EMOTIONAL INTELLIGENCE AND EMPLOYEE PERFORMANCE IN SELECTED COMMERCIAL BANKS IN ANAMBRA STATE, NIGERIA

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ABSTRACT

Following the apparent rigorous recruitment process in the banking sector, which appears to concentrate on the Intelligence Quotient of applicants instead of the Emotional Intelligence level of the prospective employees, this study determined the relationship between Emotional Intelligence and Employee Performance of selected Banks in Anambra State. Emotional Intelligence was decomposed with Empathy while Employee Performance was decomposed with Employee Turnover. The study employed a Correlation Research Design. Three banks were selected from the three senatorial zones in Anambra State for coverage. Pearson's Product Moment Correlation Co-efficient was used to analyze the data. Findings revealed that Empathy has a strong negative relationship with Employee Turnover. It is recommended that management should institute policies that will ensure employment of Emotionally Intelligent workers as well as create avenues within the organization that will enhance the inter-personal relationship of employees towards reducing employee turnover.

Keywords: Emotional intelligence, Employee Performance, Commercial Banks, Empathy, Employee Turnover

INTRODUCTION

Organizations are made up of people with feelings, beliefs, culture, and needs, and to relate with them satisfactorily and avoid conflict in the work place regularly, one has to be emotionally intelligent. Managers have to understand the feelings of their subordinates, their reasoning and their thinking; they have to anticipate their actions and reactions in every given situation and they need to be intelligent emotionally to do so. This was corroborated by Rosete and Ciarrochi (2005) when they made the statement that managers high on comprehending their own feelings and that of their subordinates are more likely to achieve business success. Questions have often emanated about why it is that many of those who show outstanding knowledge academically or the best graduates in schools find it difficult to progress in life and in the work place, and the answer has almost always been that they are low on Emotional intelligence (EI). This was seen when Mayer and Caruso, (2002) observed that Emotional Intelligence plays a vital role in individuals professional, home and personal lives as the relationships people form are regulated by the rules of behaviour that are prompted by the emotions.

EI is the ability to recognize and regulate the emotions in one's own self and others and to make use of this information in order to guide one's thinking and actions (Giardini & Frese, 2006; Mayer, Roberts, & Barsade, 2008). That is, EI has to with being aware of one self and also other people so as not to act in a way that will affect not affect the other person negatively. It was observed that in the focused firms of First Bank, Guarantee Trust Bank and Access Bank that before an employee is recruited into the organization, that the prospective employees are made to take series of tests and interviews. All these interviews and tests administered by the banks are all based on the Intelligent Quotient of the prospective employees; nothing is done to ascertain the Emotional Intelligence level of the employees.

This leaves the organization with so many employees who are exceptionally intelligent but are lagging in emotional intelligence. This is probably the reason understanding level between and among the employees and employers as well is low, this makes misunderstanding to be frequent, also, the turnover level in the organization becomes high because employees likes working in an organization of mutual understanding and trust, where they are understood and can relate well with each other. It is on this background that this work is built on.

Statement of the Problem

The employment procedures in almost every establishment require that applicants go through various rigorous tests to get employed. The banking sector in Nigeria is a very vibrant sector; they take the recruitment process very serious. Access bank, GT Bank and First Bank are amongst the leading Banks in Nigeria, so their recruitment processes are very thorough. They use different kinds of tests and interviews in selecting their employees. Almost all these tests however, are centered on measuring academic intelligence; that is, the intelligent quotient of the individuals, their graduation grades and their work experience. Little is done to ascertain the intelligence of these prospective employees emotionally, and so, the organization is made up of employees with excellent track records academically but may score very low in emotional intelligence. This seems to be the reason for frustration amongst employees, low morale, low team spirit and shattered group cohesion and low job satisfaction. Also, such organization will be bedeviled with a lot of employee turnover issues because nobody understands each other nor do they try to. Little is done with respect to making the employees realize that relationship is as important in the work place as work itself, hence, the formation of informal groups in the organization is frowned at by management of the focused banks instead of being encouraged. To management, the informal organizations are formed with the sole aim of fighting management or demanding for increased pay and shorter working periods. This creates bad blood between employers and employees which eventually manifest in reduced productivity by the employees and ultimately poor performance by the organization. In the final analysis, the above scenario is to result in low profit, reduced market share and poor public image for the banks.

