more prone to be creative and content at their workplace (Janssen, Van Yperen, 2004, p.371).

Anyhow, such studies should be taken with a grain of salt due to their limitations and biases. Most studies on success at work and EI involve how well individuals score on tasks, whereas performance consists of several parts (O’Boyle Jr. et al., 2011). Another point, which should be kept in mind, is that the empirical literature in this regard still leaves a lot to be desired and lacks the inclusion of some crucial aspects.

The topic of motivation and incentives of staff members will get a particular treatment in the chapter after the next.
3. Emotional Intelligence and Leadership

3.1. Introduction

The topic of leadership theory encompasses a very broad area, has been altered immensely over the previous decades and thus cannot fully be discussed in this work, as it would go beyond the scope of the present thesis. Therefore, the first step in this chapter is to constrain the field to the most essential parts related to the context. The very first aspect, which has to be clarified in this regard are the models of leadership that will be relevant in this work. This furthermore leads us to the question if there are behaviours and strategies a leader could apply that might result in better performance of the overall business, and if that is so, which factors that may be. With pieces of work talking around this issue, some significant points have somewhat been neglected and left out in the literature, over the years. Executives and researchers have rather been focusing on figures and data when it came to the success of companies, instead of putting emphasis on the potential influence of a leader on each and every one in a given organization. There is no doubt that the former mentioned factors are crucial as well, in terms of organizational performance. In fact, there is a combined influence of several parameters, on a business entity’s success.

The roles of managers and directors are well-known facts, alongside the question how to motivate their subordinates, how to create a vision and mission and how to communicate these in the proper manner. However, differing propositions on some of these aspects have caused quite a few discrepancies. In the attempt of defining the “right” leadership behaviour in the previous years, there has been a shift of emphasis from facts, numbers and results towards a more person-centred approach. Up to the present day there is no consensus about which managerial style is guaranteed to make the company more prosperous, but researchers agree on the fact, that there cannot be a single best way to do so. Further, even with a close to perfect approach, success can never be predicted, as the possible interfering factors are too numerous to be considered. Additionally, it has been argued that CEO’s and other top executives should not be too rigid with respect to leading their personnel, but rather flexible, depending on the given situation.
3.2. The Neuroanatomy of Leadership

A study by the consulting company Hay/ McBer, which was published in the Harvard Business Review in the year 2000, has discussed Daniel Goleman’s remarkable work “Leadership that gets results” (Goleman, 2000). It addressed the former stated problem of a lacking consideration of empirical data in terms of managerial styles in the existent body of literature. In order to counteract this trend, they realized that solid results were necessary. The organization’s study included 3781 upper level managers from around the world and stumbled upon some remarkable findings. Apart from differentiating between six managerial styles for executives, with each of them being based on diverse elements of Emotional Intelligence, the researchers found that the most outstanding leaders switched adaptively between applying them. Moreover, the study came with suggestions about the proper application of the various styles. One of the decisive factors in this constellation is the organization’s climate, which originates from the applied approach, according to the authors. Depending on the managerial style used by the leader, different climatical results are the consequence, which in turn affect the employees and the overall organizational outcome. In fact, the working environment has from different scientists been declared as one of the main drivers of business success, such as by David McClelland (e.g. McClelland, 1998). Hence, it is advised that leaders create an organizational environment, which provides the very best conditions to reach the company’s objectives. For the psychologist Daniel Goleman, resonant leadership is the keyword in this complex constellation. In his work “Primal Leadership. Realizing the Power of Emotional Intelligence”, Goleman and his colleagues Boyatzis and McKee argue about how a resonant leader has to use his or her EI skills to efficiently lead his/her subordinates. Furthermore, their assertion is that being an emotionally intelligent and resonant leader must go hand in hand (Goleman et al., 2002). In order to get a more precise idea of the notion resonance, let us take a look at its origin. As stated in the Oxford Dictionary, it derives from the Latin word resonare, which means “resound” (Oxford Dictionaries, 2016). In this context, the resonating effect of a leader is meant. Goleman, Boyatzis and McKee stressed on the fact that the main task of a senior manager lies in the area of emotions and consists of awakening positive feelings and consequently building an efficient working climate in the business establishment (Goleman et al., 2002). With the term Dissonance, the opposite case is meant, in which a leader would not exploit the advantage of his or her leading position that consequently would result in an emotionally chaotic state within the organization. Having said this, it still needs to be proven whether these statements can be backed up with valid and reliable evidence. The underlying concept, according to
Daniel Goleman and his colleagues, lies within the field of neuroanatomy. The fact that emotions and moods are contagious, especially a leader’s feelings, can be explained by the limbic system – the emotional hub of our brain – and its open-loop character (Goleman, 1995). In order to make the notion easier to follow, a short description will be provided below.

The limbic system is a complex section of the human brain, as it is responsible for a bunch of duties apart from emotional matters, such as for motivation, learning and reproduction among others (Swenson, 2006). It also embodies the hippocampus and the amygdala, which are especially relevant for memory storage in the brain and for emotions. The interdependency of the areas in the brain which are accountable for feelings and mental capacity respectively, illustrate that both sections work together and that one cannot function properly without the other. Researchers including Edmund T. Rolls and Richard J. Davidson reasoned that the prefrontal cortex, hippocampus and the amygdala are collectively responsible for the development and changes in our neural systems (Rolls, 1999; Davidson et al., 2000). External signals and impulses are processed in both sections which emphasizes the importance of not only concentrating and working on our brainpower, but also training to handle and focusing on our emotions. However, in some situations it might even be the case that certain stimuli are so affect – laden, that the reaction may directly come from the emotional centre of the brain, or from the amygdala, to be more precise. A simple illustration of this phenomenon might be exemplified by a situation in which a mother would risk her own life, in order to save her children from a life – threatening situation. In a usual procedure, also the prefrontal cortex is involved in the information processing, and is in charge of determining how to respond to a particular situation.

The designation open – loop is somewhat self–explanatory and already implies that the system gets external input, in order to function. It is also known as the “interpersonal limbic regulation”, as emotional stimuli from one individual impact the state of mind of another one, and can even alter cardiovascular functions of those affected (Goleman et al., 2002). In other words, the feelings and emotions that we display go beyond impacting the emotional state of the people we interact with, and further bias their general state of health. Such phenomena have even been captured in experiments by scientists, in which two persons who were having a conversation had similar heart beats after a quarter of an hour, whereas they had differing rates at the beginning (Goleman et al., 2002). Similar experiments have been run with people sitting in one room, facing each other and not communicating verbally. After a very short
period of only 1-2 minutes, the emotional state of the non-verbally most expressive person in
the room spread to the others. These findings indicate that emotions are, even when not
verbally expressed, highly contagious. However, this does not apply to every situation to the
same extent, according to a study conducted at the Yale University School of Management
(Barsade, 2000). The results suggested that positive attitudes get easier conveyed to others,
than negative ones. This phenomenon has probably been experienced and observed by all of
us – namely that a smile or a hearty laughter leave us, only in very rare cases, untouched. In
fact, a smile is the most contagious emotional sign according to the literature. The University
study even found a connection between business performance and the climate at the
workplace, due to the fact that a positive atmosphere fostered good cooperation between
employees (Barsade, 2000). This doesn’t merely apply to the lower levels of the hierarchy, as
the scope of the impact of the upper level managers is much larger. As already mentioned
above, the working atmosphere is of decisive importance, and the person that sets the tone in
this regard, is in the first place the CEO. Hence, the emotions and Emotional Intelligence may
be more determinative for the corporate success, than previously assumed. Closely connected
to this is optimism, which has also been alleged to alter the working climate significantly.
Spreading optimism has been linked to a generally more positive perspective, which in turn
might play a crucial role in pursuing objectives, being more creative, and more productive.

The crucial factor, when it comes to generating the most appropriate working atmosphere,
including an optimistic one, is the Emotional Intelligence of the leaders, according to several
studies. There is also empirical evidence that underlines the impact of a manager’s EI
capabilities on the firm’s operating results, as will be outlined in the following. David
McClelland, an American psychologist, was one of the researchers who engaged in studying
the working climate of companies. In one study he demonstrated how upper level managers
with a certain amount of Emotional Intelligence skills affected the revenue of their business
entities, so that they exceeded their results (Cherniss, Goleman, 2003). Furthermore, he
argued that the best performing leaders differed from average ones by excelling in certain soft
skills, rather than being superior in terms of intellect (McClelland, 1998). In one of his older
studies in 1975, McClelland examined more than 30 economic units and remarked that the
most crucial EI abilities in this connection were achievement drive, influence, developing
others, self-confidence adaptability and leadership. The only cognitive ability, which appeared
to be decisive in this regard, was analytical thinking (Cherniss, Goleman, 2003). These skills
however, should not be viewed as single variables, but rather as a bundle due to the
occurrence of synergy effects. At this point it should be noted, that these capabilities should
not be equated with leadership per se, as on the one hand we are talking about a combined outcome, and on the other the mentioned skills are encompass more than their designation may give away. The break–over point, according to the McClelland, is mastering six or more EI competences, or not less than one out of the four Emotional Intelligence dimensions.

The linkage between the Emotional Quotient of a senior executive and the overall company success is mediated by the organization’s working environment, according to supporters of the model (e.g. McClelland, 1998).

3.3. Models of Leadership

With the statement that one of the most crucial factors in the constellation of achieving better organizational results are a leader’s Emotional Quotient and the working climate that she or he creates, the next step here is to clarify the notions of climate and leadership.

One of the first definitions of the working environment originated from the Harvard psychologists Richard Stringer and George Litwin, in the year 1968 and was later on slightly adapted by David McClelland. The authors Stringer and Litwin argued that the term ‘climate’ can be explained as “... a set of measurable properties of the work environment, perceived directly or indirectly by people who live and work in this environment and assumed to influence their motivation and behaviour” (Litwin and Stringer, 1968). They associated the work atmosphere with nine properties, which are: responsibility, structure, risk, reward, support, warmth, conflict, standards and identity. Based on their work, McClelland listed the following six components as the essence of working climate (Goleman, 2000):

a) **Flexibility**: this refers to the flexibility and freedom experiences by the workers of a company
b) **Responsibility**: how responsible each employee feels to the entity
c) **Standards**: the level of standards set by employees of an organization
d) **Rewards**: how accurately workers can assess their rewards
e) **Clarity**: refers to how clear the values of an organization are to everyone
f) **Commitment**: how committed they are to achieve the company’s goals

In the previously mentioned study by the corporation Hay/ McBer, the six found managerial styles were also evaluated in conjunction with their impact on the six aspects of the workplace
environment. Moreover, in order to approach a reasonable quantification of operating results, the impact of the working atmosphere on different financial indicators, such as the sales revenues, profitableness and revenue growth, was evaluated (Goleman, 2000). The results indicated a connection between a positive operating environment and a higher financial performance. As already mentioned before the most outstanding results cannot be obtained by using one, but moreover several out of the six managerial styles. Some scenarios might even call for two or more methods in one case. Decisive aspects and indicators for executives, in this regard, are the given situation with its specific requirements and the involved individuals, among other things (Goleman et al., 2002). The following section will address these leadership styles in depth:

1. The visionary style
2. The coaching style
3. The affiliative style
4. The democratic style
5. The pacesetting style
6. The commanding style

3.3.1. The Visionary Style

As the title already suggests, a visionary leader is focused on communicating a vision, in which he or she strongly believes in. By demonstrating her or his employees how each of them is part of the common output of the organization and how this consequently helps to achieve the firm’s objective, he or she creates a motivational atmosphere. Employees are, in this case, more likely to see the big picture and feel useful.

