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A Study on the Impact of Emotional Intelligence on the Performance of Employees in Equitas Small Finance Bank

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ABSTRACT: This study investigates the relationship between the five emotional intelligence dimensions: self-awareness, motivation, social skills, empathy and self-regulation of employees towards their performance at the workplace. The research aims to determine whether emotional intelligence impacts workplace performance or not in Equitas Small Finance Bank. About 180 questionnaires were contributed to respondents, and 150 were collected for analysis. Microsoft Excel was applied to analyze the collected data. The findings indicated that the positive impact of employees' Emotional Intelligence constitutes the most important determinant of their job performance. Empathy, self-regulation, social skills, self-awareness and motivation follow this. The result underlines the importance of EI where it impacts their performance in the workplace. Some recommendations were suggested by the employees that people must develop and improve their emotional intelligence through various self-assessments, workshops, open communication, and practicing empathy to boost their performance at the workplace they first have to recognize the importance of EI so it strengthens the human capital and leads to overall higher performance.

KEYWORDS: Emotional Intelligence, Job satisfaction, Attitude, organizational commitment, self-awareness

I. INTRODUCTION

Emotional intelligence (EI) is an essential ability people need to handle their emotions effectively. It involves the capacity to identify, evaluate, control, and convey emotions, which is essential for solving issues, interaction, and decision-making. Emotional awareness helps humans overcome interactions with others, solve disputes, and develop deeper connections. Additionally, it improves self-awareness and self-management, empowering people to successfully communicate, handle stress, and make logical judgments. Increased mental health, resilience, and general life satisfaction can all be attributed to high EI. The development of emotional intelligence is a continuous process that calls for practice, introspection, and a dedication to education.

EMOTIONAL INTELLIGENCE CONSISTS OF THE FOLLOWING COMPONENTS:

Self-Awareness: Self-awareness is crucial in the workplace as it allows employees to recognize their emotions and understand how these affect their performance and interactions. When employees are self-aware, they can manage their strengths and weaknesses more effectively, leading to better decision-making and problem-solving. This heightened awareness contributes to a more harmonious work environment and enhances overall productivity.

Motivation: Motivation driven by emotional intelligence leads to employees being more engaged and committed to their tasks. Employees with high emotional intelligence set personal and professional goals and are intrinsically motivated to achieve them. This intrinsic motivation not only boosts individual performance but also inspires colleagues, fostering a culture of achievement and continuous improvement.

Social Skills: Strong social skills, a component of emotional intelligence, enable employees to communicate effectively, collaborate well with others, and manage conflicts constructively. Employees who excel in social interactions build stronger relationships with colleagues and clients, which enhances teamwork and drives collective success.



Empathy: Empathy allows employees to understand and share the feelings of others, fostering a supportive and collaborative work environment. Employees who exhibit empathy are better at managing relationships and resolving conflicts, which leads to higher team morale and productivity. By valuing diverse perspectives and needs, empathetic employees contribute to a more inclusive and innovative workplace.

Self-Regulation: Self-regulation, an essential aspect of emotional intelligence, helps employees manage their emotions and remain composed under pressure. Employees who practice self-regulation are less likely to react impulsively, leading to more thoughtful and effective decision-making. This ability to maintain control and adapt to changing circumstances enhances their reliability and consistency, positively influencing overall performance.

II.STATEMENT OF THE PROBLEM

In the rapidly evolving banking sector, employee performance is crucial for organizational success and customer satisfaction. Equitas Small Finance Bank, a prominent player in the financial services industry, faces challenges in maintaining high employee performance levels amidst increasing competition and dynamic market conditions. Previous studies suggest that emotional intelligence (EI) plays a significant role in enhancing workplace performance by improving interpersonal relationships, conflict resolution, and stress management. However, there is a lack of empirical research specifically examining the impact of EI on employee performance within the context of small finance banks. This study aims to fill this gap by investigating how different dimensions of emotional intelligence influence employee performance at Equitas Small Finance Bank. The findings are expected to provide valuable insights for developing targeted training programs and management strategies that leverage emotional intelligence to boost employee productivity and organizational effectiveness.