Objective of the Study

The broad objective of this study is to determine the relationship between Emotional Intelligence and employee performance of selected banks in Anambra State. The specific objective is to ascertain the type of relationship between empathy and employee turnover.

Research Question

What is the type of relationship between empathy and employee turnover?

Hypothesis

H_0: There is no significant positive relationship between empathy and employee turnover.
H_1: There is significant positive relationship between empathy and employee turnover.

REVIEW OF RELATED LITERATURE
CONCEPTUAL REVIEW
Emotional Intelligence

Emotional Intelligence (EI) has no one definition from the perspective of scholars. Mayer, Roberts, and Barsade, (2008) averred that intelligence operates on distinct information, while EI operates mainly on social, perceptional, practical, personal and emotional information.
Zeidner, Matthews, and Roberts (2004), defined EI as the study which look for human cognitive abilities beyond traditional academic intelligence. Mandell and Phewanti (2003) views EI as a set of abilities that involves perceiving and reasoning abstractly with information that emerges from feeling. Mayer and Salovey (2001) opined that EI is 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". Ciarrochi, Chan and Caputi, (2000); Simunek, Schutte, Hollander and McKenley (2000) described EI as being related to good, pleasant and effective mood management at workplace. Barsade (2002) concluded that EI plays a greater role in changing the moods and behaviors of people when they are working in teams and groups.

Employee Performance

EI has been touted to have a relationship with performance as was put forward by different researchers. Ganji, (2011); Hasanzadeh, (2009) stated that EI develops innovational creativity in individuals and as a result, helps in the improvement of people's job performance. In addition, what is of paramount importance in the process of job performance is facilitating the communication within organization which is another function of emotional intelligence (Ganji, 2011). Recent research study by Schmidt and Hunter, (2004) reveals that Emotional Intelligence predicts employee's performance well in a diverse variety of jobs, not specifically only for those that require considerable intellect power. They are of the view that, Emotional Intelligence is one of the key determining factors of evaluating employees' performance.

Rosete and Ciarrochi (2005) demonstrated that, managers high on comprehending their own feelings and that of their subordinates are more likely to achieve business outcomes. Evidence is accumulating that EI is associated with important outcomes such as high quality social relationships (Lopes, Brackett, Nezlek, Schütz, Sellin, & Salovey, 2004).

Empathy

Empathy is a vital component of employees' emotional intelligence (EI) in shaping their job behaviour because "empathy is the ability to see the world from another person's perspective the capacity to tune into what someone else might be thinking and feeling about a situation" regardless of how that view might differ from their own perception (Stein & Book, 2001). In order to promote learning and nurture mindset growth, employees need to create a climate of inquiry and openness, of patience, and of encouragement, and all these are the components of empathy (Kouzes & Posner, 2013). Empathy is an emotion where people try to understand the minds of other people and try to see things from a different perspective that will explain the actions of one another (Stein & Book, 2001; Goleman, 2011). It is also the process of how we interact with other minds and mostly coincide with other emotions such as caring for others (Coplan & Goldie, 2011).

Employee Turnover

Denvir and McMahon (1992) define labor turnover as "the movement of people into and out of employment within an organization" while Mobley (1982) defines turnover as "voluntary cessation of membership in an organization by an individual who receives monetary compensation for participating in that organization". Forbes (1971) states that labour turnover means separation from an organization and included promotion, transfer or any other internal movement within the institution. Korunka(2005) found a considerable negative alliance between job satisfaction and intent to leave. If employees are satisfied with their salary, environment of the job, future promotions and behaviour of fellow workers will be more committed to their work and in turn reduce job turnover intention.

Theoretical Framework

This study is anchored on the Contingency Theory of Management Propounded by Fred, E. Fiedler in 1960. According to this theory, there is no one best way of managing, but that the managing style to be applied in any given situation depends on the peculiarity of the situation. The peculiarity of the situation here means the environment one finds himself, the kind of employees one is dealing with. That is, their intelligent and emotional level, their knowledge, skills and ability. Contingency approach to management is based on the theory that management effectiveness is contingent upon the interplay between the application of management behaviours and specific situations (Sanchez, 2012). According to the contingency theory, the manager's task is to identify which technique will, in a particular situation, under particular circumstance, and at a particular time, best contribute to the attainment of organizational goals (Idemobi, 2010).