As one can already imagine, this style has a significantly positive impact on the working climate; in fact it is the most promising one out of the six, according to the results of the previously mentioned study. This is established by providing staff members the feeling that they are important and enhancing the sense of belonging towards the organization. Another aspect that speaks in favour of the visionary style is that only certain values and a common goal are determined. How the organization and everyone involved gets there, is only restricted by a small number of constraints.

Out of the eighteen competencies from Goleman and his colleague’s Emotional Intelligence model, especially empathy plays a decisive role here. A leader, who is not able to see things
from her or his employee’s perspective and understand their needs, will have a hard time trying to inspire them. Furthermore, emotional self-awareness, self-confidence, and trustworthiness are of vital importance.

Even though, the visionary managerial style has yielded in the best results in the study, the authors strongly advise to use it only in convenient situations. This may be the case, when a firm is about to make some major changes, or simply is in need of a new vision. However, when the circumstances are that a leader is surrounded by managers who are more experienced than him or her, it may not be the best style to apply, as they might not be in need of clear guidance (Goleman, 2000).

3.3.2. The Coaching Style

A leader, who resorts to the coaching style, can be compared to a coach of a sports team. As such, she or he is not only obliged to recognize the strengths and weaknesses of his protégés, but moreover inform and advise them on relevant issues. For a CEO or manager this means, talking to his employees and getting to know them beyond their occupational life. Only when he does so, a leader can help his or her subordinates perform better at the workplace. This approach is also helpful while identifying common goals in the organization. Even though, this is the least commonly used leadership style, the benefits of it speak volumes. Resonance is established by aligning the employee’s and the management’s goals, according to the present model (Goleman, 2000). A coaching manager is furthermore well aware of the benefits of entrusting his mentees with responsibilities and thereby, builds a base of mutual trust and commitment.

Companies, in which the workforce is especially motivated and aims at professional advancement, are particularly suitable for the coaching style. The opposite example is when employees lack motivation, or when the executive does not command the necessary soft skills here. These scenarios call for other styles of leadership than the coaching style.

Out of the EI competence cluster, developing others, empathy and emotional self-awareness are the most important ones for coaching leaders.
3.3.3. The Affiliative Style

The fact, that the individuals behind an organization are the driving forces that make things happen within the business entity, is undoubted. By heeding this wisdom, an affiliative manager focuses on the feelings of his subordinates, rather than on financial magnitudes. People, relationships, emotional well-being and harmony are key words in this approach, which results in enhanced commitment, trust, motivation and resonance. Such CEOs and managers create a cultural base in which no one has to shy away from talking about his feelings, since they are deemed as important.

Goleman and the co–authors of “Primal leadership: Realizing the Power of Emotional Intelligence.”, report that this relationship-based style is, after the visionary and coaching styles, the best approach in terms of enabling a positive working atmosphere (Goleman et al., 2002). Hence, its application is possible in various situations, but above all in entities in which building or rebuilding harmony is necessary or when people in the company are tensed or stressed. However, it is not an all-round solution, as an affiliative style alone is, in some cases, not suitable for working towards certain objectives. When an organization is going through rough times, only focusing on relationships and sentiments may not be best possible solution. A potential downside might also be executives which are hesitant when it comes to giving clear commands or offering critical feedback, due to the possibility of hurting someone’s feelings.

Leaders who effectively make use of the affiliative leadership style are especially strong in teamwork and collaboration, empathy and conflict management abilities.

3.3.4. The Democratic Style

The fourth and last leadership style in this constellation, that has a positive impact on the workplace environment, is the democratic style. Workers often complain about not being listened to by the executive board, and that they don’t have enough impact on the company’s decisions. When an entity is led by one or more democratic leaders, this is issue is not to be feared. In this scenario, the managers ensure that no one feels left out while trying to come to a certain decision. In order to guarantee this, he or she aims to get the opinions and points of view of each and every one concerned. Content staff members are not the only side effect, as furthermore the loyalty and commitment of the employees are ensured.
The democratic leadership style might seem to be a good idea in many situations, however its use especially pays off, when the executive alternates between several decisions, and needs convenient concepts. Experienced and skilled managers know that the opposite is true for cases, in which the personnel is not enough qualified to make a certain decision. This also applies to periods of crisis, in which on the one hand, there may not be enough time for long get-togethers and discussions. On the other hand, rough times rather call for proper instructions, from a qualified upper management team.

Democratic leaders are particularly proficient in the three EI abilities teamwork, influence and conflict management.

3.3.5. The Pacesetting Style

The remaining two management styles differ from the previously mentioned by their counterproductive effect on the working climate. Even though the authors don’t advice against avoiding them entirely, they suggest applying them in a reasoned and appropriate manner (Goleman, 2000).

A pacesetting leader is a very driven personality, who doesn’t only set the bar high for him- or herself, but also for everyone else in the corporation. He or she is always focused on performance improvement and demands the same commitment and ambition from every single employee. Moreover, workers who don’t achieve the given standards are first admonished to do better and later on, when they still don’t enhance their performance, laid off without hesitation. The climatic consequences in such scenarios are easy to guess, as several staff members feel overburdened and a lack of trust from the executive team.

A pacesetting style might be a good idea when a leader is surrounded by highly skilled workers who are well aware of executing the given commands without getting a detailed explanation. Further, people with an urge to take over responsibility, might be better off with a pacesetting executive, than someone who wants to do everything on its own.

However, it is suggested to apply this approach with caution and not over a long period of time, according to the authors. Furthermore, a sole use of this method may lead to more disadvantages than advantages (Goleman et al., 2002).
3.3.6. The Commanding Style

The present listing of diverse managerial styles is in descending order, according to the influence on the working climate, with the first-mentioned as the most efficient one. The commanding, or also called the coercive style has the worst environmental outcomes of all out of the six methods, which is first and foremost due the dominant role of the leader. The almost entirely way of top-down communication is in a commanding tone, which involves rather negative than positive feedback and further results in almost no decentralisation in the organisation. Consequently, employees don’t feel encouraged, motivated or as if their work would matter, since they get no or little praise for their performance.

Nevertheless, even a commanding CEO or manager is, in few rare cases, the right choice for a company. This might be, according to Goleman, Boyatzis and McKee, right before a hostile takeover, in the first stages of implementing major changes, or another very critical situation in which everything else fails (Goleman et al., 2002). In almost every other case, the usage, especially its exclusive application, can have disastrous consequences. Still, even in today’s time, there are several executives who either lack the necessary Emotional Intelligence, or want to be the only one who calls the shots.

As it may be visible from the abilities, on which the diverse styles rest upon, an executive has to dispose of a specific amount of them. In the mentioned study it came to light that the crucial number of six Emotional Intelligence skills has to be mastered in order for an executive to effectively manage her or his company. In cases, in which at least this quantity was given, the best business performances were the result (Goleman et al., 2002). These findings were further consistent with the Professor David McClelland’s key results (McClelland, 1998). In order to rise to the challenges of leadership and different situations, a manager has to be able to choose from various strategies. This in turn is only feasible if the required premises are on hand. More competences than this number are even more advantageous, as it would create additional room for manoeuvre for the leader. The goal, in this regard, is to have as many potential techniques as possible, since with a large variety an upper management level is well-prepared for diverse situational conditions.

3.4. Which Leaders?

There is an important aspect, with regard to the topic of leadership, which has not yet been
addressed in this work. When we talk about people being led by their supervisors, it is inevitable not to ignore the question which supervisor or supervisors are meant. We’re moving towards a world with more and more enormous organizations and conglomerates, with several managers being responsible for a certain amount of subordinates. However, the main question in this debate is whether the focus, while talking about a leader, should be on the chief executive officer or on the management level of a given entity. When it comes to the Emotional Intelligence of the leader, the literature has predominantly put emphasis on CEO’s, which can among other things, be explained by the differing tasks he or she has, as compared to the upper management level. Whereas the executive is the mastermind behind a company, who is responsible for steering the enterprise in the desired direction and ensure that everybody involved stays on the right track and motivated, the latter are the implementers who make things happen. This, of course, also depends on the size of an organization, as very small ones or especially business start-ups, may not have enough staff. In these cases, the CEO might also be in charge of tasks, which usually would be delegated to lower levels of the hierarchy. However, there are some duties that can only be exercised by the chief executive officer, such as communicating a strategic vision, in order to pursue the organizational goals. A vision statement involves a future state, towards the enterprise aims to move at and which furthermore should function as an inspirational mantra for every individual working in it. There are also other things, which cannot be delegated, such as hiring and laying off the executive board. The latter is something that happens naturally, as the leader decides upon a direction and communicates ways, means and values in order to pursue the common objectives. Scholars have argued about the fact that both, the management level and the chief executive, are indispensable for an organization, but that a capable leader is the one of the most influential individuals in difficult times.

Looking at several historical events in the business world, illustrates the real power and influence of the main leader. Carly Fiorina might be a quite well-known name among companies, but not for the reasons one may presume. The company Hewlett-Packard was able to increase its income almost one hundred percent, among other improvements, under the special direction of Fiorina (Sonnenfeld, 2015). However, within the company things were not so harmonious, as they seemed. She was fired in the year 2005 and soon gained the infamous reputation of being one of the worst performing chief executive officers ever (Sonnenfeld, 2015). On the other side of the spectrum, famous personalities like Bill Gates, Elon Musk and Steve Jobs occupy top positions in CEO rankings (Hansen et al., 2010).
To sum up, the CEO is obliged with a handful of functions, which are not merely essential for the survival of a company, but also for its success. Additionally, by being in charge of the cultural setting and the senior management, a leader is by far the most influential individual in a business entity. With these aspects in mind, it seems to appear favourable to look at the chief executive officer’s Emotional Intelligence. Furthermore the impact on employees, their motivation and the overall organizational success are important points in this thesis. Compared to the upper management level, the head of a company has a much greater influence on these elements. Especially the climatic conditions, which have been addressed in the previous section, are among the essential factors that are created by the CEO. However, it is also an acknowledged fact that leaders can and should be found at every level of a company, as they are individuals that inspire others and set a good example as role models. Furthermore, a person who leads others has to be able to help people, which can only be attained when that person is able to recognize his or her own and other’s strengths and weaknesses. Then, he or she must also be ready and capable of guiding others, so that they can improve their performance. These points cannot merely be performed by the executive, but also by the lower management level or a co-worker.

Hence, in the present work the key persons in this regard will be first and foremost CEOs, but also managers at every hierarchical level, with the idea in mind that Emotional Intelligence should not be limited to the top of an organization. In addition, the available literature and its emphasis have to be factored in, while considering one of either side. Since the present data has its focal point on the main leader (CEO), other possibilities can only be partly be taken into consideration. Another main aspect, which needs to be taken into account, is the further use for future research or individuals and organizations.

