

Impact of Emotional Intelligence on Job Performance: A Study of Sales Executives

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Abstract

Human beings are a complex species of reasons and emotions that bring along a lot of challenges for salespersons to convince prospective customers. To succeed, salespersons need to learn ways to overcome these challenges and hide their true feelings. At the outset, the present study endeavored to trace the evolution of emotional intelligence and its relational assessment with job performance through an extensive literature review. Further, correlation and regression analysis were used to discover the linkage between emotional intelligence and job performance of sales executives. In view of an example of 233 respondents, the consequences of the information investigation demonstrated a significant and positive relationship between emotional intelligence and employees' job performance. Finally, managerial implications were also discussed.

Keywords: Emotional Intelligence; Job performance; Sales executives; Salesperson performance; India.

Introduction

In this fascinating and competitive environment, customers are becoming more intelligent as they have varied sources of information that assist them in rational decision-making. This creates a lot of difficulties and brings several challenges for salespersons to

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convince prospects for sales. The stiff sales environment roots various job-related tensions that disrupt the normal functioning of salespersons. To succeed, salespersons need to learn ways to overcome these challenges and mask their true feelings. Here emotional intelligence plays a vital role, as Stein and Book (2000) in their book mentioned that soft selling skills are as important to win business as hard selling skills. Over the past few years, emotional intelligence has received considerable attention in the research area, but organizations are still struggling with the meaningful outcomes of researches that help them to become more competitive. Hence, the existing research aims to examine the effect of emotional intelligence on job performance of sales executives working in the Indian private sector organization.

Literature Review

Conceptual Framework of Emotional Intelligence (EI)

The philosophy of emotional intelligence has progressed from varied fields of research. Empirical studies in the area of perception, affect, and intelligence has positioned a strong and deep foundation and attracted the attention of researchers for the development of this construct. At the beginning of the nineteenth century, researchers were studying the cognitive aspect of intelligence and it was presumed that the only indicator of judging the intelligence of an individual is intelligence quotient (IQ). But somewhere, few theorists felt and started researching other realms of intelligence. These theorists believed that there are some other abilities apart from IQ that makes life successful.

The theory of emotional intelligence was evolved from the studies of “social intelligence”, which was first discussed by Thronrdike (1920). Thereafter Gardner (1983) raised a strong question- How to identify a person’s intelligence if IQ tests disappear? Gardner talked about some inherent abilities in a person that need to be considered while assessing his/her intelligence. Gardner’s multiple intelligences included interpersonal and intrapersonal intelligences. Intrapersonal intelligence is defined as an individual’s ability to deals with oneself, whereas interpersonal intelligence relates to a person’s dealing with others. In this way, these researchers have paved a way for the emergence of emotional intelligence and started looking at intelligence from another perspective. Salovey and Mayer (1990) suggested a more tightly defined subset of intelligence, that is, emotional intelligence. Emotional intelligence is a sort of social insight that includes the capacity to screen one’s own and other’s feelings, to separate among them, and to utilize the data to control one’s reasoning and activities (Salovey and Mayer, 1990). But the name

who popularized the concept of emotional intelligence is Daniel Goleman in 1995 in his bestselling book “Emotional Intelligence- Why it can matter more than IQ”. Emotional intelligence becomes a new yardstick for judging ourselves, how well we handle ourselves and each other (Goleman 1998).

Emotional Intelligence and Job Performance

From the last 30 years, the term emotional intelligence has been used like an oxymoron as emotions and cognitions were considered as two reverse forces reflecting individual instinct and mind (Damasio, 1994; Srivastava et al., 2016). Several studies have been conducted on exploring the linkage between emotional intelligence and job performance. Not all studies supported their relationship, but each study added some pertinent information to the arena. A few pieces of research concluded a positive association among emotional intelligence and job performance (McClelland, 1998; Lopes et al., 2004) whereas some studies demonstrated a differing and inconsistent relationship between them (Austin, 2004; Petrides et al., 2004; Locke, 2005).

Recent developments in the field of emotional intelligence have highlighted the linkage and usefulness of EI in measuring academic performance (Maraihelvi, 2013; Roy et al., 2013). In a similar vein, Farooq (2003) in his study concluded that students scoring high on varying social skills have shown relatively superior academic performance than those who score less on these. Not only in academics emotional intelligence also helps in maintaining healthy working relationships and a better working environment which results in reducing stress at the workplace. Belias et al. (2013) advocated that occupational stress and stress management of employees were predicted by their level of optimism and on their skills to manage and utilize their emotions. Another interesting finding stated that women have more abilities while using their own and others’ emotions in a positive way than men (Kundu et al., 2018; Kundu et al., 2019). But, Ahuja (2011) had distinct findings in regard to gender effect on emotional intelligence and found that men working in the insurance sector had more emotional intelligence than their women counterparts.

Optimism is an expression of hope, expecting that things will change and will be all right in life. From the viewpoint of emotional intelligence, an attitude that takes out people from the depth of hopelessness, depression and tough time is optimism. Goleman (1995) also alluded to the study of Martin Seligman on insurance salesmen at Met Life Company. Seligman found that an optimist salesman sold 37 percent more insurance products/services in the initial years of his career as compared to a pessimist salesman. He further quoted that pessimists also quit from the job at twice the rate of the optimists. Ahuja (2011), in her

study on the insurance sector, also insisted that optimism was the key contributing factor leading to the success and performance of a sales executive.