Empirical Review

Uzma and Tajammal (2013), studied 300 employees selected from different organizations in the Telecommunication Industry in order to establish a link between emotional intelligence and intelligent quotient and their effect on employee's performance. A simple random technique was used in selecting the firms and data was collected using questionnaire. Analysis was carried out with simple regression analysis and correlation analysis. Their findings reveled that IQ alone is not sufficient for the success of employees. Emotional Intelligence is found to have significant relationship with employees' performance signifying that emotional intelligence is more important than Intelligence quotient at workplace.

Lopes, Grewal, Kadis, Galland & Salovey (2006) assessed 44 analysts and clerical staff from the finance department of Fortune 400 Insurance Company in the United States, in a bid to acquire evidence that EI has a relationship with the performance of employees. Data was collected using questionnaire and the analysis was carried out using Pearson's moment correlation. They concluded their studies by saying that emotionally intelligent individuals received greater merit increases and held higher company rank than their counterparts. They also received better peer and/or supervisor ratings of interpersonal facilitation and stress tolerance than their counterparts.

Petrides, Frederickson, and Furnham (2004) looked at the relationships between trait emotional intelligence, academic performance, and cognitive ability in a sample of 650 British secondary education students (Grade 11). They found that emotional intelligence moderated the relationship between academic performance and cognitive ability. Kayode and

Abdul (2004), studied the Ondo Civil Service and found that experience was positively correlated with three of the four emotional intelligence scales, as measured by the Mayer-Salovey-Caruso Emotional Intelligence Test. Van Rooy, Alonso, and Viswesvaran (2005) examined the relationship between emotional intelligence and age using the 33-item Emotional Intelligence Scale. There was a significant positive correlation between emotional intelligence and age.

Agbim (2000) investigated the relationship amongst emotional intelligence, cognitive ability, and personality with academic achievement. Emotional intelligence was measured using the Emotional Quotient Inventory (EQ- i), including the total EQ-i score and five EQ-i composite factor scores. None of the EQ-i factor scores, or the total EQ-i score, was significantly related to academic achievement from their findings. Kruz and Baines (2013), carried out a research in the manufacturing sector to ascertain the role played by IQ and EI on job performance of employees. The population of the study was 409 and sample size was 102. The study found out the both variables plays major roles on employee's job performance and hence determines the performance of an organization.

Bastian, Burns, and Nettelbeck (2005) examined the relationships between emotional intelligence and a number of life skills (academic achievement, life satisfaction, anxiety, problem-solving, and coping ability). The participants consisted of 246 predominantly first-year tertiary students from a university in Australia. Participants completed three measures assessing emotional intelligence that were widely used and suitable for an Australian sample. They discovered from their studies that correlations between emotional intelligence and academic achievement were not statistically significant. Kolawale (2003) assessed the relationship between emotional intelligence and academic achievement, as measured by grade point average, in college students, using both self-report and ability-based measures of emotional intelligence. The results showed that emotional intelligence was not a strong predictor of academic achievement regardless of the type of instrument used to measure it.

Adrian (2000) studied textile industries in Spain in a bid to ascertain the relationship between employee's emotional maturity and job stress. He employed a correlation analysis in the study and tested reliability using test retest method. He concluded that emotional maturity has a lot to do with how individuals at work deals with stressful situations at work place and therefore advocated that organizations search for emotional matured mind while recruiting. Shahhosseini, Silong, Ismaill, and Uli (2012) examined the role of EI on job performance in Malaysia. Selected manufacturing companies were picked for the study. The population was 187 while the sample size which was determined using a simple random sampling was 108. Data was elicited using questionnaire; hypotheses were formulated and tested using correlation coefficient. The findings showed that EI plays a significant role on the relationship at work and so determines the frequency of personal and industrial conflicts in the organization.

METHODS
Research Design

Correlation survey design was employed so as to show the type of relationship between the dependent and independent variables.