3.5. Effects of Emotional Intelligence on Leadership

The vast impact, different Intelligences other than the cognitive one, have on the corporate world, has already been touched upon a few times in the previous chapters. However, the exact extent of the Emotional Quotient’s role at the leadership level is yet to be determined. Even though, there have been several studies in the previous decades highlighting the relation between high EI skills at the upper management level and their success, there are still some missing pieces in the puzzle to be ascertained yet.
Some parts of the complex constellation have already briefly been discussed above, such as the contribution of a CEO’s or executive’s soft skills and the satisfaction of his or her subordinates at the workplace, along with their motivation and efficiency. Furthermore, the previously mentioned study by Hay/ McBer, mentioned in the work “Leadership that gets results”, already suggests that leading any business entity without the needed abilities, might have substantial far-reaching consequences (Goleman, 2000). The key word economic climate is of special relevance here. As the findings by the consulting firm and David McClelland suggest, the atmosphere at the workplace is of decisive matter, as it can affect success up to thirty percent. The psychologist examined department leaders of a food corporation and their EI properties, alongside their climatical impact on the enterprise. The subdivisions with leaders, who mastered at least six EI abilities, had higher revenues, than their counterparts (Cherniss, Goleman, 2003; Goleman, 2000). The other main issue in the complex constellation of organizational performance and intervening factors, according to the authors, is the leader’s proficiency to sense and manage the own and other’s feelings. In order to enable the best climatical conditions, a manager has to be elaborated in a crucial number of competences. The created conditions in this process can in turn form a sound foundation, which can in turn result in greater performance of the overall company, as opposed to other enterprises under the supervision of an emotionally less competent executive. The linkage between these variables is explained by the researchers as following: the working atmosphere mediates the connection between the Emotional Quotient level of a supervisor and the overall business results (e.g. McCelland, 1998). This rebuts the widely held assumptions about a direct connection of leadership and success. For a long time, researchers and scholars have focused on the leader and his or her personality traits, based on the hypothesis that a certain human being either represents a qualified supervisor, or not. Over the years, not only the presumptions in this regard changed, but moreover scholars from different fields started to wonder whether someone could be trained to be a better chairman. This is where the topic of Emotional Intelligence came into the picture, with the claim that necessary skills can be learned and trained. In the early stages of its study, EI has been heavily criticized, and is still being viewed with scepticism by some. Goleman and other researcher’s allegations that business performance can be sustainably enhanced by this approach, asks for more empirical support. Moreover, this throws up even more questions, such as how efficiency of top executives can be measured. Assuming, that some of the presented models here do in fact keep what they promise, how does one work on his or her Emotional Intelligence?

The focus of the subsequent sections will be laid on these two and further questions.
3.6. Who are Successful Leaders?

When discussing the topic of successful leaders, questioning what makes an executive successful, is indispensable. As trivial as this may sound, there are too many wide-ranging and intertwined factors included in this constellation, to speak of simplicity. One important point, which should be noted right at the beginning, is that no matter how emotionally intelligent or proficient a leader might be, he or she will never be able to be successful without a competent team. Even an ingenious undertaking is foredoomed to fail with if the implementation, or rather the individuals implementing it, are incompetent. Therefore, when we talk about managerial efficiency, also the effort of her or his subordinates is implied. In other words this means that an executive always performs as good as her or his team does. Whereas a capable staff with a bad manager may still be efficient, the case may look a bit different with a flawed group and a proficient leader. However, as the head who tells his or her followers in which direction to go, the leader is still the most influential person with regards to overall performance. Other than the course of the organization, an executive manager is also responsible for creating a convenient working climate, which has already been stated as one of the integral parts of efficiency.

Managerial efficiency has always been a controversial issue, as there is no general consensus among experts on which measurement criteria to apply. The overall tendency in this subject matter has been and still is towards financial indicators. The catch to the fact, when one only looks at financial results, is that other variables may have had its impact on the outcome. A certain department of a company may for instance experience rapid success because of a shifting supply and demand situation, which could have nothing to do with the leadership style exercised in the organization. Hence, monetary return should be viewed with a grain of salt regarding their connection to managerial performance.

With the rapidly changing economic situation, leaders experience further obstacles. With every changing aspect, also the style of leadership has to adapt accordingly. Whereas in the middle of the twentieth century the focus was on centralization and rigid hierarchies, nowadays a decentralized structure is necessary for an organization to survive in the long-run. The latter asks for completely different capabilities of the personnel compared to the first one, including proficiencies in the range of managing relationships. Taking over more responsibilities also comes with the upside of having more power, including more decision making power. For employers this means motivating their staff in order that they act in the interest of the company and its objectives. Among other things, this implies defining new and
more specific goals and concrete mission and vision statements, with more and more decision
makers beneath the same roof. Furthermore continuing training is needed, as more general
knowledge instead of being proficient when it comes to one skill is wanted.

As the picture leaders evolved over the years, also the perception of an effective one changed
alongside. With an uncertain environment surrounding the organization, staff changes at a fast
pace and more decision–making power at the lower levels of the organizational hierarchy,
characteristics such as flexibility and empathy seem to gain more value and importance. With
the current status quo, the opposite attitude would rather be counterproductive, as the CEO or
the top management team cannot take care of everything, with several factors being
intertwined.

3.6.1. Leadership Success Defined in this Work

As one can already assume from the previous chapter, the notion of a successful leader is not
universally agreed upon. Nevertheless, a definition of leadership efficiency has to be assigned
for the sake of clarity.

A proverb states that we are all CEO’s of our own lives, which would also imply that we all
have to define certain rules to measure efficiency for ourselves. Whereas some people plan
their lives down to the smallest detail, others may just live for the moment and let things
evolve naturally. For the first group of individuals mentioned, succeeding might be a certain
value, whereas for the latter it could mean something completely different. Some might have
a stress-free and healthy lifestyle as their superior goal, whereas others might pursue
recognition, fame or even money.

In my terms, monetary values as determining factors of efficiency in organizations are
outdated and out of place, especially in today’s times. Being a leader, there are far more
relevant factors than financial gain. Furthermore, financial results have the tendency to
decrease, if the main drivers for success are not sustained. Better monetary outcomes are just
one perk of being successful, which however does not necessarily hold true if we inverse the
assertion. More net income doesn’t always imply that the enterprise is on the road to success,
but can also be the result of fortunate coincidences. Being in the black does not always imply,
that the upper management level knows, what it is doing. Looking at things from the other
side, operating in the red is not always an indicator for an incapable management either. In
order to pursue long-run efficiency, I believe that other values should be deemed more relevant. To get a proper definition we need to ask ourselves what our core values and principles are. Based on them, we can derive success for ourselves. Also, the core mission as a leader has to be determined in that connection. According to the author and contributor of the *Forbes*, Erika Andersen, a leader is someone, who wants to commence an alteration of the status quo, so that everyone in the corporation may benefit from it (Andersen, 2012). This takes us back to the topic of influence of an executive. Without power, a chief executive will not be able to initiate change. Following this train of thoughts, a leader is nothing without her/his followers, as her or his existence is based on their willingness to follow him or her. This was also stated in the *Forbes* article mentioned above, highlighting the fact that only someone who is viewed as such by others can be deemed a leader. According to this reasoning, leadership efficiency should be measured by the impact the persons on the top of a company’s hierarchy have on others, as their level of motivation for instance. Some researchers also argue that further progress of subordinates appertains to the capability of managers, which can also be derived from Andersen’s statements (Andersen, 2012).

The staff’s motivation and the connection to the employer’s Emotional Intelligence will, in the following chapter, be discussed in detail. Additionally to these aspects, I further deem quantities such as an overall life satisfaction, a healthy work-life balance, a good health and a fulfilling occupation relevant in that connection, in accordance with some authors and business gurus (Hall, 2015). However, that does not imply that I do not deem financial indicators relevant, when it comes to success. What it comes down to, from my point of view, is a bundle of aspects, including financial magnitudes.

As a last remark, again the climate of the workplace should be mentioned in this regard. It has also been addressed several times along with its significance for the overall corporate performance. How the working atmosphere is perceived by the personnel, also is a main aspect with respect to the work satisfaction, as already implied. The fact that it directly affects the overall organizational performance underlines the above-mentioned approach. Hence, as the first and foremost measure of leadership efficiency, in this thesis, the created corporate climate will be called on, due to its close connection with the motivation of the personnel and the leadership approach by the leader.
3.7. Developing and Improving Emotional Intelligence

In order to be classified as an intelligence, EI has to fulfil the criterion of being alterable, among other things (Mayer et al., 1999). Similar to the Intelligence Quotient, genes and formative years play a crucial role in shaping the level of EQ. This may, for instance, become evident while comparing two individuals with different pasts. Someone with profound experiences with leading groups and coping with several team members, gained from many years of group membership throughout his or her early years, might probably command more abilities on the emotional level, than another person with relatively less practice in this matter. Nevertheless, the body of literature suggests that developing and improving Emotional Intelligence can and should be aimed at in any age, since it can yield significant results. Whereas cognitive learning is an integral part of any profession from day one, the emotional development of employees often falls by the wayside. Even though, executive managers have been focusing more and more on soft skills in the previous years, the appropriate approach is, in many cases, missing. This is due to the fact that learning on an emotional base differs from intellectual one and should therefore be approached differently, which is often misunderstood. Whereas cognitive and methodical competence is quickly acquired and processed in the fast working and strongly interconnected neocortex, emotions and the like undergo a different and more sophisticated treatment in the brain. One point, which makes a major difference, is that the limbic system is less pronounced, than the “thinking brain”. Anyone, who has had experience with trying to change a habit, like trying to be more patient, has in all likelihood felt the difficulty it can bear. Something, which we have done the same way for several years, takes a lot of time and effort to alter. The older we are, the more difficult it gets to change processes, which we have repeated over and over again. Due to this, a learning process aimed for the “emotional brain” has to be approached differently. Researchers found that these skills may be best developed by constant training, repetition, determination and feedback (e.g. Duhigg, 2012). Furthermore rewards may play a key role in the process of memorizing habits (Rolls, 2005). If these things are not considered, a person will be more likely to forget the acquired skills, compared to someone who takes care of them. The fact that cognitive and emotional learning should not be considered as detached values, but rather as a cohesive construct due to their interlinked character, should also be factored in when trying to develop either of the two coefficients (e.g. Pessoa, 2008). Hence, the first step towards developing EI has to do with motivating the subject, whether it is about self-development or training others. The more someone is willing to learn something, the more likely it is that the person retains the learned things. This is especially true while targeting processes of the ‘emotional brain’,
since it takes relatively long to change old habits and replace old nervous connections, that have been built over years and repeated over and over again.

In this work, the focus regarding developing Emotional Intelligence will be on self-development. The approach presented in the following is Richard Boyatzis’ step by step guidance towards enhancing a certain personal attribute (Goleman et al., 2002). The five stages are listed below:

a. The ideal self

In this stage the individual has to realize where he or she is heading towards. The decisive factor in this respect is how one perceives his or her surroundings and the world and which core values he or she believes in.

b. The real self

The next step after specifying the ideal self is to realize the true self, which has to comprise both, positive and negative aspects. Due to several biases and missing EI skills, this step might prove very difficult. Ironically, lacking a certain Emotional Quotient level impedes the competence of evaluating the own Emotional Intelligence, as people in these cases tend to overestimate their abilities, but at the same time do the quite opposite when it comes to their bad habits for instance.

c. The learning plan

This stage is about creating a strategy to use the yielded information about the own strengths and weaknesses. The authors stress on the fact that individuals should rather concentrate on the learning process, instead of the outcomes in this regard. That doesn’t imply that there shouldn’t be concrete goals in mind, but rather quite the contrary is true, as formulating appropriate objectives is an essential aspect in this process. However, while pursuing them, the learning individual should keep track of the progress and find out which approach works best for him or her. Whereas for some people it may prove more efficient to learn by experiencing something, for others it might not lead to the desired results.

d. Exploring and applying new approaches based on diverse thoughts

In order to turn new processes into a habit, they have to be repeated over and over again. As already mentioned, this procedure may prove difficult and it might take a long time to
establish new neural connections. However, in the long run, improvement or better habits might pay off in form of new and strong nerve synapses.

e. Developing relationships

In order to reflect upon the progress and get constant feedback, other individuals are necessary while trying to enhance one’s Emotional Intelligence.

