

EMOTIONAL INTELLIGENCE AS ONE OF THE KEYS OF COMPETENCIES OF A MANAGER

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Abstract: *To choose the right person who is able to lead his/her team in a reliable way, motivate people and bear responsibility for his/her own decisions is a very challenging task. Choosing managers on basis of their emotional intelligence has lately become one of the most significant indicators in filling in the managers' positions. There is a shift from mechanical perception of managers' abilities to perceiving excellent skills, abilities and personal qualities, such as ability to empathize, self-motivation, etc., which are known as emotional intelligence. This paper presents results of the research conducted within the VEGA project number 1/0781/11 – Culturally Intelligent Organization as the Next Level of the Learning Organization. The scientific goal of the project was to contribute to qualitatively higher level of knowledge in the area of emotional intelligence, focusing primarily on leaders in SMEs. In our research we examined emotional intelligence according to five Goleman's principles – self-awareness, self-regulation, motivation, empathy and social skills.*

Keywords: *emotional intelligence, self-awareness, self-regulation, motivation, empathy, social skills, managers, SMEs*

JEL Classification: M12, M14

1. EMOTIONAL INTELLIGENCE

Why are some people more successful than others? Why is it so? It is not the education nor experience or knowledge that determine this fact and help us find the answer. There are certain important personal qualities and skills that a good manager should possess and be able to effectively put in practice (Malá, 2012). Searching the answer to these questions led us to conclusions that within the whole competence of a manager the personal qualities (emotional intelligence) have been neglected to some extent. In reality it often happens that managers make mistakes even despite their high cognitive intelligence, which in the end harms their business. This reasoning is supported by many important writings of the following authors: Baťa, 1990; Drucker, 2005; Porvazník, 2001, 2009, 2010, 2011, and others. Through partial results of the project VEGA 1/0781/11 Culturally Intelligent Organization as the Next Level of the Learning Organization, this paper is therefore pointing out the importance of personal qualities of managers (emotional intelligence) in creating desirable corporate environments which then influences permanent development of employees and the company's prosperity. Our research is based on work of Porvazník (2001, 2003, 2009, 2011) who claims that desired development of managers, which is a measurable asset and performance element of developing businesses, finds its foundations in three pillars of competence of managers which are: the pillar of specialist competence, pillar of practical skills and abilities and the pillar of social skills which represents a very important place within the three pillars. A manager must have discipline to work towards the defined goals as well as direct his or her own actions and the actions of the others to the goal fulfillment (Benčíková, 2012). Competence of a manager is determined by the achieved level of his/her knowledge (proficiency), ability to apply knowledge in practice (practical skills) and his personal qualities and social maturity (emotional intelligence).

2. METHODOLOGY OF THE RESEARCH

To collect the data we have used the empirical method – online questionnaire. The questionnaire was composed of five Goleman's principles (self-awareness, self-regulation, motivation, empathy and social skills) while there were 6 questions assigned to each principle. Managers were asked to assign points to each of the questions from 1 (the lowest value) to 10 (the highest value). Using the simple random sampling method in the research we addressed 450 Slovak managers at different levels of management, working in different field of business. Out of this number 359 online questionnaires were completed and this represents 80% return.

The collected data were processed in Microsoft Excel and the evaluation was done with the use of contingency tables and graphs as well as in program Statistica 10. To determine the dependence in between the individual principles of emotional intelligence we used a statistical method Pearson's product-moment coefficient of correlation.

There were 359 respondents participating in our research, 220 of who (61%) were men and 139 (39%) were women. The largest group of respondents was managers up to 36 years of age (33%). From this we can assume that the responsibility of leading Slovak enterprises is mainly in the hands of men under 36 years of age while the lowest number of managers are in the age between 18-25.

As to industry, the largest sample was the managers in the field of industrial production – 65 respondents (18%), followed by the service sector – 60 respondents (17%) and the managers dealing with sales – 54 respondents (15%).

More than a half of managers work in small businesses (66%) while medium businesses were represented by 34 % of addressed managers.

Most managers have been working in their companies for 2-5 years (37 %). The second largest group was

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managers with more than 11 years of practice in their companies (34 %) and the lowest proportion was noted with managers with less than 1 year of experience in the same company (7 %).

Related to this we also asked our respondents to state how long they have been working in a managerial position regardless of the company. Most managers have been working in their company for 2-5 years (42 %). The second largest group (34 %) was managers whose managerial work experience is longer than 11 years, followed by managers with 6-10 year managerial experience (22%) and finally, the lowest number (7%), managers with less than one year of managerial experience.