Population of the Study

Table 1*: List of Banks in Anambra State*

S/N	BANKS	LOCATIONS	SENATORIAL ZONE	POPULATION
1	First Bank	Ekwlobia	Anambra South	55
2	United Bank for Africa	Agulu	Anambra Central	47
3	Fidelity Bank	Onitsha	Anambra North	45
4	Eco Bank	Obosi	Anambra North	40
5.	Diamond Bank	Awka	Anambra Central	49
6.	Sky Bank	Nnewi	Anambra South	37
7.	Heritage Bank	Awka	Anambra Central	31
8.	Zenith Bank	Awka	Anambra Central	56
9.	Access Bank	Awka	Anambra Central	47
10.	Union Bank	Onitsha	Anambra North	33
11.	Keystone Bank	Nnewi	Anambra South	33
12.	First City Monument Bank	Nnewi	Anambra South	34
13.	Sterling Bank	Nkpor	Anambra North	37
14.	Guarantee Trust Bank	Onitsha	Anambra North	48
15.	Stanbic IBTC	Ogidi	Anambra North	43
16.	Standard Chartered Bank	Awka	Anambra Central	39
17.	Unity Bank	Agulu	Anambra Central	30
18.	Wema Bank	Onitsha	Anambra North	41
Total				**745**

Source: Field Work, 2015

Three out of the listed commercial banks were selected because we want to have a representative from each senatorial district in Anambra State. Judgmental sampling technique was employed in order to cover the three senatorial districts in Anambra State.

Sample Size and Sampling Technique

Taro Yamane Formula was used in determining the sample size:
$$n = \frac{N}{1 + N(e)^2}$$
Where N=population (150)
n=sample size
e=error estimate (5%)
$$n = \frac{150}{1 + 150(0.05)^2} \quad n = \frac{150}{1.375}$$
$$n = 109$$

Table 3: *Distribution and Response Rate to the questionnaire*

S/N	Organization	No Distributed	No returned	% of Response
1	First Bank	40	38	35%
2	Access Bank	34	32	29**%**
3.	GTB	35	34	31%
	Total	**109**	**104**	**95%**

Source: Field Work, 2015

A total of 109 copies of questionnaire were distributed to the employees of the focused organizations, out of which 104 were filled and returned. 4 out of the 104 were invalid.

Method of Data Collection

Structured questionnaire was used to collect relevant data for the study. A five-point likert scale was used here; the structure is given as strongly agree (5), agree (4), strongly disagree (3), disagree (2), and undecided (1). Secondary data sourced from books, journals and internet sites were also used.

Reliability of the Instrument

A test retest reliability statistic was used to ascertain how reliable the instrument was. 40 copies of the questionnaire were administered in two separate occasions within an interval of one week. 40 copies represent 37% of the sample size.

Table 4: *Reliability Test*

S/N	Test Response	Re-test Response	$x-y = d_i$	d_i^2
1.	36	35	1	1
2.	37	36	1	1
3.	32	34	-2	4
4.	35	32	3	9
5.	39	36	3	9
6.	30	32	-2	4
7.	34	36	-2	4
8.	32	35	-3	9
9.	35	36	-1	1
10.	35	37	-2	4
Total				**46**

Sources: field survey 2015

$$= 1 - \frac{6\Sigma d_i^2}{n(n^2-1)}$$

$$= 1 - \frac{6(46)}{10(10^2-1)}$$

$$= 1 - \frac{276}{990}$$

$$= 1 - 0.2788$$

$$= 0.72$$

The instrument used was reliable because the result of the test retest is high at 0.72

Method of Data Analysis

Pearson's Product Moment Correlation Coefficient was used in analyzing the data. The level of significance used was 5% while 95% confidence interval reliability was adopted.

DATA PRESENTATION AND ANALYSIS

In consonance with the hypothesis formulated, data were presented and analyzed using appropriate testing statistic. The meanings of the abbreviations used in the table are given below:

SA =Strongly Agreed, A = Agreed, D =Disagreed, SD = Strongly Disagreed, and UD = Undecided. To accept, the mean response must be greater than mean weights (μ), otherwise, the item is rejected.

