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## Impact of Emotional Intelligence on Personnel Management

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### ABSTRACT

Possessing emotional intelligence allows managers to better understand and motivate people they supervise. Emotional intelligence bears an important impact on self-development of the manager and his leadership qualities. Its impact is visible in building positive relations and gaining emotional commitment of employees. Those who have a high degree of emotional intelligence are in tune with both their own emotions and the emotions of other people with whom they come in contact.

Personnel management can be defined as obtaining, using and maintaining a satisfied workforce. It is a significant part of management concerned with employees at work and with their relationship within the organization. Emotional intelligence refers to having the ability to recognize and understand emotions and their impact on behavior and attitudes.

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**Keywords-** : Personnel Management, Emotional Intelligence, Behavioural Science

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## INTRODUCTION

According to Flippo, "Personnel management is the planning, organizing, compensation, integration and maintenance of people for the purpose of contributing to organizational, individual and societal goals." According to Brech, "Personnel Management is that part which is primarily concerned with human resource of organization." Emotional intelligence (EI) is related to emotions and emotional information. It has attracted great attention among researchers and Human Resource (HR) practitioners because of its input for leaders and employees and its key role in organizational effectiveness and excellence. Here, we describe the models of EI and review the findings to show the positive correlations between EI, leaders and employees. We conclude by indicating thoughts for future research on the role of EI in organizations -Emotional Intelligence as an Important Asset for HR in Organizations. The strategies adopted by the firms affect and are being affected by the organizational workforce. For example, the workforce is affected by the confluence of cultures, systems and procedures in a merger and acquisition. In case of delayering, the workforce faced with job enrichment in one hand and insecurity on the other. Workforce plays a critical role in the successful implementation of the strategic response of the business and the business's overall success. It is therefore very crucial for the organizations to look at the human resource issues involved in each of the strategic response they adopt before undertaking their implementations.

Businesses across sectors have witnessed unprecedented changes in the post liberalization era. These changes have compelled business establishments to go for strategic realignments in their very approach to doing businesses. These realignments assume a variety of forms ranging from redefining the organizational structures, systems and procedures, to mergers and

acquisitions, new product development, new market development, financial reengineering and human reengineering, and a host of other alike actions and a complete overhauling of the process and operations intended to fit to the new requirements so that the firms are able to sustain competitions and growth.

## Literature Review

Human resource issues are critical and sensitive enough to influence the essence of the business including its competitiveness, adaptability, profitability, and survival. The criticality of the human resource issues has caused HR professionals worldwide to having a unanimity opinion that human resource policies of the organization, if configured scientifically, can have a direct and significantly positive contribution to the firm's performance. Organizations therefore need to develop their human resource as a source of competitive advantage. They can do this by developing competencies in the workforce. Competencies again will depend on the socio-behavioral characteristics and adjustments that these individuals can make in their job-role and power position. Even though human beings are considered 'rational', their behavior at times becomes extremely complex. Differences in the competencies of individuals get exhibited through their cognitive and physical abilities, knowledge, skills, values, interests, experiences and a number of other psychological constructs.

'Emotional Intelligence' is a psychological construct that affects workplace performance. Goleman (1998) has defined 'Emotional Intelligence', as 'the capacity for recognizing one's own feelings and those of others, for motivating oneself and for managing emotions well in oneself and in one's relationship.' Emotional intelligence (EI) include the abilities to distinguish emotions precisely, to judge and cause emotions to help thought, to appreciate emotions

and emotional awareness, and to control emotions efficiently to encourage emotional and rational development. It describes one's skill different from, but balancing to, his educational intelligence or merely cognitive capacity measured by Intelligence

- 80% success in life and work performance is controlled by Emotional intelligence (Goleman, 1995);
- Emotional intelligence is directly proportional to career progression (Goleman, 1998);
- More altruistic individuals are more emotionally intelligent (Cherniss and Adler, 2001);
- Better leaders have better emotional intelligence (Goleman, 1998);
- Better team work is directly related to emotional intelligence (Druskatt and Wolff, 2001);
- Better decisions are the results of emotional intelligence (Jordan, Ashkanasy and Hartel, 2002);
- Self-starter and self-motivated persons are more emotionally intelligent (Goleman, 1998);
- Persons with good emotional intelligence are better able to cope stress (Ashkanasy, Ashton-James, and Jordan, 2002);
- Emotional intelligence is able to address large spread of behavioral problems (Gillis, 2004); and
- Morally better persons are more emotionally intelligent (Cooper and Sawaf, 1997).

Additional research unearthed the following success stories. A Fortune 500 company in financial services proved that their high EQ salespeople produced 18 percent more than the lower EQ salespeople. One recent study conducted by a through a series of recent studies conducted by ZERORISK HR, Inc., a correlation was found among low emotional intelligence and theft and shrinkage. One other study in the construction industry yielded results showing workers with low

emotional intelligence had a higher likelihood of getting injured while on the job.