These five steps aren’t just crucial for individuals who want to achieve better results in their professional lives, but moreover for everyone who is in quest of general self-improvement. Expanding the own soft skills, among other things, has in the previous decades been linked to an overall enhancement of life satisfaction, not only by Daniel Goleman. One important factor in the constellation of EI and perceived life satisfaction is stress, which was among other authors studied by Itziar Urquijo and his colleagues. In their investigation, which comprised 400 academics, they found that a high level of Emotional Quotient contributed to the way the affected person coped with stress. A better coping strategy in turn enhanced the degree of perceived wellbeing (Urquijo et al., 2015). Further research was carried out by Benjamin Palmer and his colleagues or Ruiz-Aranda et al. (Palmer et al., 2002; Ruiz-Aranda et al., 2013). The pursuit of happiness is still a profound mystery and is therefore continued being discussed widely. However, according to certain researchers and psychologists like the authors of “Primal Leadership. Realizing the Power of Emotional Intelligence.”, the answer to increased life satisfaction lies within the realms of acknowledging our emotions and making use of that information in a profitable and sustainable manner. The literature even takes this assertion one step further and claims that diverse addictions stem from not being fully emotional aware of what makes us happy. This leads to attempts of trying to distract ourselves from that fact, or looking for satisfaction of our longings in other things. Furthermore, the fact that the society we live in, is one that promotes suppressing feelings and emotions, makes it even harder for us to get to the root of the matter (e.g. Cooper, Sawaf, 1998). This phenomenon is particularly apparent in highly industrialized regions, or in other words, in the first world countries. There are indeed wide discrepancies, on how a society copes with feelings, between cultures and subcultures. A short digression in this direction has already been referred to above (Benson, 2003). Anthropologists and other scholars assume a
connection between technological progresses of a territory and the predominating ideology there, not only in this regard.

Whereas the above mentioned points describe a general approach of developing the own Emotional Intelligence, the literature also provides ideas of enhancing each of the EI domains. Some of them are illustrated below.

### 3.7.1. Developing Self-Awareness

As trivial it may sound, but being emotionally self-aware is not a matter of course, even though many people think they are sufficiently equipped with awareness in this regard. The reality, however, looks somewhat different. One of the first steps towards more knowledge about oneself is taking time off from your daily life, in which you can only focus on yourself (e.g. Emotional Intelligence, 2010). This will ensure that no room is given to distractions of any kind and you can fully concentrate on how you are feeling at that moment and why. Furthermore, it is of particular importance to be candid and honest to yourself while doing so. Eventually this will help to search for the origins of problems and the like, since moods and feelings hold certain information about potential discomforts. There are plenty of people who only realize, that they are experiencing a burnout, when it is already too late. Cases like these are not rare, sometimes even worse and life-threatening and a missing awareness of the own emotional state is the root cause for such occurrences. In that sense, developing the own EQ can’t merely enhance life satisfaction, but moreover save the own life.

After acknowledging what kind of feelings you have and why you have certain emotions, the precise assessment of how they may have an influence on your life has to follow. Someone with a troubled mind may perform his or her work considerably different, than an individual who goes to work sober-minded. The ramifications are even more far-reaching in the case of a leader. Often times we don’t fully acknowledge, what we trigger by letting our moods and feelings impact our working life and the people surrounding it. Individuals in a leading position have to be particularly cautious in this regard, as they have to deal with several employees. Altering their emotions may be a decisive factor for the working climate, which then again might influence the overall organizational success. In order to enhance the emotional assessment of the self, it may be of great help to ask others in the immediate surroundings, for instance co-workers or employees at the workplace.
Another crucial advantage one gets by developing the first out of the four Emotional Intelligence domains is that you might learn a lot about yourself and may conceive many things that happen on an unconscious level (Emotional Intelligence, 2010). Consequently, one can further evade situations or factors, which have caused negative emotions in the past and promote occurrences that lead to a positive state of mind.

Before proceeding to the next cluster of EI, a final ability has to be mentioned here, namely self-confidence. Knowing your strong and weak points, accepting them both and making the best out of them is considered as one part of being self-confident. There are diverse techniques for individuals, who need to train this section of their Emotional Quotient, which can be implemented in everyday life. It may also be of great help to realize how much power and influence we have over our own life. This impedes putting oneself in the “role of the victim”, which has contra-productive effects in this regard. The more powerless one feels, the less he or she will be willing to change anything about his or her life. It might furthermore be useful to make notes about the status quo and improvements (Developing Emotional Intelligence, 2014).

### 3.7.2. Developing Self-Management

The second personal competence is built upon six abilities, which are: emotional self-control, transparency, adaptability, achievement orientation and initiative and optimism, according to the used model here. Whereas the first cluster was about gathering information about oneself, this section deals with modulation.

In a prior section it has been mentioned briefly, that some stimuli may sometimes trigger immediate emotional responses. How likely the occurrence of these phenomena is, or where the borderline lies, varies from person to person. Nevertheless, self-control is something that can be elevated, which goes hand in hand with diminishing such situations. In most of these cases, the inducement comes down to two possible stimuli, according to scholars, namely fear or what we crave for (Emotional Intelligence, 2010). These in turn, are different for every individual. Realizing what our cravings and fears are and being honest about them, are two major steps towards more control over the self. Subsequently thinking the given situation over and evaluating the own actions, are advised in order to prevent possible injudicious behaviour in the future. Moreover, future actions can be considered, in order to get more control over the situation and oneself. Two other possibilities suggested by the literature, are to reframe or
One decisive factor, when it comes to enhancing this part of your Emotional Intelligence, is being sincere with yourself. Once you master to recognize your emotions; which is the first domain of the EI model; you can only make the most of the given information by truly accepting circumstances as they are. Lying to yourself and not facing the true weak areas of your EQ will not lead to positive change, but rather make things even worse. Another key factor to focus on, especially while envisioning events in the future like those mentioned above, is whether you have a rather positive or negative attitude towards things and circumstances. A negative mind cannot be helpful in developing your emotional proficiencies, but moreover lead to the exact opposite. Harshly criticizing oneself for a knee-jerk action only promotes the likelihood of feeling helpless afterwards, which usually does not result in an improvement. Soliciting feedback from close persons may help to get insights of aspects, which we are unaware of. No matter how profound your self-awareness abilities are, chances are high that there still are aspects about the own self, which we do not perceive or can only view in an unconsciously distorted manner (Emotional Intelligence, 2010). Allowing criticism, being able to handle it properly and being honest to oneself are the requirements here to improve the self-management.

However, self-management is not merely about being able to control yourself. Moreover, competences such as integrity or trustworthiness are of pivotal importance. Executive managers, who genuinely believe in what they say and show, are much more likely to convince their employees of their ideas, than those who do not have faith in their undertakings. In other words: Only if you believe in yourself, you will be able to persuade others to believe in you too.

Furthermore, the qualities adaptability, achievement orientation, initiative and optimism are essential in this segment, which have already been addressed in an earlier section.

### 3.7.3. Developing Social Awareness

Being proficient in terms of empathy, organizational awareness and service orientation and
developing these competences are nowadays indispensable in the business world, whether you’re in a leading position or merely a staff member in a company.

Empathy is the basic building block of the two social EI domains, which can especially be trained by focus and constant repetition. “How does the other individual perceive the situation? What is he or she feeling? Why did he/she act in that way?”, are three possible questions to ask, in order to put yourself in somebody else’s position. The more frequently one practices his or her empathy, the better he or she will eventually become at understanding people in the surrounding (e.g. Goleman et al., 2002). Even though a lot of work is done on a subconscious level in the brain, there are also visual cues to determine someone else’s feelings. Often times, people show and tell the truth about their emotional state without even knowing it, namely by their body language, facial expressions or the sound and speed how they say certain things (Developing Emotional Intelligence, 2004). This can be tricky, since there might be several underlying reasons, why someone is standing in a certain pose, using certain gestures and speaking rather quickly. Additionally, the fact whether the individual is a stranger or close friend to the analysing person, plays an important part in here. Applying this approach to get a better understanding of someone, might prove more effective in case of a friend or acquaintance. An overlooked, but much easier method of enhancing your empathy is simply listening more carefully to what people have to say. We are constantly flooded with information in our hectic times, so that people are more and more unlearning the ability of listening actively to others. With today’s technology we are accessible at any time and place, which impedes the process of differentiating between essential and non-essential stimuli. Our brain has to be trained to focus on what’s important to us. The point that individuals are inherently focused on themselves may form an obstacle at this stage of training your Emotional Quotient, according to some scholars, like Lyle M. Spencer, Jr. and Signe M. Spencer (Spencer, Spencer, 1993). Whereas a certain degree of self-focus is important and crucial, we also have to be tolerant enough to be sensitive to other people’s character traits and their ideologies, among other things. Believing that the own philosophy of life is the absolutely right one will not help you to get far in terms of empathy.

When it comes to executive managers in organizations, another barrier that might potentially hinder their social awareness is their perception of success and which ways and means they use to get there. A leader, who is mainly focused on results and financial gains, may be more likely to overlook such things and lack empathy compared to someone, who has his or her emphasis on the personnel. Without holding certain social awareness abilities, a managing
director won’t be able to address or motivate his or her workers in the right way, which furthermore may result in falling short of the defined objectives. Additionally, the created working climate by the leader, the importance of which has many times been touched upon earlier, will be likely to suffer under such conditions. These aspects just highlight one portion of the key role empathy plays in an entity, and the fact that it is even more relevant for individuals with power. There are also some studies about how empathic individuals are more likely to be successful, than those with less of the social awareness skill. In a research conducted by the Center for Creative Leadership (CCL), 6731 leaders from different nations were examined with a 360-degree test. The findings included a positive correlation between empathy and managerial performance, among other things (Gentry et al., 2007). Further work about empathy and its potential impact on managerial success has been done by Jennifer M. George (George, 2000). However, also this part of the literature on Emotional Intelligence has to be examined more precisely.

Once you get better at reading other’s emotions, you can apply this to a larger audience. Organizational awareness basically covers this aspect, but is even more complex as it involves several more persons and facets. This sector doesn’t merely cover emotions in the company, but moreover entails factors such as the informal setting, formal processes, objectives, the working climate and values in the company, among other things. (Goleman et al., 2002) Grappling with these topics, can turn out to be crucial, especially in the case of a CEO or the upper level management, in order to be thoroughly acquainted with the given organization. Then, and only then, executives can turn things around in situations, it might seem necessary. The system of rewards in the entity can also be of decisive significance here, as it can be a main indicator for accepted or rejected values, according to some authors (Developing Emotional Intelligence, 2014). Whether a company predominantly has its focus on people or on tasks, can also be ascertained that way.

Service orientation is the last part of the social awareness clustering. With a certain amount of empathy and organizational awareness abilities, other individuals and groups influencing or being influenced by the company can be focused at, such as customers.

3.7.4. Developing Social Skills / Relationship Management

The last building block of enhancing Emotional Intelligence, according to the presented model, is also the most complex one, with the precondition of overcoming each other cluster
listed before. Trying to sense and understand other’s feelings is only one part of the equation, which is the less complex one. The competence of managing your relationship with others is yet a different story. Even though, the level of the own Emotional Quotient can always be trained and enhanced, no matter how sophisticated it is, there are specific indications that may point towards a lack of social abilities. Persons, who have reached a certain level here, can be recognized by their demeanour, as they usually are person–oriented and thus proficient in talking and dealing with individuals and groups. With these skills, they build up and cultivate essential relationships.

The six determining competences of relationship management, which have already briefly been discussed earlier, are influence, inspirational leadership, developing others, change catalyst, conflict management and teamwork and collaboration.