Emotional intelligence promotes salesperson job performance. There are numerous studies that supported the notion that emotional intelligence plays a significant role in selling jobs (Hunter et al., 1990; Spencer & Spencer, 1993; Spencer et al., 1997; Deeter-Schmelz & Sojka, 2003). Almost all jobs are difficult to perform but sales jobs are particularly considered to be the hardest ones, where percentage to no's to yes's in terms of customer responses is very high as compared to other professions. Thus, emotional intelligence plays a vital role in helping a salesperson to keep calm and accept the rejection patiently and subsequently, impacts his job performance. Deeter-Schmelz and Sojka (2003) in their interview-based study found a substantial and affirmative association among emotional intelligence and sales performance. It was suggested that salesperson's ability to regulate their own emotions helps them to focus on key issues and work to resolve a customer problem. Hence, the following hypothesis is proposed:

Hypothesis 1: Emotional intelligence is significantly associated with job performance.

Research methodology

The Sample

Data was collected through primary sources viz. survey method by applying a structured questionnaire on emotional intelligence and job performance. The respondents for the study were sales executives who are directly involved in customer dealings. Questionnaires were mailed to 350 sales executives, having more than two years of working experience in the current organization. After three weeks, a mail reminder was sent to the respondents who had not sent back the questionnaire. A total of 276 respondents mailed back the filled questionnaire. After the initial scrutiny, 43 questionnaires were deleted from further analysis due to incomplete responses. Finally, 233 questionnaires questionnaire were retained for further analysis resulting in a 66.57% response rate which is considered appropriate for social science studies (Comrey & Lee, 1992). Thus, the representative sample consisted of 233 respondents drawn from 70 organizations from the universe by using the simple random sampling technique from Delhi/NCR. Each firm was represented by two to three respondents.

Measures

Emotional Intelligence measure (Independent variable): A 4 item scale of emotional intelligence derived from the Schutte Self Report Emotional Intelligence Test (SSEIT) was used to collect data (Schutte et al., 2009). The statements were estimated on a five-point Likert scale i.e. strongly disagree (one) to strongly agree (five). Table 1 shows all the measure items.

Perceived job performance (Dependent variable): Five variables, adopted from the study of Behrman and Perreault (1982), were used to measure perceived job performance of sales executive by means of a five-point scale i.e. never (one) to always (five). The present study had employed subjective (perceived) measures of job performance rather than objective, as the adoption of objective measures is more applicable in situations where the performance of each employee can be assessed directly. However, the same comparison and assessment of performance seem difficult in respect of sales executives used as respondents in the current study. The measure items can be seen in Table 1.

Statistical Techniques

The primary data obtained by the questionnaire survey was analyzed with the help of SPSS. To test the hypothesis, Pearson product-moment correlation and simple linear regression were used. All statistical tests were performed at a 5% level of significance. The connection between emotional intelligence and job performance was explained by using Linear regression analysis. Initially, Pearson's product-moment correlation was used to find an association between emotional intelligence and job performance. The reliability of the items and the data were also checked by using Cronbach's alpha values.

Research Findings

Exploratory factor analysis with varimax rotation was employed in order to shrink the statistics. Further, for stating the factors clearly, factor loadings larger than 0.50 were contemplated as virtually more substantial (Hair et al., 1995). Resultantly, two factors were extracted from 11 items with eigenvalues ranging from 3.909 (emotional intelligence) and 1.475 (job performance) and explaining 66.659 percent of the total variance. The Cronbach's alpha values emotional intelligence was 0.576 and job performance 0.837; all exceeding the satisfactory value of 0.5, as suggested by Hair et al. (2006). The Cronbach's alpha calculation for the full scale yielded a high-reliability value of 0.803. Table 1 indicates the exploratory factor analysis results.

Table 1. Factor loadings of varimax rotated principal components regarding emotional intelligence and job performance

Factors	Loadings	Eigen Value	Percent of Variance	Cronbach's Alpha
F1 (Emotional Intelligence)		3.909	32.184	0.576
At the point when experience a positive feeling, I realize how to make it last.	0.680			
I utilize positive mind-sets to assist myself with continuing difficult even with hindrances.	0.675			
At the point when confronted with hindrances, I recall times I confronted comparative impediments and conquered them.	0.656			
I motivate myself by imagining a good outcome of the tasks I take on.	0.584			
F2 (Job Performance)		1.475	16.764	0.837
I am able to produce a high market share	0.748			
I am able to make sales of high-profit margin products/services.	0.743			
I am able to generate a high level of rupee sales	0.720			
I am able to generate the sale of company new products/services.	0.717			
I can easily identify and sell to major accounts in my territory	0.716			
I can easily produce sales with long term profitability	0.683			
I can surpass all business targets and goals during the year.	0.583			
Total scale				0.803

Table 2. Analysis of correlation output between emotional intelligence and job performance.