III.OBJECTIVES OF THE STUDY

1. To investigate how emotional intelligence (EI) influences job satisfaction and leadership effectiveness among employees.
2. To examine the role of emotional intelligence (EI) in enhancing stress management, conflict resolution, and decision-making among employees

IV.SCOPE OF THE STUDY

1. The present study has been undertaken to find out the impact of emotional intelligence on performance.
2. To find out the practical difficulties that impact the employee's daily productivity that can be evaluated through this study.
3. To investigate the relationship between Emotional intelligence, job satisfaction and leadership effectiveness within the organization.

V.LIMITATION OF THE STUDY

1. The study is confined to a particular company (Equitas Small Finance Bank and hence, the conclusions must be drawn with due care when an attempt is made to generalize the result.
2. Time was another important constraint for this research. Due to inadequate time, the sample size taken for the study was 150 among the 600 employees in the company and hence it has limited the research.
3. The data collected were subjected to recall partiality as respondents have recalled from their memory and furnished the readymade information correctness of their opinion.

VI.REVIEW OF LITERATURE

Barreiro, Carmen Amador, and Luke Treglown. "What makes an engaged employee? A facet-level approach to trait emotional intelligence as a predictor of employee engagement." *Personality and Individual Differences* 159 (2020): This paper presents how particular emotional intelligence characteristics might help or hurt employee engagement depending on the psychological resources they offer. To raise engagement levels in organizations, the findings are examined in connection to leadership, training, development, and selection. There is also a discussion of limitations and suggested future research directions.



Edward, Yusuf Ronny, and Kuras Purba. "The effect analysis of emotional intelligence and work environment on employee performance with organizational commitment as intervening variables in PT Berkat Bima Santana." (2020): The purpose of this study is to ascertain how organizational commitment at PT. Berkat Bima Santana affects employee performance about emotional intelligence and the work environment. Through organizational commitment at PT. Berkat Bima Sentana, emotional intelligence and the work environment have a favorable and significant impact on employee performance, according to SEM study.

Sudibjo, Niko, and Theresia Sutarji. "The roles of job satisfaction, well-being, and emotional intelligence in enhancing the teachers' employee engagements." Management Science Letters 10.11 (2020): This study evaluates the teachers' engagement at SDS Pelangi Kasih Jakarta in how is impacted by job satisfaction, well-being, and emotional intelligence. 65 instructors' responses to a survey and the PLS-SEM method were used to gather data. Findings indicated that teachers' involvement at the school was positively impacted by job satisfaction, well-being, and emotional intelligence, emphasizing the significance of employee engagement in meeting academic objectives.

Mindeguia, Rosa, et al. "Team emotional intelligence: emotional processes as a link between managers and workers." Frontiers in Psychology 12 (2021): The study looks at how team emotional intelligence (TEI) mediates the relationship between employee well-being and transformative leadership. Information was obtained from 4,564 employees and 1,566 managers across 90 companies. The association between transformative leadership and employee cohesion was found to be considerably mediated by the emotional state of "passion" and the TEI of the management team.

Karimi, Leila, et al. "Emotional intelligence: a predictor of employees' wellbeing, quality of patient care, and psychological empowerment." BMC Psychology .1 (2021): The study explored the role of emotional intelligence (EI) on employees' viewed health and empowerment, and also on their performance, by assessing their quality of care. According to a recent study, workers with higher EI are more likely to provide patients with higher-quality care. The current study adds to our understanding of employee psychological empowerment and welfare, with a focus on emotional intelligence as a precondition in an understudied environment such as Australian elderly care facilities.

VII. RESEARCH METHODOLOGY

In this study, I want to understand how Emotional Intelligence has impacted the performance of the employees in Equitas small finance bank and how much they know about themselves. First, I asked employees in Equitas small finance bank some questions about emotional intelligence through surveys and interviews. I look at their answers to see if there are any trends or common ideas. I also make sure to keep their answers private and get permission before sharing anything. However, I know that what I find might only apply to the employees in Equita Small Finance Bank, Chennai and no other places. Finally, I put everything I've learned to work by assisting in increasing their self-awareness of emotional intelligence within the Chennai district.