The term influence is sometimes perceived as something negative, however in this context, only positive influence on others is meant. This includes exerting influence on individuals or groups in order to support those. In terms of Emotional Intelligence, a person with a fundamental level of competences here is someone who is perceived as a leader, no matter where he or she is in the hierarchical ladder (Goleman et al., 2002). Holding certain information, which others do not have and radiating trustworthiness and integrity are also relevant aspects here. There is no question, that every manager; no matter on which hierarchical level he/ she might be; has to have particular influencing qualities. By having an impact on others, a leader can steer things in the desired direction, namely towards common goals. Furthermore, by being perceived as such will ensure a manager loyal followers, help them align their with the company’s goals and build overall resonance in the organization.

Leadership, in this constellation, is also denoted as visionary leadership here. Someone with leadership qualities has to communicate a mission to the others and illustrate that by setting a good example.

Relationship management and having a high Emotional Quotient is especially about trying to help and support others. While developing others, not only the other person bears fruit, but moreover the helper too benefits from it. However, it should be noted that the readiness to do so should ideally not originate from the consideration of benefiting from it, even though the persons concerned are aware of the mutual profit.

One of the most essential parts of relationship management, which is also the sine qua non for several other abilities, is communication. Without the knowledge of expressing yourself or
addressing someone in an appropriate manner, many other skills cannot be fully used. The term in this sense isn’t merely restricted to communicating per se, but moreover doing this in order to benefit from it, solving problematic issues or constantly trying to amend the own faults and learn from them. Among others, this also includes handling difficult situations or persons, and learning from the experiences. As a leader, the more subordinates one has, the greater is the probability that not all of them are easy to lead or talk to. Problematic events or staff members are unavoidable, not only as an executive. Practicing skills in this regard will not only be advantageous in one’s professional life, as communication is an essential part of our day-to-day lives. This leads us to the next points, which are conflict management and change catalyst. The former entails some points which have already been addressed above. One can imagine the magnitude of a CEO or manager’s abilities of dispute resolution. Furthermore, an endowed problem-solver does not only see the negative aspects of an issue, but also the opportunities that come with it. The most effective way of developing this part of your Emotional Quotient is through putting yourself in such situations, or in other words by learning by doing.

The latter, change catalyst, is based on the underlying idea of constantly trying out new ways and means in order to get better results and generally being open to new concepts. Since companies are nowadays surrounded by quickly changing environmental conditions, this capacity is essential for the survival of them. Furthermore, technologies are not merely in technology-oriented enterprises a decisive competitive factor. The underlying condition to enable innovation is an upper management level that constantly questions the status quo. Authors and scholars have listed CEOs with such a mind-set among the best performing ones, such as Tesla’s chief Elon Musk (Cohn, 2015).

Teamwork and collaboration is the last items on this list. As already implied, some skills are best learned by practice, while for experience other people are necessary. The bigger your network is, the more chances you will have to train your competencies and learn from them, and the faster you can develop your Emotional Intelligence. This is only one upside of building strong relationships. Additionally, the competences teamwork can be practiced, which are essential for the climate in the company. The right amount of decentralization can do wonders regarding the organizational environment, as employees do not feel left out in terms of deciding upon relevant matters and also more communication and teamwork is enabled in the process.
3.8. Group Emotional Intelligence

So far, for the sake of simplicity, I have been implicitly assuming the Emotional Intelligence of individuals. The context of the work places special emphasis on managerial staff, at every level of a given company. However, it might also be preferable to look at groups of people and their collective Emotional Quotients. A group’s Emotional Quotient however, is not merely the average of every single individual’s EQ in the team. Druskat and Wolff argue that there are certain terms under which teams can get the most out of their collective potential, which are: trusting each other, feeling a sense of belonging in the group and a sense of group efficacy (Druskat, Wolff, 2001). The standards generated in the process of working on the previously mentioned conditions, are emotionally intelligent norms, which in turn can make room for efficiency, according to Druskat and Wolff.

When we take a look at organizations, especially international ones, we find relatively few leading positions as opposed to employees in there. Whereas the top management sets the tone in the entity and lays the foundation for a joint endeavour, the operational tasks are executed by the staff. Even with distinctive abilities on the top, an organization cannot be fully effective when the personnel do not work efficiently. The fact that an efficient performance does not merely depend on a few people, but on their joint effort, makes the group emotional intelligence interesting for this work.

However, as is often the case, the reality differs from the anticipated results. As studies point out, in most of the times people are better off in teams while making decisions (Goleman et al., 2002, p.217). Even in situations in which the involved individuals in a team exhibit different levels of EQ and IQ, the quality of decisions tends to increase when more people are involved in it. However, the less concord and the more negative aspects and emotions, such as power struggles and controversies there are in such situations, the more likely it is for the group to move in the wrong direction. In order for a team’s Emotional Quotient to develop, everyone who is part of the team has to forge ahead. Even if there is only one individual in the crowd who triggers something negative, it affects the climate in the whole team and therefore everyone in it. In parallel with a person’s Emotional Intelligence, a team can enhance their proficiencies by working on the four clusters and competences mentioned above. This entails, similar to an individual’s development, a lot of collective work and repetition. As a first step, the status quo in this regard has to be defined. Having determined this helps with setting new goals, which can then be aimed at. One difference between enhancements in terms of Emotional Intelligence in teams, as opposed to individuals, is the shared culture or even
subculture in the gathering, and the shared values and norms which are one main component of it (Goleman et al., 2002). When these facets are not taken into consideration while thinking in new directions, the employees will resist the change, which can then not be implemented successfully. When the objectives are finally achieved, further and continuous work is essential in order to maintain the reached level, or even make more progress. This can be established by creating a setting, which facilitates and enables future improvement.

Even though every single one in such a gathering is of significance, the leader is still responsible for the climate in the organization, which accounts for a big part of the success. When change is needed, it is also the CEO who has to make the start and steer things in the desired direction.

From these points it becomes clear that the collective Emotional Intelligence, of a company for instance, is a rather complex subject matter. The existent literature is in this regard is also sparse and leaves much to be desired. Hence, it is only covered in this section of my work.
4. Leader’s Emotional Intelligence and Personnel Motivation

4.1. Introduction: The Notion of Motivation

The main focus, in the previous chapters, was primarily on what happens at the top levels of an organizational hierarchy. This also applies to general works in this field, when it comes to researching entities and their performance. The underlying idea in this regard stems from the assumption, that the top executives are responsible for organizational performance, but on the other side also for the absence of positive results. Having such presumptions is, in many ways troublesome, especially when the mission is to determine factors, why things are not turning out as desired, for a company. Naming the CEO or his or her direct reports as the chief cause in such situations is not only suboptimal, but furthermore does not lead to constructive change in most of the cases. Moreover, the results of a company are as complex as the institution itself, with several intertwined factors biasing the outcome. As the British professor Stephen Fineman remarked, corporations are similar to “emotional arenas” (Fineman, 1993). What the author tried to emphasize on, with this rather bold allegation, is the complexity of entities which is created when numerous different individuals attempt to work towards a common objective. His focus here was on the vast emotional load that can emerge in this setting. However, this further naturally results in complicated processes and the like, in organizations.

Returning to the principal point of how a company’s performance can be analysed: One of the most important parameters, which are often overlooked during the process of achieving better results, are the executing members of a business – the employees. As the individuals, who are actually responsible for implementing ideas from their supervisors, they are not less crucial for corporate performance than their counterparts on the top. However, things are not as trivial as they seem and employees only have in very rare cases the exact same objectives, as their seniors. Ever since there is research on business success, scholars have tried to determine reasons how to align the personnel’s with the company’s goals and reasons why these two can be very different from each other. From more attractive salaries, to more possibilities and fun at the workplace; such as working from home, bringing infants to work, having a gym and other sport classes in the organization, to special rewards; diverse strategies have been applied. Still, the source of what drives the decisions of staff members is a much debated topic. In order to get to the root of the problem and a better understanding of what makes people choose certain decisions over others in any given situation, we need to take a closer
look at the main drivers of human behaviour. This is where the concept of motivation comes into play.

The wide-ranging notion of motivation includes a vast amount of elements, which scholars have tried to classify, ever since the term has been known. It seems obvious, that this endeavour has been proven more than difficult, with several theories, approaches and definitions in the available body of literature. However, there are certain aspects that all definitions seem to have in common. According to the psychologist and professor of the University of Vienna Erich Kirchler, arousal, direction and maintenance of a target-oriented behaviour are part of the most well-known classifications of the term (Kirchler, 2001). If we dismantle the previous assertion into its components, human motivation includes an external or internal trigger, which then makes us decide upon choosing a target and sticking to it, till we reach our desired objective.

4.2. Motivation at the Workplace

With this somewhat vague definition in mind, let us go back to the dilemma of disparate objectives in an organization. Many researchers believed and still believe, that setting the right trigger for employees or simply asking them to perform certain tasks, does the magic and makes them do things, they want them to do. The truth however, is that the human brain is much more complex than this and that people do not like to be told what, how or when to do things. This phenomenon is especially distinct in today’s world, as the trend is shifting more and more towards decentralized structures and authorities have less power, than ever before.

Even with the ongoing development of the workplace, creating a more and more homelike atmosphere in organizations and other stimuli, not much has changed concerning the professional engagement of the personnel. Psychologists and other scientists have by now, figured out that motivation is an inside job. Executives cannot make people engage more in their work, if those persons don’t want to be motivated (e.g. Herzberg, 1987). According to them, workers who get inspired by their supervisor’s ideas or change their behaviour after constructive feedback from them, are already motivated employees (Harvard Business Manager, 2004). For everyone else, which in most of the cases is the majority, this somewhat does not hold true, and simply telling them to be more motivated cannot do any wonder. The key to the solution here lies within those individuals. No one but themselves is able to
motivate them, according to scholars (Nicholson, 2004). At first, this finding may seem disenchanted for many, as one may think that they can do nothing to make their staff work harder. Even if it may seem like this is the case, leaders can only need to change their point of view. By enabling an appropriate working climate and the right approach, even some problematic staff members can be swayed (e.g. Nicholson, 2004). As already mentioned before, a leader will most probably not be able to persuade workers, who do not want to be persuaded. The question which therefore arises here is, what the needed climate and conditions are constituted of. There is no simple answer to this, as it depends on the situation, the leader, the personnel and their characters.

Researchers assume that every person has certain drives, or in other words is passionate about something in their lives. Leaders need to become acquainted with their subordinates and learn about such aspects, because they matter when it comes to the workplace. Having knowledge about these points can prove decisive for their engagement in their professional life. Without them, no manager will be able to elicit someone’s engagement, or even worse may even demotivate some workers. The German psychologist Hans-Georg Häusel, who devoted himself to brain research among other topics, says that the limbic profiles of individuals are determining in this regard (Häsuel, 2004, p. 24). The limbic system has already been part of this work before, and briefly been discussed. The limbic profile, as one can already assume, is an individual composition of what drives our behaviour. According to Häusel, it can be divided into three components: the balance–instruction, the stimulant–instruction and the dominance–instruction (Häsuel, 2004, p.25). Whereas the job of the first division is to avoid all kinds of hazards, and maintain important relationships and habits, the second one is the very antithesis, as it is responsible for our curiousness. This is the part of our brain, which is to blame for, when someone is constantly in quest of novelties, such as new tasks and gets bored easily. The last mentioned cluster makes us, as the denotation already may imply, to competitors. The urge to perform better than everyone else and be the number one, stems from this instruction.