### **Background of Study**

Emotional intelligence bears an important impact on self-development of the manager and his leadership qualities. Practicing activities that support EI behavior illuminates positive effects that can be observed and measured by higher productivity. Its impact is visible in building positive relations and gaining emotional commitment of employees. At a higher level this strengthens organizational culture, sharpens its resilience and stretches its flexibility, both in the long run lead to greater competitive advantage in the market. Empathic communication between CEOs and employees develops a culture of trust that increases synergy among team members. Synergy stimulates employees' creativity, which is essential in developing new solutions and forming innovative responds to the increasingly complex demands of learning society.

Managers who possess emotional intelligence approach supervisory responsibilities from a different perspective than authoritarian managers. They understand the importance of communicating effectively with staff members, and of treating each employee with respect. Those who want to be effective 21st century managers are well served by developing a deeper understanding of the concept of emotional intelligence and applying it to their management strategies.

In personnel management, a personnel manager has to understand the relationship of the three elements and their importance in organization. He has to understand basically three relationships:-

- i. Relationship between organization and job
- ii. Relationship between job and people
- iii. Relationship between people and organization.

Relationship between organization and job helps making a job effective and significant.

Relationship between job and people makes the job itself important. Relationship between people and organization gives due importance to organizational structure and the role of people in it. The four functions of Personnel Management:

1. Manpower Planning
2. Recruitment
3. Selection
4. Training and Development

### Need of Study

Personnel management includes the function of employment, development and compensation- These functions are performed primarily by the personnel management in consultation with other departments. Personnel management is an extension to general management. It is concerned with promoting and stimulating competent work force to make their fullest contribution to the concern. Personnel management exist to advice and assist the line managers in personnel matters. Therefore, personnel department is a staff department of an organization. Personnel management lays emphasize on action rather than making lengthy schedules, plans, work methods. The problems and grievances of people at work can be solved more effectively through rationale personnel policies. It is based on human orientation. It tries to help the workers to develop their potential fully to the concern. It also motivates the employees through it's effective incentive plans so that the employees provide fullest co-operation. Personnel management deals with human resources of a concern. In context to human resources, it manages both individual as well as blue- collar workers.

### Personnel Management

Personnel management is defined as an administrative specialization that focuses on hiring and developing employees to become more

valuable to the company. It is sometimes considered to be a sub-category of human resources that only focuses on administration.

Managing personnel concentrates on certain administrative human resource categories. It includes job analyses, strategic personnel planning, performance appraisals and benefit coordination. It also involves recruitment, screening and new employee orientation and training. Lastly, it involves wages, dispute resolution and other record keeping duties. Personnel managers will be in charge of various job analyses. This will involve evaluating job positions to ensure that the wage rate is adequate. It will also involve collective assessments of all positions that are used to determine the company's current and future labor needs. One of the biggest responsibilities of a personnel manager will be to recruit the right employees. However, this is an ongoing, complex process that will require the personnel manager to intimately understand every position and corresponding duties.

Posting job ads, reviewing resumes, conducting interviews and making a final decision with management is a very time consuming process. However, it must be carefully performed in order to avoid hiring the wrong person. HR experts estimate that it can cost between two to five thousand dollars to re-hire and train a new employee for an open position. Finally, personnel managers must ensure compliance with applicable state and federal employment laws and occupational health and safety regulations. As the industry becomes more manual labor driven, the health and safety rules become stricter and more specific.

### IMPORTANCE OF PERSONNEL MANAGEMENT

(1) Staying competitive :-

Part of personnel management is developing training for employees and providing the

resources they need to stay up-to-date on their jobs some of those resources include an on site library of industry information encouraging employees to continue their education by subsidizing tuition costs and notifying employees of seminars and classes that would assist in the development of their job skills. When used in this manner, personnel management keeps your workforce currency on the changes in the industry it allows your company to adapt quicker to changes and keeps you ahead of the competition .

(2) Retention:-

Human resources professionals focus on personnel manager from the employees first interview through the rest of employees tenure a competition pay plan and benefits package entice employees to work for your company ongoing administration of benefits , employees carrier advancement and an interactive review process by departmental managers help the employee to develop to her maximum potential when personnel management is effective for each employee from the beginning of employment , it result in a higher retention rate.

(3) Team work:-

Effective personnel management creates strong bonds between the company and the employee and it also encourages employees to develop a sense of teamwork. Team building exercises help employees learn to work together , and that works together with the focus on the individuals to create a stronger personnel framework employees understand their role within the company and they learn to respect the roles of others company decision follow their proper channels and the structure of the organization in strengthened .

