

Investigating the impact of emotional intelligence on employee performance in the IT industry

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Abstract

The study aimed to determine whether there is a significant difference in emotional intelligence and employee performance between male and female employees in the IT industry. Further to estimate the level of influence emotional intelligence has on employee performance in the IT industry. For the study, the descriptive research design was used. The data was collected from 432 employees working in the IT industry. The researcher used a simple random sampling technique for the study. The data was collected through an online questionnaire. From the analysis and interpretation made it was found that there is no significant difference in emotional intelligence and employee performance between male and female employees in the IT industry. It was found that; Self-Awareness, Self- Motivation and Self-Regulation are the important emotional intelligence character found among IT employees. Further, it was found that; Work Quality, Work Engagement and Work Timeliness are the important employee performance attribute found among IT employees. Also, the study confirms that emotional intelligence impacts employee performance.

Keywords: Emotional Intelligence, Employee Performance, IT Industry

Introduction

There are a variety of variables that may influence employee performance in every company. According to the National Association of Software and Services Companies (NASSCOM), the IT industry has become the most significant element in the Indian economy's development, and it has helped India's worldwide footprint expand. Individuals's lives are also influenced by the IT industry, which contributes to many socioeconomic factors such as employment and assisting people in improving their quality of life (Munir & Azam, 2017). The IT sector's development and contribution make it an essential field of research, especially in terms of improving employee performance and choosing the best individuals for key positions. The descriptive research design was used in this study. The information was gathered from 432 workers in the IT sector (Rexhepi & Berisha, 2017). For the investigation, the researcher used a basic random sample method. The capacity to detect emotion, integrate emotion to assist thinking, comprehend emotions, and manage emotions to support personal development is referred to as emotional intelligence. When Emotional Intelligence was treated as a skill, there were no significant differences between men and women's EI, but EI changed with gender at all times when Emotional Intelligence was treated as a skill (Chatterjee & Kulakli, 2015). Emotional intelligence, often known as

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EI, is a significant component that has been identified in recent years. Emotional intelligence is defined as an individual's ability to recognise, understand, use, and effectively manage emotions in order to relieve stress, communicate effectively with others, empathise with others, overcome challenges in the

workplace and in family life, and defuse conflict with others. This will assist him/her in doing better in the company, being more productive, reducing disputes with others, building connections within the organisation, and understanding others' feelings, all of which will assist employees in performing better in the organisation (Sadovyy et al., 2021). Some jobs in a company need greater emotional intelligence because they deal with more people; for example, a supervisor, also known as a special group employee, is very important because he or she serves as a mediator between lower-level workers and upper-level employees. They must properly convey the task and ensure that it is completed by their subordinates. If supervisors work effectively in a company, the whole organisation will follow a profit track. Employee performance has an impact on the whole company, therefore supervisors with high emotional intelligence will do a better job at their jobs because they can successfully manage their own emotions (Keskin et al., 2016). There are numerous criteria by which employee performance may be evaluated, for example: Campbell has listed many parameters by which employee performance can be measured, including declarative knowledge, procedural knowledge, and motivation. Intrapersonal intelligence includes the capacity to recognise and differentiate between emotions, as well as the ability to evaluate one's own feelings. Perceiving and expressing emotions, integrating emotion in one's thinking, understanding and analysing emotions, and controlling emotion via reflection are all included by this description. They then updated their definition of EI to include the capacity to detect emotion, integrate emotions into ideas, comprehend emotions, and control emotions in order to promote personal development (Dhani & Sharma, 2017). The idea of EI has caught the attention of the whole globe. "One's capacity to drive oneself and persevere in the face of frustration; to control urges and postpone pleasure; to manage one's emotions and prevent distress from swamping the ability to think; to sympathise and hope," according to the trait views or mixed model. EI is defined as "knowing what you're feeling and being able to handle those feelings without allowing them to overwhelm you," as well as "motivating yourself to get things done, be creative, and perform at your best," as well as "sensing what others are feeling and effectively managing relationships." Self-Awareness, Self-Management, Social Awareness, and Relationship Management are the four aspects that have been identified. Knowing one's interior feelings, preferences, resources, and intuitions is part of the Self-Awareness dimension. Controlling one's emotions and impulses, as well as adjusting to changing situations, are all aspects of the Self-Management component (Çekmecelioğlu et al., 2012). While understanding social networks, social awareness encompasses the capacity to feel, understand, and respond to the emotions of others. The capacity to inspire, influence, and develop people while managing disputes is part of the Relationship Management component. His concept includes the five skill categories of mood, stress management, intrapersonal skills, interpersonal skills, and adaptability. As described above, emotional intelligence is the ability to identify and classify different emotions, to use emotional information to guide thinking and action, and to keep a watchful eye on one's own and others' emotions. As a result, businesses consider emotional intelligence to be an important skill. Research has shown that in order to hire potential employees, companies increasingly focus on their emotional quotient (EQ) as well as their overall intelligence quotient (IQ), as well as their educational and work experience. Managers should strive to improve workers' emotional intelligence so that they can perform better at work. In a similar vein, new research has identified emotional intelligence as a critical ability for improving work performance. As a result, emotional intelligence has piqued the interest of academics in terms of its construct, context, and effect. In contrast to past approaches in the last two decades, academics have created methodologies, strategies, and interventions to educate, learn, and improve emotional intelligence (Bhoir & Suri, 2019).