		Emotional Intelligence	Job Performance
Emotional Intelligence	Pearson Correlation	1	0.328**
	Sig. (2- tailed)		0.000
	N	233	233
Job Performance	Pearson Correlation	0.328**	1
	Sig.(2- tailed)	0.000	
	N	233	233
**Correlation is significant at the 0.05 level (2-tailed).			

Table 2 shows the findings of the Pearson product-moment correlation that was performed to uncover the association between emotional intelligence and job performance. The results established that there is a considerable positive association between the emotional intelligence and job performance ($r = 0.328$, $n = 233$, $p = 00.000$) which is less than ($p < 0.05$).

Table 3. Analysis of regression results showing the impact of emotional intelligence on job performance.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.328a	0.108	0.104	0.58706

- a. Predictors: (Constant), Emotional Intelligence
- b. Dependent Variable: Job Performance

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	9.597	1	9.597	27.847	0.000
	Residual	79.611	231	0.345		
	Total	89.208	232			

- a. Predictors: (Constant), Emotional Intelligence
- b. Dependent Variable: Job Performance

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
		B	Std. Error	Beta			
1	(Constant)	2.455		0.285		8.599	0.000
	Emotional Intelligence	0.370		0.070	0.328	5.277	0.000

- a. Dependent Variable: Job Performance

Table 3 shows the results of the influence of emotional intelligence upon job performance. The results analyzed that based on R square, 10.8% of the total variation in job performance (dependent variable) was described by emotional intelligence (independent variable). F statistic elucidated a substantial and positive correlation between emotional intelligence and job performance. The calculation for the Beta Coefficient is 0.328 which means one-unit change on emotional intelligence results in a 32.8-unit change in job performance. The estimated distance between the actual value and the estimated value is called the Standard error of estimate which is 0.587 in the study which shows that prediction is more accurate. The results analyzed above concluded a substantial positive influence of emotional intelligence upon job performance.

Discussion

The present paper was carried out with the objective to know the effect of emotional intelligence on job performance, especially in the area of sales performance.

After analyzing the data, the results highlighted that emotional intelligence significantly and positively impacted the job performance of sales executives. Similar results were observed in the studies of McClelland (1998), Deeter-Schmelz & Sojka (2003), and Lopes et al. (2004). Analogs to this, emotional intelligence has been positioned sixth in the World Economic Forum's listing of the leading 10 competencies that employees require to ensure success in the future workplace (Chingell, 2018). Nowadays, employers also attach more value to employee's EQ than IQ (Chingell, 2018), as emotionally intelligent people have a greater ability to self-regulate and have higher levels of motivation, which in turn, leads to better performance and also enables them to concentrate on achieving long-term goals (Goleman, 1995). However, the contrary view is that too much attention on others' negative emotions may have an adverse effect on our own performance, popularly known as 'curse of emotions' (Pekaar et al., 2017). Nevertheless, it is known that selling is a very difficult task and salespersons have to make cautious verdicts while interacting with customers. In this context, emotional skills improve the abilities of sales executives required to manage their emotions and subsequently, aid them in dealing with customers more efficaciously. Emotional intelligence will help the salesperson to better understand the customers and improves their selling behavior.

Managerial Implications, Limitations, and Future Research Directions

The first possible practical implication from the results of the study recommends the inclusion of emotional intelligence measurement tests in the selection process to ensure the hiring of emotionally intelligent salespersons to stimulate superior job performance. Second, top management should endeavor to cultivate and maintain an environment of mutual trust and cooperation where employees can share their emotions/feelings freely. Third, organizations should institute an effective reward system for those salespersons who show distinguishing examples of emotional intelligence while dealing with customers. Finally, it is recommended that management should implement distinctive training programs and mentoring sessions for nurturing emotional intelligence competencies among its sales executives in order to generate a high performing sales workforce.

Despite, its significant influences, the research also possesses few constraints that consequently deliver potential research objectives. The current research is constrained by its sample populace as the sample was taken from Delhi/ NCR only which did not represent the whole of India. Therefore, future researchers are suggested to replicate the proposed model of the study in other parts of the country. Furthermore, it should be noted that we have measured job performance through a self-reported questionnaire and did not take into

consideration the ratings of supervisors. Thus, the future researcher can take responses pertaining to employees' job performance from both employees and supervisors to avoid the possibility of biases. The present study was conducted by using a quantitative approach i.e. questionnaire survey method. Therefore, in future, it is recommended that data should be collected through a qualitative approach such as focus interviews, observations, etc. also, as it will help in getting a comprehensive and in-depth view of the relationship between emotional intelligence and job performance. Further studies can be done to know the impact of different dimensions of emotions including the perception of emotions, emotional facilitation, understanding emotions, and management of emotions (Mayer & Salovey, 1997) on job performance. As well, future researchers can explore the mediating effect of several pertinent mediators such as organizational support, personality traits, and corporate politics in the association among emotional intelligence and job performance of sales executives. Lastly, it is recommended that comparable researches can be embraced with different arrangements of representatives than that of the business officials so as to widen the relevance of results concerning the association between emotional intelligence and performance.

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