3. RESULTS AND DISCUSSION

The level of emotional intelligence (hereafter referred as EI) of Slovak managers was analyzed and evaluated on basis of comparing the values achieved in the individual principles. The partial goal of the research was to find out which of the basic principles of emotional intelligence, as defined by Goleman, is most and least highly developed in our sample (Table 1).

Table 1 Overall level of emotional intelligence of Slovak managers

Variables	descriptive statistics (overall emotional intelligence of managers)				
	N valid	Mean	Minimum	Maximum	SD
Principle 1	359	7.66017	2.333333	10.00000	0.918356
Principle 2	359	6.91597	1.166667	9.66667	1.282303
Principle 3	359	7.03807	1.500000	9.50000	1.085329
Principle 4	359	7.42851	3.833333	9.83333	1.095670
Principle 5	359	7.46240	3.000000	9.83333	1.187259
Total	359	7.30102	3.166667	9.16667	0.881577

Source: Own elaboration

The highest results were obtained in the self-awareness principle. The overall mean value of EI of Slovak managers in self-awareness principle reached a high level of 7.66, with standard deviation of 0.92. From this it can be concluded that managers are able to highly perceive their own emotions, they have high self-confidence and they know themselves well. Values obtained in social skills principle were slightly lower with the mean value of 7.46 and the standard deviation 1.28. This means that managers have a highly developed ability of social perception and they are skilled in managing interpersonal relations. They can also express their ideas, requirements and demands in an assertive way. The third highest value was obtained in the principle of empathy, while the value was 7.43 and the standard deviation 1.10. Managers do have a developed ability to deal with emotions of others, and they are responsive and friendly to their employees. On the other hand we can see more significant differences in the motivation principle with the mean value of 7.04 and

standard deviation of 1.09. Managers show signs of patience in their determination to reach their goals; however, there is still a high influence of external motivation of being rewarded for their good work, mainly of financial character. The biggest shortcoming appears to be the principle of self-regulation where the value only reached 6.91 with standard deviation of 1.28. We may therefore claim that managers are partly lacking in the ability of self-control of their own negative emotions and their personal problems seem to have a great influence on their work, mainly by distracting them and taking the attention off the work. The overall mean value reached 7.30 and therefore we may conclude that the emotional intelligence of Slovak managers is at a very high level in self-awareness, social skills and empathy. Lower level of EI has been noted in motivation and self-regulation. The differences are well illustrated in Figure 1.

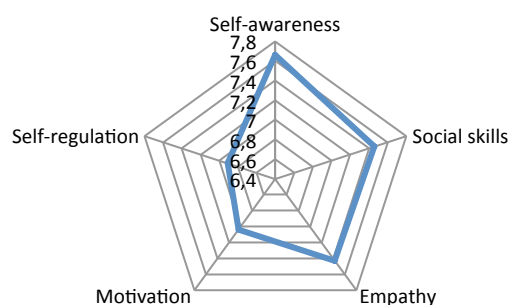


Figure 1 Overall level of emotional intelligence of Slovak managers

Source: Own elaboration

To determine the interdependence between the individual principles of EI we have used the statistical method Pearson's product-moment coefficient of correlation.

The strongest relation appears to be between the principles 2 and 3 ($r_p=0.63$), i.e. the principles of self-regulation and motivation (Table 2). Another significant relation is between principles 4 and 5 – empathy and social skills ($r_p=0.61$). The lowest correlation was obtained between principles 2 and 4 ($r_p=0.47$), i.e. between self-regulation and empathy; however, this value of correlation still represents a middle correlation value.

Values of emotional intelligence according to sex, age and length of managerial experience

In the overall evaluation of EI according to sex of our respondents we can state that the span between the values of women – 7.00 to 8.00 is narrower compared to the wider span – 6.58 to 7.87 with our male respondents. The middle value for women is 7.53 and for men it is 7.23.

Table 2 Pearson's coefficient of correlation of 5 principles

Variables	Correlation (Overall emotional intelligence of managers) Correlations are significant over the value $p < 0,0500$ N=359				
	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5
Principle 1	359	7.66017	2.333333	10.00000	0.918356
Principle 2	359	6.91597	1.166667	9.66667	1.282303
Principle 3	359	7.03807	1.500000	9.50000	1.085329
Principle 4	359	7.42851	3.833333	9.83333	1.095670
Principle 5	359	7.46240	3.000000	9.83333	1.187259

Source: Own elaboration

Despite the fact that no statistically significant differences between men and women were noted, women are showing higher values in four of the five principles as compared to men. Men only show the same values as women in the motivation principle.