Review of Literature

A notable increase in interest in emotional intelligence has occurred during the last decade. Emotional Intelligence is a key characteristic that influences employee performance, according to a growing number of academics. According to recent research, those with EI do better than their peers. In order to sustain a productive culture in today's business environment, the company must focus on employee emotional intelligence. The goal of this research is to determine the impact of EI on work performance. The current research is based on the EI theory, which is defined as a collection of four cognitive skills involved in the processing of emotional data. To achieve personal objectives and results, the capacity to regulate emotions involves managing emotional experience in self and interpersonal settings (Jameson et al., 2016).

EI helps individuals control their emotions, which helps them perform better at work. The EI, according to Bar-On, is a component of personality theory. Non-cognitive talents, competences, and skills that enable a person to become more efficient in dealing with external demands and stresses. Non-cognitive intelligence is a model that encompasses five major areas of abilities and competences that seem to have a role in success. Intra-personal skills, inter-personal skills, adaptability, stress management, and general mood are among these skills. According to the study, people with a high level of emotional intelligence are more successful and can form stronger relationships than those with a low level of emotional intelligence (Nordin, 2011). The capacity to adaptively detect, comprehend, and control emotions in oneself and others is described as emotional intelligence. According to the majority of studies, individuals with high emotional intelligence achieve more achievement, have stronger interpersonal relationships, work more efficiently, and live a healthier life than those with poor emotional intelligence. According to recent studies, emotional intelligence is responsible for 80% of life and professional success, whereas cognitive intelligence quotient is responsible for just 20%. Emotional intelligence influences a leader's conduct and affects how successful he or she is as a leader (Martina et al., 2015).

A two-factor theory of work performance in which most occupations are divided into task and CP components. They defined TP as conduct that is directly related to task accomplishment. When employees use the organization's fundamental technical processes to develop goods or services, they are fully involved in TP, or when they do specialised activities that support these basic functions. Task-related behaviours contribute to the organization's technological core. In the area of TP, an individual's behaviour is generally acknowledged as a formal necessity of their employment. In many cases, the job description expressly states that the job holder must do certain tasks. Individual performance that maintains and improves an organization's social network and the psychological environment that supports technical activities is referred to as contextual performance (CP) (Shamsuddin & Rahman, 2014). Interpersonal behaviours or acts that help the organisation are referred to be CP. Furthermore, they emphasised that CP encompasses actions that may not be official job duties but nevertheless contribute significantly to an organization's success. Although this kind of performance is seldom included in a job description, it is a critical component of work performance. CP is conduct that adds to the organization's culture and environment. It is the environment in which transformation and maintenance operations take place. Volunteering for additional labour, persevering with enthusiasm, assisting and working with others, adhering to rules and procedures, and supporting or defending the organisation are all examples of CP. CP is defined as actions that influence the organisational, social, and psychological environment and function as a catalyst for task activities and processes (Yozgat et al., 2013).