At this point, different personalities may come into mind, while going through the previous passage. The underlying reason is that each of these classifications exists to a certain amount in every individual. The personality of a person depends on all of them together and their interconnection, but the most salient one sets the tone. What we get is the resulting limbic profile, which is decisive for how the individual behaves in certain situations, or in other words what motivates him or her. Hence, Dr. Häusel recommends that every manager should
study his or her subordinate’s limbic profiles, in order to act accordingly (Häsuel, 2004). Whereas someone with a dominating dominance–instruction may not react positively to authority, the opposite might be the case when it comes to someone with a prevailing balance-instruction. Even when the individual is not aware of his or her own predominant construct, stimuli from the environment run through the brain and limbic system get evaluated and cause negative, positive or neutral emotions. Häusler states, that more than half of the external triggers are processed in an unconscious way (Häsuel, 2004, p. 28). Nevertheless, the influence is enormous. Depending on what causes us to feel good or bad, our behaviour can be completely different. When executive managers want workers to be more engaged at their jobs, they need to study their limbic profiles and give them tasks and feedback accordingly; only then they can have an impact on their motivation and hence performance (Harvard Business Manager, 2004). A huge amount of work demotivation stems from the fact that people work in positions that don’t fit their limbic profile. Furthermore, the way how feedback is provided by the supervisor is also decisive.

Based on these instructions, six possible personality types can be names, with the three extremes performers, preservers and creatives (Harvard Business Manager, 2004, p. 26). For a detailed explanation of the extreme types, along with managerial and feedback suggestions, please take a look at the Table 2.

<table>
<thead>
<tr>
<th>Limbic Types</th>
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<tbody>
<tr>
<td>Preservers</td>
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<tr>
<td>Personality</td>
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<tr>
<td>- reject risk and uncertainty</td>
</tr>
<tr>
<td>- people and feelings-oriented</td>
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</tbody>
</table>
### Motivational Recommendations

- detailed instructions with frequent feedback
- seeks strong relationships, also with his supervisor and co-workers
- clear goals instead of too many instructions
- prefers to decide on ways and means how to reach objectives
- rigid processes and managerial tasks should be avoided for them

**Table 2. Limbic Types. Note:** Adapted from Häusel, 2004, pp. 26-27.

#### 4.3. Theories of Motivation

The history of motivation and its research is a quite long and wide-ranging one, which is one of the reasons, why it cannot be addressed in a comprehensive manner in this work. Another cause is that the emphasis is on the personnel’s motivation and its connection to the leader’s Emotional Quotient. Thus, this chapter will only provide a brief insight into some well-known and still used approaches towards the subject matter motivation.

One of the most renowned classics among the incentive theories, which is especially of relevance for organizations, is Frederick Herzberg’s two–factor theory (Herzberg, 1968). The psychologist, who gained a good reputation for his scientific work in the field of management, already implied almost fifty years back, in the year 1968, that an executive has minor impact on his or her follower’s engagement in the corporation (Herzberg, 1968). His approach back then was, among other things, called the motivation – hygiene theory of Herzberg is in all likelihood his most eminent accomplishment. The American author reasoned that the aspects, which lead to contentment of staff members and those that cause discontent, come from different sources. While it may sound quite logical and simple in theory, the novelty of his propositions generated a large buzz and for the practice it is rather complex, as it implies several things. On the one hand, simply avoiding unhappy workers, cannot lead to their satisfaction and thus motivation or work effort, which are closely related to each other. On the other hand this further means that coefficients, which de facto lead to intrinsic motivation in
the corporation cannot really be controlled by the management, as they are completely other quantities. The latter are called motivators and are, as the term suggests, values such as success, progress, responsibility, personal fulfilment and the like. Hygiene factors, on the other side, are variables that are amenable to influence by managers, such as monetary reward, insurance at the workplace, employment security, terms and conditions of employment or status (Herzberg, 1968). Herzberg’s main conclusion from these findings was that subordinates have to perform tasks which address their intrinsic values, in order for them perform at their best. In other words, Frederick Herzberg suggested introducing job enrichment to companies (Harvard Business Manager, 2004, p. 78).

Whereas the particular focus here is not on the motivation of senior managers, but moreover their followers, let us take a brief look at the opposite situation. The psychologist David Clarence McClelland has already been mentioned earlier here; together with his colleague David H. Burnham he postulated the hypothesis that power has to be a main motivating factor for leaders. To be more specific, their allegation implicated that executives who put more emphasis on power, than their achievement, actually perform better (McClelland, Burnham, 1976). This assertion should be taken with a pinch of salt, as the notion of power can differ from individual to individual. Similar to the definition of power and influence in Emotional Intelligence models, it can be exerted for the own advantage or in order to help others, which can also be compared to a win-win situation, as both parties gain something out of it. The authors here addressed the latter and claimed that the striving for influence and power furthermore has to exceed the urge of being liked by everyone (McClelland, Burnham, 1976). According to McClelland’s and Burnham’s work in 1976, executives with these character traits set the stage for the most successful individuals on the top. The fundamental assumption behind this seemingly harsh allegation lies within the complex situation of a executive’s role. A person in a leading position, who cares more for what others think of him or her, than strives to be a good leader, will eventually get caught up in stick situations. That this position is somewhat tricky, with respect to its belonging to a group, has already been subject in this work before. Instead of worrying about his or her popularity in the corporation, the management should be more worried about the progress of her or his subordinates and thus of the whole company, according to the authors. Efficient CEO’s or managers have their key priority on using their authority to guide the organization to prosperity. Even though one thing may not rule out the other, David McClelland and his colleague differentiated between the extreme positions of senior managers with the drive to push the company ahead and those, who rather act as ‘father figures’. The latter group of leaders are more likely to establish a
vague organizational climate, which was the main indicator of performance in their study in 1976 (Harvard Business Manager, 2004, p. 120).

Earlier, McClelland published his work “The achieving society” in 1961, in which he mentioned three main drivers of every individual. According to him, everyone longs for achievement, affiliation and power (McCelland, 1961). The degree to which each motivator is present in a person, and which one out of the three is the main driver, defines the personality of that individual. As an example, persons who are predominantly achievement driven can unfold their full potential in a position with sophisticated work, which however they believe to be feasible. People with a striving for affiliation, on the other hand, will have a hard time solving complex tasks with uncertain outcomes alone, as they prefer to work together with their co-workers (McClelland, 1961).

For the sake of completeness, one of the very first approaches in this field, which was made by Abraham Maslow in 1943, should be mentioned as well. With his theory “Hierarchy of needs” in his work “A Theory of Human Motivation”, he published a revolutionary conceptual approach, underlining human growth (Maslow, A.H., 1943). The five components, with each of them premising the prior need, range from psychological, safety and love to esteem and self-actualization on the top of the hierarchy. Even though, Maslow’s theory is very popular up to the present day, its validity has been questioned by psychologists and other researchers.

More recent theories of motivation include for example the Cognitive Evaluation Theory (CET) (Picot et al., 2015). CET deals with how intrinsic motivation is influenced by external stimuli, with the assertion that external rewards diminish motivation, in the case of a previously intrinsically motivated behaviour. This makes the theory part of a broader concept, also known as the Self-determination theory, or SDT. Richard M. Ryan and Edward L. Deci are two of the most important names, associated with the concept, even though its commencement date back to the 1970s, with various researchers who have been contributing to the theory (e.g. Ryan, Deci, 2000; Deci, 1971). As the denomination already might suggest, the core statement of the Self-determination theory is that individuals have certain innate psychological necessities, which form the basis for intrinsic motivation. Hence, the primary focus here is on motivation which does not stem from external stimuli, but is rather self-determined. (Ryan, Deci, 2000). The three necessities mentioned by Deci and Ryan are
competence, autonomy and psychological relatedness. Research on SDT does not only address these innate factors, but furthermore variables that could influence them and the resulting motivation.

The Goal-setting theory originates from a quite different angle, than the theories of motivation mentioned above. With Edwin A. Locke’s work being the basis of the model, it is postulated that the mere action of setting an objective is linked to the performance of the individual. Moreover, Locke and his colleagues presumed that rather ambitious and concrete objectives are positively related with the performance of the person trying to reach that goal (e.g. Locke, Latham, 2006). Furthermore important in conjunction with the motivation to reach a certain goal is the provided feedback, according to advocates of the theory like Ivancevich and McMahon (Ivancevich, McMahon, 1982). One significant prerequisite is that the fixed targets are within the realm of possibility for the person trying to aim at it (Locke, Latham, 2006).

As a last point, in this regard, the Expectancy theory of motivation will be presented. With the reasoning that people are motivated to act in a certain way, because of a possible outcome, which is aimed at, Victor Vroom, established the basis for the widely known theory (Vroom, 1964). According to him, three values are of special relevance in connection to why a specific behaviour is engaged in, which are the valence, expectancy and instrumentality. Expectancy accounts for the perceived probability of occurrence, valence in this connection stands for the subjective worth the respective individual attaches to the final result and the third factor instrumentality implies the case that the affected person believes he or she can reach a desired outcome, in case of a good performance.

Even though, the origin of the approach dates some decades ago, the Expectancy theory of motivation is listed here, due to newer research and findings (e.g. Evans, 1991).

### 4.4. Common Misconceptions and proposed Solutions

In the previous sections, it has already been indicated that some leaders may have a completely wrong starting point when it comes to staff motivation, as many try to set incentives which extrinsically motivate their personnel, such as higher salaries. They are in too many cases not aware of their worker’s personality, which plays a key role in this regard. Psychologists demand that a change of perspective from CEO’s and other top executives is needed, in order to really get to know the individuality behind each employee. Only then, it
can become evident that each and every personality needs an individually adjusted method of approach, in many respects. Some emphasize on a method, which starts with a focus on the worker and the attempt to view the given situation from her or his perspective (e.g. Nicholson, 2004). At this point, it becomes apparent that empathy and hence an emotionally intelligent leader is indispensable for this approach. The presumption is that everyone is an engaged individual and demotivation only stems from the wrong task, negative feelings from a past occurrence, the workplace, the co-workers, the supervisor, personal life issues or other similar factors (Harvard Business Manager, 2004). In most of the cases the leader or immediate supervisor is even one of the main reasons for his or her follower’s missing dedication in the organization, according to researchers (e.g. Nicholson, 2004). The author Nigel Nicholson proposes senior managers to shift the focus from themselves to their subordinates first. One of the main psychological assumptions of people is that everyone has the same logic, as we have, according to Nicholson (Nicholson, 2004, p. 37). This mind-set lets us believe, that we only have to choose persuasive words in order for others to realize our viewpoint and its accuracy. Accordingly, we can get others to do what we want them to. The fact, that this is not only erroneous, but moreover can seriously harm relationships, should be obvious here. A reality with these conditions would imply that everyone has the same basic assumptions and therefore identical behavioural habits, as we have. However, as this is not the case, simply explaining our logical reasoning to others, will not result in a change of behaviour of them. What is really needed in here is a new approach. As stated before, psychologists presume fundamental motivation that every individual is equipped with. The question is here is how to convert this to motivation in the workplace.

4.4.1. Common Misperceptions

Closely related to the previously mentioned error, are biases towards workers that evolve over years. A popular mistake, which is not only frequently made in the business world, is that we often assume the personality of a person only resting upon a small number of information we have of them. Instead of trying to get acquainted with others, many people tend to use only a few facts and create an own image of someone in their mind (e.g. Nicholson, 2004). Such cases should be prevented, as they block us to really get to know each other better. It seems obvious, that the upper management should try to avoid a biased picture of their staff as well, as otherwise they might create unnecessary issues with it. Furthermore, not uncommonly the mistake of judging others too soon and assuming to be right, whereas the other one is
perceived as wrong, is made (Nicholson, 2004). Often times it might help executive managers to ponder at least about one positive character trait of their staff members, suggests Nigel Nicholson in his work “How to Motivate Your Problem People”, published in the Harvard Business Manager (Harvard Business Manager, 2004, p.44). This may facilitate shedding a new light on the relationship to that person, which might in turn be helpful in terms of workplace engagement. Sometimes when certain staff members are viewed as unmotivated, they are dismissed as a problem in the organization and subsequently, not uncommonly laid off. However, the authors Greif, Holling and Nicholson argue that the root of the problem is sometimes situated on the other side – and is the leader him- or herself (Greif, Holling, Nicholson, 1997). Individuals on the top are after all just humans, who have to bear a lot of burden in their positions. When they feel overwhelmed with responsibilities and decisions, demotivation, disappointment or even worse, a burnout may be the result. Additionally, the fact that a manager is never perceived as part of the group, which implies that he or she has no one at the workplace to entrust themselves to, makes matters even worse. This might create a vicious circle of issues that leads to more even more problems at the workplace, such as a social withdrawal, apathy and the like (Greif, Holling, Nicholson, 1997). One effective way out of this, are high emotionally skilled executives on the top, who are aware of their own feelings, are able to manage and harness them for their own benefits.