$\mu = \frac{5+4+3+2+1}{5} = 3$

Di = Decision,

Ai =Accept

R =Reject

n= Number of analyzed questionnaire

$\overline{X}$ = Mean

S/N	Question Item	Responses							
		SA	A	D	SD	UD	N	$\overline{X}$	Di
	Research question: **What is the nature of relationship existing between empathy and employee turnover?**	5	4	3	2	1			
	Emotional Intelligence (empathy)								
1	Awareness of others will enhance employee relationship	43	21	26	10	-	100	3.97	Ai
2	Employees with understanding attitude relate well with others	50	35	5	5	5	100	4.2	Ai
3	There is little bickering in the organization when employees understand each other	31	20	43	6	-	100	3.76	Ai
4	Establishing personal relationship with others increases employees satisfaction at work	21	54	5	16	4	100	3.72	Ai
5	Encouraging employees to share their private problems with management brings them closer to the organization.	21	12	50	15	2	100	3.35	Ai
	Employee Performance (turnover)						100		
6	The frequency at which employees leave the organization will reduced if employees understand themselves better	12	24	42	20	2	100	3.24	Ai
7	There is pressure on employees to perform if attrition is high	48	10	19	19	4	100	3.79	Ai
8	Job satisfaction is reduced when coworkers leave the organization frequently	34	31	20	14	1	100	3.83	Ai
9	The commitment level of employees is high when their employment is secure	55	30	5	3	7	100	4.23	Ai
10	Employees won't be searching for new job opportunity if they are satisfied with their present job	33	27	15	20	5	100	3.63	Ai

Source: field survey, 2015

Table 5: *Correlation Analysis*

S/N	X	Y	X^2	Y^2	XY
1.	64	36	4096	1296	2304
2.	85	10	7225	100	850
3.	51	49	2601	2401	2499
4.	75	21	5625	441	1575
5.	33	65	1089	4225	2145

6.	36	62	1296	3844	2232
7.	58	38	3364	1444	2204
8.	65	34	4225	1156	2210
9.	85	8	7225	64	680
10.	60	35	3600	1225	2100
Total	612	358	40346	16196	18799

Source: Field survey, 2015

Product Moment Correlation Coefficient (r) calculated

$$r = \frac{N\Sigma xy - (\Sigma x)(\Sigma y)}{\sqrt{[N\Sigma x^2 - (\Sigma x)^2][N\Sigma y^2 - (\Sigma y)^2]}}$$

$$r = \frac{10(18799) - (612)(358)}{\sqrt{[10(40346) - (374544)][10(16196) - (128164)]}}$$

$$r = \frac{187990 - 219096}{\sqrt{(28916)(33796)}}$$

$$r = \frac{-31106}{31260.92027}$$

r = -0.995044283

r = -0.9950

Findings/ Management Implications

From the result of the analysis which was carried out using Pearson's Product Moment Correlation Coefficient, a negative result (-0.99) was obtained, this means that there is a strong negative relationship between Empathy and Employee Turnover rate. The implication of this is that as Empathy increases in the organization, employee turnover decreases. That is, the frequency at which employee leaves the organization will reduce as the Empathy level in the organization increases and vice versa. This is in agreement with the findings of Shahhosseini, Silong, Ismaill, and Uli (2012) which indicated that EI plays a significant role on the relationship at work and so determines the frequency of personal and industrial conflicts in the organization. It was also corroborated by the findings of Adrian (2000) when he concluded that emotional maturity has a lot to do with how individuals deal with stressful situations at work place.

CONCLUSION

From the result of the analysis, it is concluded that Empathy has a strong inverse relationship with employee turnover rate.

RECOMMENDATIONS

Sequel to the findings of this study, the following recommendations are made
   a) Management should look for an organizational wide approach of bringing the employees closer to each other like organizing get together activities, end of the year parties and other social events so that they can understand themselves better as this will go a long way in increasing their awareness of others and relate well with others.

b) The organization should institute a reward system where employees that exhibit outstanding empathy are recognized as this will engender group cohesion and understanding.

c) While recruiting, emphasis should not be placed on IQ alone; effort should also be made to ascertain the Emotional Intelligence level of these employees for industrial harmony.

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