RESEARCH DESIGN:

The descriptive research design was adopted due to the nature of the study. To study their emotional intelligence which impacts their performance at the workplace. A questionnaire was formed to know their opinion. The personal data of the respondents and their perception related to take measures to improve their self-awareness level.

DESCRIPTIVE RESEARCH DESIGN:

The descriptive research is also known as statistical research describes data and characteristics about the population or phenomenon being studied. The research is completely based on the description of where emotional intelligence influences the performance of employees. It helps in presenting data in a meaningful way.

SAMPLE SIZE:

A sample of 150 employees is chosen in this study.



DATA COLLECTION METHOD:

- ✓ Primary data
- ✓ Secondary data

STATISTICAL TOOLS USED:

1. Correlation method
2. ANOVA

ANALYSIS AND INTERPRETATION

1. ONE-WAY ANOVA

EI ENHANCE ENGAGEMENT WITH WORK AND TASKS, EI IMPROVE COMMUNICATION SKILLS WITH COLLEAGUES AND SUPERVISORS AND EI CONTRIBUTE TO OPTIMIZING OVERALL ORGANIZATIONAL PERFORMANCE

NULL HYPOTHESIS (Ho):

Ho= There is a significant relationship between EI enhanced engagement with work and tasks, EI improved communication skills with colleagues and supervisors and EI contributing to optimizing overall organizational performance

ALTERNATIVE NULL HYPOTHESIS (H1):

H1= There is no significant relationship between EI enhancing engagement with work and tasks, EI improving communication skills with colleagues and supervisors and EI contributing to optimizing overall organizational performance.

TABLE: 1 EI ENHANCE ENGAGEMENT WITH WORK AND TASKS, EI IMPROVE COMMUNICATION SKILLS WITH COLLEAGUES AND SUPERVISORS AND EI CONTRIBUTE TO OPTIMIZING OVERALL ORGANIZATIONAL PERFORMANCE

Anova: Single Factor						
SUMMARY						
Groups	Count	Sum	Average	Variance		
EI ENHANCE ENGAGEMENT WITH WORK AND TASKS	4	108	27	589.3333		
EI IMPROVE COMMUNICATION SKILLS WITH COLLEAGUES AND SUPERVISORS	4	120	30	594		
EI CONTRIBUTE TO OPTIMIZING OVERALL ORGANIZATIONAL PERFORMANCE	4	117	29.25	418.25		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	19.5	2	9.75	0.018263	0.981939	4.256495
Within Groups	4804.75	9	533.8611			



Total	4824.25	11				
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Source: Primary data

INTERPRETATION:

As the P value is lesser than sig. value (0.01 and 0.05) in all the 3 cases EI enhance engagement with work and tasks, EI improve communication skills with colleagues and supervisors and EI contribute to optimizing overall organization, the Null hypothesis is accepted.

Hence, it is concluded that there is a significant relationship between the EI enhanced engagement with work and tasks, EI improved communication skills with colleagues and supervisors and EI's contribution to optimizing the overall organization.

EI SKILLS IN RESOLVING CONFLICTS WITH COLLEAGUES OR TEAM MEMBERS, EI WHEN MAKING DECISIONS AT WORK AND EI INFLUENCE YOUR MOTIVATION AT WORK

NULL HYPOTHESIS (H₀):

H₀= There are significant relationships between EI skills in resolving conflicts with colleagues or team members, EI when making decisions at work and EI influence your motivation at work

ALTERNATIVE NULL HYPOTHESIS (H₁):

H₁= There is no significant relationship between EI skills in resolving conflicts with colleagues or team members, EI when making decisions at work and EI influence your motivation at work.