4.4.2. Proposed Solutions

Before any suggested method is presented, let us once again remind of the fact that the character of humans cannot be altered, and they therefore cannot be forced to be motivated for something, which doesn’t fit their personality (Harvard Business Manager, 2004). With this essential thought, it becomes more than obvious that the problem solution has to start with the affected person or persons. Nobody, but that individual is able to provide a possible solution in this tricky venture. The university professor Nigel Nicholson, who is an expert of organizational behaviour, splits a possible approach into three steps, which will be described in the following (Nicholson, 2004).

Initially, more information needs to be gathered about the members of staff concerned, whereas not only the background and his or her behavioural characteristics are crucial, but additionally the situation and executive. In some cases the environmental conditions may not be perfect for a certain personality to develop their full potential. Researchers, like Nigel
Nicholson suggest managers to meet their workers in informal settings, in order to get to know them better (Nicholson, 2004). Not merely will they be more likely to find out things, which really matter with regards to their motivation, but also their effort will be noted by their followers. Even though, the proposed method may not be a general recipe for success, one positive spin-off might be its impact on the manager’s reputation. People are definitely more motivated to work for someone, who shows concern for his or her follower, than for a person who demonstrates apathy. The second, out of three steps here, is considering an appropriate strategy, based on the gathered information from each subordinate. The final move should consist of applying this strategy, according to the authors.

Another popular model, which lies some decades behind, was created by the professor Dr. J. Sterling Livingston in 1969 (Livingston, 1969). Whereas other researchers mainly focused on how to talk and what to say to workers, in order to get them to perform better, Livingston’s approach starts with what happens in the brain of the person holding authority. His theory has a rather psychological essence, as the basic premise here is that an employee’s motivation and hence performance is heavily influenced by the supervisor’s anticipations. Believing in someone and their qualifications can do wonders for their actual performance. Vice versa, in case of an authority figure, who does not expect much from his or her protégés, the result will probably not strongly deviate from it. In the field of psychology this phenomenon is also known as the Pygmalion or Rosenthal effect (Livingston, 1969). While Robert Rosenthal examined students and teachers, Livingston studied this old and well-known effect in the business world and came to the conclusion that senior managers, who have high, but realistic expectations of their employees, are often not disappointed by the result. Quite the opposite happens, as workers who feel that their supervisor trust them to be effective, do their best to meet the standard. As trivial this may sound, there is one catch: words and actions from the leader without a firm conviction will most probably not lead to the desired result. In order to comprehend this phenomenon, one needs to understand the following psychological foundation behind it: No one can convince another person of something, he or she is not convinced of him- or herself (Harvard Business Manager, 2004, p.98). If you do not actually believe that your workers are capable of reaching or even going beyond the specified objectives, you will in all likelihood have a hard time expressing this persuasion. Sooner or later, the truth will manifest in one way or the other. However, merely believing in your subordinates and communicating them is not the whole story. Moreover, realistic targets have to be fixed, as the motivation of workers starts to decrease from a certain point, according to studies. David McClelland and John W. Atkinson examined this occurrence and came to the
conclusion, that whereas initially the drive rises together with the chances of success, it starts to drop when the probability of target attainment reaches 50% (Atkinson, 1957, 9, 365). This implies that a certain outlook of succeeding has to be in sight, in order for the motivation of staff members to rise. Newer research indicates that splitting a goal into smaller sub-goals may prove helpful in terms of staying motivated to reach a certain objective. Achieving these intermediate stages does not merely give a sense of fulfilment, but might furthermore have an influence on decision making (Steel, König, 2006; Rachlin, 2000). This phenomenon is also known as the temporal motivation theory (TMT) by Steel and König (Steel, König, 2006). Having said this, the thought that not every individual may be impacted to the same extent, seems reasonable. The more experienced an employee is and the better that person knows what she or he is capable of, the smaller the effect will be. On the other side of the age spectrum, relatively young and unacquainted persons at the workplace might have a much harder time dodging the obstacles of this effect. This is not only a logical conclusion, but has also been subject to studies (Berlew, Hall, 1966, p. 208). With this information, it becomes clear how relevant the commencement of a career can be, as the initially formed self-evaluation can accompany them for several years of their working life. A newcomer in a corporation who feels that his or her supervisor does not trust him or her to perform a certain task will eventually manifest the belief that he or she is actually not qualified enough to do it. At this point it becomes clear how far reaching and severe the consequences in this regard can be, and how important the role of the first employer can be, not only for the employee’s motivation. With this line of thought it seems even of more significance to keep a close eye on a leader’s Emotional Quotient. The more profound the EQ skills of managers are, the better they will eventually be able to help their subordinates to start off their career, build up a healthy self-esteem and have a motivated and positive working spirit. The fact, that this in turn not only benefits the personnel, but also the company and the management, shows that this leads to a win-win solution. Another fact, which seems relevant here, is that new workers hardly ever have the CEO of the company concerned, as their first line managers. This makes it all the more critical to have emotionally intelligent executives, not only on the very top hierarchical levels. Researchers furthermore claim, that the increasing turnover rate could be connected to employees who don’t feel challenged and promoted in their employment, which is especially high among young professionals (Albrook, 1968, p. 137).
4.5. The Leader’s Emotional Intelligence and Personnel Motivation

Skimming through the previous subchapters, the relationship between motivation and emotional qualities becomes more and more evident. However, at this point it is of utmost interest to remind ourselves, that motivation is not part of the Emotional Intelligence body, as Daniel Goleman initially argued (Christie et al., 2007, p. 213). Rather, both constructs are closely related to each other and intertwined, as the following section will highlight.

Starting from the bottom, it has generally been agreed upon how crucial a convenient operating environment in a business entity is. Together with the fact, that it is one of the main drivers for employee engagement at the workplace, the connections to the leader’s Emotional Intelligence start to become clear. As has been pointed out, some workers feel blocked by co-workers, the supervisor, previous happenings in the corporation or the environment created by these factors. Consequences are not uncommonly a lack of enthusiasm in the organization, even if their work was initially enriching their life. To counteract this, it is the responsibility of the persons on the top of the hierarchy, along with the lower management, to create an adequate working atmosphere in the company. Without the necessary skills, which are among others empathy and organizational awareness to evaluate what kind of climate is needed and social competences such as influence and change catalyst, to initiate the changes, managers cannot get very far. In addition, the limbic profile of every direct report has to be considered, in order to avoid counterproductive effects. Emotional self-awareness and empathy play key roles in this part of the process, since they are indispensable for figuring out the own impact on subordinates and how they deal with it. In order to realize, that sometimes a slightly altered attitude towards certain issues or problematic employees in the organization, is frequently the answer, a leader has to be aware of his or her self-assessment and bring a certain amount of self-management, such as adaptability to the table.

Frederick Herzberg’s proposed solution of job enrichment requires a more decentralized structure. Key words for the senior management here might be teamwork, influence and adaptability, among other social and self-management skills. The resulting autonomy, the feeling of meaningfulness of the own work and thus being able to see the big picture can drastically change the point of view of workers and therefore their enthusiasm in the company. Intrinsic factors, or as Herzberg called them, motivators of staff members, can only be addressed by individuals on the top, who are not only aware of their own emotions and their impact, but furthermore other’s feelings.
The suggested solution of informally building up relationships with the direct reports and the importance of dealing with workers who might be problematic cases, also calls for complex competencies, like conflict management and building bonds, for instance. The more sophisticated the leader’s Emotional Quotient level is, the better he or she will be able to get acquainted with the employee’s goals and therefore their main drives. As mentioned before, it may occur that the person trying to solve an issue in the company, is the fundamental problem him- or herself. Tricky situations like that are usually extremely difficult to figure out by the person him- or herself, due to a possibly distorted and one-sided perception. Cases, in which people are laid off by their supervisors because they get labelled as problematic workers, are not rare. Getting to the root cause of the problem is one thing, realizing that it might be you, is quite another matter and asks for a lot of honesty with oneself apart from enough self-assessment, among other things. The nature of feedback that is provided is furthermore decisive for a persons’ motivation, as already suggested above.

Another theory however, claims that senior managers might create unnecessary troubles without realizing it, because of their own issues. There is no doubt that the position of the leader is admired and comes with a bunch of power and influence, but there is also a downside: The unique character of it often times leads to socially cut off CEO’s and top executives (e.g. Harvard Business Manager, 2004). In addition, many times they feel overburdened with their complex tasks, which can trigger a doom loop. Having no one in the enterprise to share such things with may cause even more withdrawal from the social happenings in it, which in turn makes it harder to build and maintain relationships with the employees (Eidenschink, 2004). A resulting lack of enthusiasm in their profession causes even more troubles, as they will not be able to motivate their staff without being motivated themselves. It is quite obvious that the complexity of this scenario does not end here and that this only gives birth to a chain of unfortunate events. One possible way to break out of this downward spiral might lie within the realm of Emotional Intelligence. People, who know their strengths and weaknesses and dispose of sufficient self-confidence, will confess it when they feel overcharged and seek help.

The previously mentioned importance of pursuit of power in managers is only in cases of emotionally proficient persons a major indicator for effectiveness. Great authority and great responsibility go hand in hand; but without the knowledge how to use this accountability to the benefit of all members in an entity, power can cause great harm to everyone involved.
Responsibility requires a substantial quantity of managing the self, before others can be led efficacious.

4.6. The Personnel’s Emotional Intelligence and possible connections to Motivation

So far, the function of Emotional Intelligence at the top of a company’s hierarchy should not appear questionable, anymore. There is no doubt, that a highly qualified and experienced executive, can make all the difference, when it comes to setting the needed incentives and spurring on their collaborators, in order to eventually setting the course in the appointed direction. Also, the significance of the personnel’s performance, the key role of their motivation and how to encourage them has been discussed. Still, one question remains unanswered up to this point: To what extent does the Emotional Quotient of employees play a role, when we talk about organizational performance? Furthermore, this gives rise to the next question: Are the Emotional Intelligence and the drive of staff members connected with each other?

Let us take a closer look at the overall performance and break it down into its constituents, in order to understand the processes behind it. As already noted before, a skilled manager is nothing without his or her team, who conjointly contribute to the business output. This furthermore highlights the relevance of a group’s collective motivation. Hence, the hypothesis that the Emotional Intelligence of each individual worker is related to their motivation and subsequently their achievement, would also mean that the group Emotional Intelligence is a key player in terms of overall output. So far, there is not much empirical evidence regarding the constellation of factors involved here. However, some researchers highlighted the phenomenon of team’s Emotional Quotient and their impact on the company. In an article in *The Journal of Business Perspective* in the year 2009, Abdul Kadir Othman and his colleagues draw attention to this subject matter in their work “The Influence of work motivation on emotional intelligence and team effectiveness” (Othman et al., 2009). They claimed that each worker’s and thus the collective emotional capabilities play a huge role, when it comes to the organizational success. Their study was conducted in a service setting in Malaysia, focusing on the moderating impact of motivation at the workplace.