A learned skill based on EI that leads to exceptional job performance. There are many explanations for the favourable relationship between EI and individual job performance. Differences between those who were given moderately tough and very difficult tasks to complete. Individuals with a high EI were more effective at solving more issues and finishing their cognitive tasks than those with a low EI. Some research suggests that EI and job performance are linked (Altındağ & Köseadağı, 2015).

These research discovered that EI predicts undergraduate students' success on a single test, managers' and professionals' performance in the classroom, sales performance, and supervisory ratings of job performance. Another research discovered that the EI of student teams predicts their success in the early stages of a project. Over four-fifths of the difference in top leadership positions is related to emotional competence. Emotional self-awareness was shown to be critical in the job performance of financial advisors at a financial services firm. Accurate self-evaluation was the characteristic of excellent performance among several hundred managers from twelve different companies (Gupta & Bajaj, 2017). Several research have shown the beneficial effect of self-confidence competence on performance. A strong level of self-confidence distinguishes the best from the average performance among supervisors, managers, and executives (Pastor, 2014).

So far, little emphasis has been paid to the connection between EI and CP. The little studies that have been done so far seem to back up this theory. Employees who show real care for their coworkers' issues should form stronger bonds than those whose interest seems to be feigned. Individuals with a high EI but poor cognitive intelligence may be able to use their skills to regulate emotions and form positive social relationships (Bezdrob & Šunje, 2021). Employees may be compelled to participate in OCB, a kind of CP that is often used to benefit close co-workers, if they have good social connections. There is a favourable relationship between EI and both altruism and CP compliance. The connection between emotional commitment and altruism is moderated by EI. Employees with high EI are better able to detect and comprehend their co-workers' emotions, and they react more properly than employees with low EI, owing to their capacity to change from negative to positive moods more quickly. Emotionally Intelligent people are more equipped to recognise the need for assistance and provide more empathetic answers to both personal and work-related issues because they have the ability to comprehend, control, and change others' emotional reactions (Masrek et al., 2015).

Objective

The objective of the study was to determine whether there is a significant difference in emotional intelligence and employee performance between male and female employees in the IT industry. Further to estimate the level of influence emotional intelligence has on employee performance in the IT industry.

Methodology

For the study, the descriptive research design was used. The data was collected from 432 employees working in the IT industry. The researcher used a simple random sampling technique for the study. The data was collected through an online questionnaire.

Analysis and Interpretation

Herein for research, a pilot study was conducted with 35 samples initially and the reliability was estimated using the Cronbach Alpha test.

Table No. 1: Reliability Statistics

Reliability Statistics: Emotional Intelligence				
Cronbach's Alpha	N of Items			
.705	4			
Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted

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Self-Awareness	12.7662	4.096	.482	.647
Self-Regulation	12.9375	3.920	.526	.620
Self- Motivation	12.8472	3.814	.578	.586
Social- Skill	12.9491	4.475	.382	.705
Reliability Statistics: Employee Performance				
Cronbach's Alpha	N of Items			
.750	4			
Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Work Competencies	12.8032	4.446	.512	.711
Work Engagement	12.6921	4.520	.528	.702
Work Timeliness	12.7315	4.457	.558	.686
Work Quality	12.6759	4.275	.584	.670

Source: (Primary data)

The estimated Cronbach Alpha value for the factor Emotional Intelligence and Employee Performance is estimated to be 0.705 and 0.750 which is greater than 0.7 (Std. Value). Thereby the factor and its items are reliable for further study.

Herein analysis was carried to identify whether there is a significant difference in emotional intelligence between male and female employees in the IT industry.

Table No. 2: Independent sample Test – Emotional Intelligence

Independent Samples Test						
		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Self-Awareness	Equal variances assumed	2.338	.127	-.778	430	.437
	Equal variances not assumed			-.791	429.760	.429
Self-Regulation	Equal variances assumed	.299	.585	-.736	430	.462
	Equal variances not assumed			-.742	426.288	.459
Self-Motivation	Equal variances assumed	1.098	.295	1.084	430	.279
	Equal variances not assumed			1.092	426.767	.275
Social- Skill	Equal variances assumed	.675	.412	.547	430	.585
	Equal variances not assumed			.545	408.861	.586

Source: (Primary data)

The estimated significance value is greater than 0.05 for all the items, meaning the null hypothesis is accepted. Therefore, there is no significant difference in emotional intelligence between male and female employees in the IT industry.