The lowest signs of emotional maturity were noted in the category of managers between the 18-25 years of age (value of 7.17). With the age the level of EI increases. Highest numbers in all of the five principles of EI were noted in managers between the 36-45 years of age (mean value of 7.53). This value is the top obtained value of the EI and therefore it can be said that this group of managers show the highest emotional maturity. After 45 years of age the level of EI shows a falling tendency (value of 7.37).

As to the overall level of EI according to the years of managerial experience, the highest values were obtained in the group of managers with less than 1 year of experience (value of 7.58, spread between 6.93-8.1). The drop of the value in the group of managers with 2-5 years of experience is quite significant (value of 5.95). The level of EI grows again after the 6th year of experience of managers.

The biggest deficiencies in the level of emotional intelligence of managers were noted in the principles of self-regulation and motivation. Our measurements have also shown differences between men and women while the positive trend was observed with women. According to the age, it is the managers between the 36-45 years of age who obtained the highest values of EI. The analysis of EI of managers according to the years of experience proved that high emotional intelligence of managers with less than one year of experience dropped significantly during the second year, due to various circumstances related to work, and only after nine years it again reaches a higher level. The overall emotional intelligence of managers in examined small and medium businesses in Slovakia reached the mean value of 7.30 points, of the total 10 points, which can be considered a positive trend. However, we are sure that it is essential to continuously develop the emotional intelligence of managers in Slovakia. The respondents involved in our research have also been asked which competence they think a manager should possess in the future to effectively contribute to the development of the whole company. Many businesses which do not have a leading position in the entrepreneurial environment think that it is emotional intelligence and the abilities to empathize as well as lead and influence others.

According to Barták (2008) the research of Kaplan has pointed out the weaknesses of managers which are closely related to insufficient level of emotional intelligence. Some of them are: blind ambitiousness, setting goals that are too exaggerated and ambitious without considering the abilities, having too high expectations from subordinates, desire for power, praise and credit, emphasizing the external impressions and desire to be perfect, and having too many diverse responsibilities. Considering the said, the significance of emotional intelligence is justifiable and we can state that it is extremely important to further examine and develop it.

If companies realize the importance of the emotional environment and are able to maintain it within the desired

limits, their working processes and effectiveness will improve.

Excellent managers are not those who do not have limits; it is those who are aware of their limits and limitations. Uncontrolled emotions lead to low efficiency and therefore managing one's emotions is one of the most important factors which affect the emotional intelligence.

In entrepreneurial practice developing emotional intelligence is important not only from the point of view of knowledge management, building a learning organization, and developing corporate culture, ethics and creativity, but it also brings measurable results in better performance.

4. CONCLUSION

According to Goleman (Barták, 2008), high emotional intelligence participates in a manager's success by 85% and is twice as important as the cognitive intelligence. Many successful corporations, such as Apple or Ford, are gaining their competitive advantage not only through the correct choice of coworkers who have high cognitive intelligence, but also emotional intelligence. These managers create friendly and supportive environment in the company, and are initiators of creativity at work. They are able to greatly motivate the employees who thus do not merely feel content with the obtained results and goals but continuously try for new objectives and possibilities. Competence of a manager comprises three dimensions, i.e. three intelligences. A competent manager is the one who possesses the needed social (human) qualities, which mean having a necessary level of the emotional intelligence, as well as specialist knowledge which relate to the cognitive intelligence and finally practical skills, known as practical intelligence. Even if our personal qualities are inherited to a large extent, the emotional intelligence can be developed by education and self-education. All that needs to be done is to want to be better, high-principled, healthier, more perceptive and able to use one's temperament in the right way. If we want this and we do all that is necessary, we can raise the level of our social maturity and social competence. We need to learn how to acquire what is inevitable for our work. Of the knowledge we learn we should be able to choose and select the needed information as well as work with it. Practical skills can be obtained through experience. We can, for example, learn the art of persuasion, working in team, self-awareness, leadership, using time effectively, etc. While training these abilities and skills we have to realize that it takes time to learn because the skills are acquired through model learning, practical experience and repetition. Skills cannot be learned from a lecture as they require systematic practical training.

A manager is a creator and a source of important qualities for the company, not their consequence. Personal qualities and knowledge enable further improvement and development of the company. High level of personal qualities contributes to high standard of individual teams, quality of team contributes to quality of products and services and the final result is a satisfied customer. Satisfied customers bring better financial results of the company, better reputation competitiveness in the market.

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