Before alleging the findings of Othman and his colleagues, the fact that motivation and EI are not one construct, but rather intertwined with one another, should be called back to mind. On the one hand, it is a highly unlikely case that an individual is able to manage his feelings
without having a certain amount of achievement drive (e.g. Christie et al., 2007). On the other side, researchers such as Wong an Law and Schutte and his colleagues postulated that, the more content an individual is with his or her workplace, the more prone he or she will be to bring along a certain amount of achievement orientation (Wong, Law, 2002; Schutte et al., 2002). How and the fact that workplace contentment and the Emotional Quotient of workers are related to each other, has already been addressed in a previous chapter. Abdul Kadir Othman and his colleague’s findings point towards a connection of a high level of work motivation and Emotional Intelligence, which conjointly result in high group output (Othman et al., 2009).
5. Conclusion and Recommendations

5.1. Introduction

The previous chapters should have given an insight into the relatively newly emerged, but quickly developing topic of Emotional Intelligence. Even though the second half of the last century breathed new life into various subject matters in the field of business, Emotional Intelligence has gained its reputation somewhat late. To that point, other parameters of intelligence, such as the social intelligence, were already a widely known and accepted concept. However, it took some initial barriers to introduce the notion of the Emotional Quotient, or EQ, to the world. Whereas there is diverse literature about the concept and also academic papers on possible connections to other fields, such as the business sector, some critics still remain sceptical. Especially the validity and the question, whether it is not merely an old concept, concealed as a new subject matter, which researchers created in order to present an overall solution for unanswered issues, are two main points of objection. Supporters, of the argument that Emotional Intelligence should not be presented as a panacea, primarily criticized Daniel Goleman’s approach. However, a revolutionary idea always has to encounter a certain degree of resistance at the beginning. Completely redrafting something, which was widely known and accepted, is never easy. This was the case, when some researchers suddenly termed the Intelligence Quotient and its reputation as an indicator of success, as an obsolete view. This was not only against the classical management theory, but in addition against the common belief in schools, universities and other educational establishments. The further claim, that emotional abilities can be improved a whole lifetime, unlike cognitive competences which are restricted with an upper bound, was a main novelty.

However, scholars have stressed on the fact that the Emotional Quotient is not something that supplants the Intelligence Quotient, but rather represents a complementary conception. In order to ensure effectiveness, one intelligence without the other, will not lead to the desired results. The fact, that the connections between cognitive and emotional functions in our brains are fairly wired, reinforces the importance of both areas. Additionally, this also implies that both areas in the brain are deeply intertwined. The psychologist, who is the key personality behind the fame of this issue, claimed that each and everyone’s Emotional Quotient, should not only be enhanced for the profession, but moreover for every aspect of our lives.
The idea came a long way, had and still has several obstacles to overcome, but has established itself as an integral part of many entities. More and more corporations are using staff and management trainings in order to enhance their EI competences. Leaders on the other side, are looking for staff members with profound knowledge, with respect to this field. With the entry of Daniel Goleman’s work “Emotional Intelligence” in Time Magazine’s “The 25 Most Influential Business Management Books”, an important milestone was reached (Time Inc., 2016).

However, there is still a long way to go in this field. The present work does not only deal with Emotional Intelligence of Leadership and its impact on organizational performance, but moreover the influence on the motivation of employees it has. This, and many other connections still need to be examined more precisely, with empirical support. In the following chapters, I want to highlight the most remarkable points of this thesis once again, and put emphasis on what might be missing here. To round off this work, an outlook will be provided, as some areas in this domain still leave room for further research.

5.2. Conclusion

Scanning over the previous pages; let me once again stress on the most important aspects of the current work.

With the facts, that motivation is an inside job and can make room for better performance, it is necessary for the leadership of various companies to somewhat rethink their strategies. Instead of setting incentives such as a higher remuneration or creating more homelike atmospheres in organizations with gyms, day cares et cetera; leaders need to focus on factors that intrinsically drive their employees. De facto, this implies actually getting to know the individuals better who work for you and learn about their preferences, objectives, dislikes and their point of views. Only then, it can be possible to align their aims with the corporation’s goals. People, who know which targets they are pursuing together with their co-workers and supervisors, see the big picture and not only their everyday output. There is a bigger chance that they feel a sense of belonging to the venture they are working for, rather than those who do not view things from this perspective. Hence, if the CEO or top executives really want everyone under a single roof to pull together, they first have to give them an understanding of their job, among other things. Prior to that, the “right” position for every staff member has to be figured out. For example, someone who does not like to be involved with risky matters will
most probably not feel comfortable in a leading position, making uncertain decisions every day. The catchword to the solution approach here is limbic profile. However, the undertaking of studying the limbic profile of each and every direct report is often treated as time-consuming and work-intensive. Psychologists such as Nigel Nicholson claim, that in fact, it does not consume more time, than other treatments of fixing incentive issues with workers (Nicholson, 2004). They also stress on the fact, that not every problem of motivation on the job can be solved, as at the end of the day it comes down to whether a person wants to be motivated, or not. First of all, in this connection it is essential to understand that the personality or the limbic profile cannot be changed of anyone. Consequently, forcing someone to work in a position, he or she does not feel comfortable with, will lead to counterproductive effects. Secondly, there are also cases of personnel, that does not exhibit motivation and commitment for their profession, due to some other reasons than the leader can affect. Nevertheless, the suggested approach is rather to be appreciated, as it can eventually lead to a better reputation of the manager in the entity. Not every problematic case in this regard is solvable, claim scholars, like Nicholson, but with the presented methods in the section “Proposed solutions” executives will learn more about the persons working for them and be able to improve their awareness of their own and other’s emotions, among other things. Thus, they will get a chance to develop their Emotional Quotient, along with improving their relationship with their subordinates, which is the perfect scenario for a win-win situation. Acknowledging someone else’s limbic profile however, requires a certain degree of empathy, which in turn asks for sufficient abilities to evaluate and manage the own feelings. In short, Emotional Intelligence is essential at various stages in problem solving processes of business entities.

Summarizing the last section, the senior management level has to have a specific level of Emotional Intelligence capabilities, in order to ascertain stimuli that drive their employees. This information can be used to assign the appropriate tasks to their staff and create an adequate working atmosphere. The established work environment should not be a random result, but moreover something that suits the members of an organization. As one of the major factors, with respect to organizational performance, the climate of the business establishment has to provide the best possible conditions for every team member in it. Among other duties, such as setting the direction, this is also part of the senior leader’s responsibilities. Since, it is something less known; many individuals in top positions fail to use this powerful instrument, for the pursuit of the business’ objectives. Additionally, the fact that qualities like an awareness of the organization and further interpersonal and non-cognitive expertise is...
mandatory for this undertaking, makes it a complex matter. It once again shows how crucial EI, especially on the top hierarchical level, is.

5.3. Weaknesses and Limitations

As it is the case with every research work, also the present thesis shows some deficiencies and limitations, which should not be left unmentioned.

First of all, the decision to work on an entirely theoretical work entailed some implications and limitations. As there is little literature and evidence of the impact of a leader’s Emotional Intelligence on the motivation of their employees and consequently on overall performance, integrating an empirical study or meta-analysis, seemed impractical. However, the fact that there is not empirical evidence to support the conclusions here may be a potential point of critique. Furthermore, there is sparse evidence on the connection of motivation and the EQ.

Some of the used research papers also exhibit limitations, that should be taken into account while looking at the conclusions. Various studies among them were conducted in relatively small settings. The measurement tool plays an important role in this regard as well, since the self-measurement of Emotional Intelligence and its validity is questionable. Aside from that, diverse approaches of EI have been used in studies, which impede the comparability.

5.4. Recommendations for Future Research

As already mentioned before, concrete empirical data regarding the constellation of Emotional Intelligence, motivation and corporate performance is needed in the literature of this field. With respect of the notion of Emotional Intelligence, a generally agreed approach has to be established, as the opinions in this regard are rather divergent. This would also facilitate further empirical studies. Additionally a distinct way to measure someone’s and the group Emotional Quotient should be confirmed by all sides, in order to ensure validity, which is a major point of criticism. Self-tests to evaluate the own skills in this respect, should be omitted in scientific work, as there might be too many biases and errors involved. Furthermore, the paradox that you need to have a certain level of Emotional Intelligence competencies, in order to assess the own Emotional Quotient, should be regarded.
Whereas the field of Emotional Intelligence has been addressed in various works, more interfaces with other realms, should be studied. The effect it has on diverse aspects of an organization, such as the tenure or workplace satisfaction, should be further examined. Also the roles of gender and age, for instance, may be better studied in this context. These factors were only included as a brief discussion in my work.
References


Appendix: Abstract – German

Emotionale Intelligenz hat in den vergangenen Jahren für viel Aufmerksamkeit in der Geschäftswelt gesorgt. Diese Masterarbeit befasst sich mit der Schlüsselfrage ob die Fähigkeiten, welche unter die Kategorie von diesem Begriff fallen, ein wesentlicher Bestandteil von Führung sind was den Prozess der Mitarbeitermotivation anbelangt, und infolge dessen einen relevanten Einfluss auf die Unternehmensleistung haben können. Obwohl die empirische Literatur hier stetig zunimmt, sind Fragen wie, welche Faktoren zu einem Führungserfolg führen und wie dieser gemessen werden kann, noch immer umstritten.

In der vorliegenden theoretischen Arbeit wurde begründet, dass der Emotionale Quotient, oder EQ, ein Synonym für Emotionale Intelligenz, eine unabdingbare Voraussetzung für erfolgreiches Management ist. Darüber hinaus wurde das Organisationsklima, welches von der Geschäftsleitung kreiert wird, als einer der Hauptindikatoren für Unternehmensleistung festgestellt. Hingegen erfordert es eine angemessene Menge von Fähigkeiten der emotionalen Intelligenz um hier den richtigen Ton zu treffen. Was die Leistung des Managements betrifft, ist hier darauf hinzuweisen, dass es keinen Standardansatz gibt. Umso wichtiger ist Emotionale Intelligenz in diesem Zusammenhang, da verschiedene Situationen, Gegebenheiten und Menschen, unterschiedliche Vorgehen erfordern. Das Arbeitsklima ist außerdem essentiell Im Zusammenhang zwischen dem Einfluss der Führungsebene und der Motivation von Arbeitnehmern. Wie in dieser Arbeit ermittelt werden konnte, kann die Arbeitseinstellung von Individuen nur mit grundlegenden Informationen zu den Betroffenen beeinflusst werden. Selbst wenn dies der Fall ist, muss berücksichtigt werden, dass auf die intrinsische Motivation von jemandem nicht direkt eingewirkt werden kann. Anders formuliert, wenn jemand nicht engagiert ist, was seine oder ihre Arbeit angeht und dies auch nicht will, wird es dem Vorgesetzten mehr als nur schwer fallen diese Person zu motivieren.

Hier wird vorgeschlagen, dass Führungskräfte sich mit dem Limbischen Profil von ihren Schützlingen befassen und, auf Basis dieser Informationen, passende Aufgaben an die Mitarbeiter übertragen.

Im Endeffekt heißt dies, dass ausreichen emotionale Intelligenz von Führungskräften erforderlich ist um, unter anderem, den richtigen Ton zu treffen was das Arbeitsklima angeht und um zu erkennen wie Mitarbeiter zu ermutigen sind. Nur, wenn die nötigen Voraussetzungen erfüllt sind, sind effiziente Prozesse innerhalb des Unternehmens und folglich entsprechende Ergebnisse, möglich.