Herein rank analysis was carried to identify the important emotional intelligence character found among IT employees.

Table No. 3: Rank Test – Emotional Intelligence

Descriptive Statistics			
	N	Mean	Rank
Self-Awareness	432	4.4005	1
Self-Regulation	432	4.2292	3
Self- Motivation	432	4.3194	2
Social- Skill	432	4.2176	4

Source: (Primary data)

From the rank analysis it was found that; Self-Awareness, Self- Motivation and Self-Regulation are the important emotional intelligence character found among IT employees.

Herein analysis was carried to identify whether there is a significant difference in employee performance between male and female employees in the IT industry.

Table No. 4: Independent sample Test – Employee Performance

Independent Samples Test						
		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Work Competencies	Equal variances assumed	1.667	.197	.356	430	.722
	Equal variances not assumed			.353	401.781	.724
Work Engagement	Equal variances assumed	.602	.438	-.300	430	.764
	Equal variances not assumed			-.298	401.403	.766
Work Timeliness	Equal variances assumed	.042	.837	.390	430	.697
	Equal variances not assumed			.391	419.377	.696
Work Quality	Equal variances assumed	.016	.899	.907	430	.365
	Equal variances not assumed			.907	415.308	.365

Source: (Primary data)

The estimated significance value is greater than 0.05 for all the items, meaning the null hypothesis is accepted. Therefore, there is no significant difference in employee performance between male and female employees in the IT industry.

Herein rank analysis was carried to identify the important employee performance attribute found among IT employees.

Table No. 5: Rank Test – Employee Performance

Descriptive Statistics			
	N	Mean	Rank
Work Competencies	432	4.1644	4

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Work Engagement	432	4.2755	2
Work Timeliness	432	4.2361	3
Work Quality	432	4.2917	1

Source: (Primary data)

From the rank analysis, it was found that; Work Quality, Work Engagement and Work Timeliness are the important employee performance attribute found among IT employees.

Herein the analysis was carried to estimate the level of influence emotional intelligence has on employee performance in the IT industry.

Table No. 6: Impact of Emotional Intelligence on Employee Performance

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	0.845	.714	.684	.44997		
a. Predictors: (Constant), Emotional Intelligence						
ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	108.535	1	108.535	536.055	.000 ^b
	Residual	87.062	430	.202		
	Total	195.597	431			
a. Dependent Variable: Employee Performance						
b. Predictors: (Constant), Emotional Intelligence						
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.888	.146		6.066	.000
	Emotional Intelligence	.781	.034	.745	23.153	.000
a. Dependent Variable: Employee Performance						

Source: (Primary data)

The estimated R-value is 0.845, meaning the factor Emotional Intelligence and Employee Performance have an 84.5% relationship. Further, the calculated R-Square value is 0.714 which is greater than 0.6 (Std. Value), therefore the regression equation will have 71.4% forecasting accuracy.

Also, the estimated ANOVA Significance value is less than 0.05, this indicates the model is fit. Further, the coefficient significance value is less than 0.05 from which it can be interpreted that emotional intelligence impacts employee performance.

The regression equation governing emotional intelligence and employee performance is given by;

$$\text{Employee Performance} = 0.888 + (0.781 * \text{Emotional Intelligence})$$

Findings and Conclusion

Emotional intelligence (EI) is a game-changing, paradigm-shifting concept that has become one of the most significant corporate concepts of our time. There was no significant difference in emotional intelligence and employee performance between male and female workers in the IT sector, as a result of the analyses and interpretations performed. It was found that; Self-Awareness, Self-Motivation and Self-Regulation are the important emotional intelligence character found among IT employees. Further, it was found that; Work Quality, Work Engagement and Work Timeliness are the important employee performance attribute found among IT employees. Also, the study confirms that emotional intelligence impacts employee performance.

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