TABLE: 2 EI SKILLS IN RESOLVING CONFLICTS WITH COLLEAGUES OR TEAM MEMBERS, EI WHEN MAKING DECISIONS AT WORK AND EI INFLUENCE YOUR MOTIVATION AT WORK

Anova: Single Factor						
SUMMARY						
<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>		
EI SKILLS IN RESOLVING CONFLICTS WITH COLLEAGUES OR TEAM MEMBERS	4	119	29.75	608.9167		
EI WHEN MAKING DECISIONS AT WORK	4	111	27.75	508.9167		
EI INFLUENCE YOUR MOTIVATION AT WORK	4	109	27.25	734.9167		
ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	14	2	7	0.011335	0.988744	4.256495
Within Groups	5558.25	9	617.5833			
Total	5572.25	11				

Source: Primary data

INTERPRETATION:

As the P value is lesser than sig. value (0.01 and 0.05) all the 3 EI skills in resolving conflicts with colleagues or team members, EI when making decisions at work and EI influence your motivation at work, the Null hypothesis is accepted.

Hence, it is concluded that there is a significant relationship among the EI skills in resolving conflicts with colleagues or team members, EI when making decisions at work and EI influence your motivation at work.



CORRELATION

Correlation test for understanding the emotions and perspectives of your teammates and colleagues and EI help you manage stress in the workplace

X= understanding the emotions and perspectives of your teammates and colleagues

Y= EI help you manage stress in the workplace

TABLE: 3 UNDERSTANDING THE EMOTIONS AND PERSPECTIVES OF YOUR TEAMMATES AND COLLEAGUES AND EI HELP YOU MANAGE STRESS IN THE WORKPLACE

understanding the emotions and perspectives of your teammates and colleagues	EI help you manage stress in the workplace
33	34
46	56
60	47
9	9
2	4

	understanding the emotions and perspectives of your teammates and colleagues	EI help you manage stress in the workplace
understanding the emotions and perspectives of your teammates and colleagues	1	0.94094558302294
EI help you manage stress in the workplace	0.94094558302294	1

understanding the emotions and perspectives of your teammates and colleagues and EI help you manage stress in the workplace

Correlation co-efficient: 0.94094558302294

INTERPRETATION: The correlation coefficient between understanding the emotions and perspectives of your teammates and colleagues and EI helping you manage stress in the workplace” is 0.94094558302294

CORRELATION

correlation test for the EI contributes to your overall job satisfaction and The ability to lead and influence others based on your EI

X= EI contribute to your overall job satisfaction

Y=The ability to lead and influence others based on your EI

TABLE: 4 EI CONTRIBUTES TO YOUR OVERALL JOB SATISFACTION AND THE ABILITY TO LEAD AND INFLUENCE OTHERS BASED ON YOUR EI

EI contribute to your overall job satisfaction	The ability to lead and influence others based on your EI
28	31
56	49
44	53
13	11



	9	6
	EI contribute to your overall job satisfaction	The ability to lead and influence others based on your EI
EI contribute to your overall job satisfaction	1	0.961024555095802
The ability to lead and influence others based on your EI	0.961024555095802	1

EI contributes to your overall job satisfaction and The ability to lead and influence others based on your EI
Correlation coefficient: 0.961024555095802

INTERPRETATION: The correlation coefficient between “EI contributes to your overall job satisfaction” and “The ability to lead and influence others based on your EI” is 0.961024555095802

VIII.CONCLUSION

The research on the impact of Emotional Intelligence (EI) on employee performance at Equitas Small Finance Bank provides valuable insights. The study shows that EI positively affects job satisfaction, leadership effectiveness, stress management, conflict resolution, and decision-making. Statistical analysis, using ANOVA and correlation tests, confirmed a strong relationship between EI components and improved employee engagement, communication skills, and overall organizational performance. Empathy and self-regulation were identified as key factors influencing job performance, emphasizing the need for targeted EI development programs. The findings highlight the importance of fostering EI through self-assessments, workshops, and open communication initiatives. These efforts are crucial for enhancing human capital, leading to increased productivity and organizational success. The study's results offer important recommendations for management strategies in the competitive and dynamic banking sector, showing how EI can be leveraged to boost employee performance and overall organizational effectiveness.

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