(4) Managerial effectiveness:-

One of the more importance relationship for any company is the one between a manager and an employee by developing the employee and the team the staff understands how its action affect the productivity of the entire department when employees take a personnel interest in the productivity of their department this helps managers to focus more on departmental procedures and employee development while having to focus less on administrative responsibilities such as dispute resolution and employee turnover .

**OBJECTIVES OF PERSONNEL MANAGEMENT WITH EMOTIONAL INTELLIGENCE**

(1) To achieve an effective utilization of human resources in the achievement of organizational goals.

(2) To establish and maintain an adequate organizational structure and a desirable working relationship among all the members of an organization by dividing of organization tasks in to functions , position , jobs and by defining clearly the responsibility accountability authority for each job and its relation with others jobs personnel in the organization .

(3) To generate maximum individuals / group development within an organization by offering opportunities for advancement to employees through training and job education or by effecting transfers on by offering retraining facilities .

(4) To recognize and satisfy individual needs and group goals by offering an adequate and equitable remuneration economic and social security in the from of monetary compensation and protection against such hazards of life as illness , old age , death , unemployment etc. so that the employees may work willingly and co-operate to achieve an organization goals .

(5) To maintain a high moral and better human relation inside on organization by sustaining and improving the conditions which have been established so that employees may stick to their jobs for a longer period. (6) To secure the integration of the individuals and groups with an organization by reconciling individual /group with those of an organization in such a manner that the employees feel a sense of involvement commitment and loyalty towards it in the a sense of such an integration, friction may develop in an organization which may lead to its total failure friction produces inefficiency friction may result from political aspirations, from difficulties in communication and from faults inherent in a particular organizational structure .

### **Contributions of Behavioral Science Approach to Management**

The behavioral science approach to management is concerned with the social and psychological aspects of human behavior in organization. Many of the conclusions of the Hawthorne studies were reaffirmed by the subsequent research studies, but certain ideas were extended and others highlighted by the behavioral scientists. Some of the important elements of the behavioral science approach are highlighted below.

Individuals differ in terms of their attitudes, perception and value systems. Therefore, they react differently to the same situation. People working in an organization have their needs and goals, which may differ from the organization's needs and goals. Management should achieve fusion between organizational goals and human needs. Individual behavior is closely linked with the behavior of the group to which he belongs. A person may be inclined to resist pressures to change his behavior as an individual. But he will readily do so if the group decides to change its behavior. With work standards laid down by the

group, individuals belonging to that group will resist change more strongly.

Informal leadership, rather than the formal authority of supervisor, is more important for setting and enforcing group standards of performance. As a leader (manager) may be more effective and acceptable to the subordinates if he adopts the democratic style of leadership. If the subordinates are encouraged to participate in establishing the goals, there will be positive effect on their attitude towards work. Changes in technology and methods of work, which are often resisted by employees, can be brought about more easily by involving the employees in planning and designing the jobs.

By nature most people enjoy work and are motivated by self-control and self-development. It is for the managers to identify and provide necessary conditions for the human potential to be used in the service of the organization. The manager's attitude towards human behavior should be positive. The behavioral scientists have shown how human beings bring to their task aspects of behavior, which the effective manager should profitably understand. After all, it is individuals and groups with which a manager is concerned and while organizational roles are designed to accomplish group purposes, people must fill these roles. Thus, the behavioral sciences have provided managers with a ore systematic understanding of one of the most critical factors in the process of management—the human element. Insights evolving from that understanding have been used to design work situations that encourage increased productivity. It has enabled organizations to formulate programmers to more efficiently train workers and managers, and it has effects in numerous other areas of practical significance.

### **Emotional intelligence in teams**

As far as it concerns the theoretical context of group emotional intelligence two basic conceptual approaches have been developed a) by Druskat and Wolff (2001) and (b) by Gantt and Agazarian

(2004). The above researchers believe that there are two different ways in which teams can build group emotional intelligence. Druskat and Wolff (2001) chose two (2) dimensions of emotional intelligence in order to explore at group level, the knowledge and management of emotions, as these are common in models that have been developed. Team emotional intelligence is the ability of the group to develop norms (e.g. understanding among members, creating a positive working environment, developing proactive behavior about solving problems, building relationships with groups outside the Organization) that enhance awareness and management of emotions in order to achieve the desired results. The norms are developed on three levels: individual, group and cross boundary, creating awareness of emotions which arise from the interaction of team members and setting group behavior. Gantt and Agazarian (2004) approach the Group Emotional Intelligence as a human system, which can be either a person or a group of individuals that uses the thought, knowledge and his instincts in order to take decisions relating to the tasks. Consequently, the emotional intelligence of the system/group is its ability to distinguish and incorporate energy information (cognitive and affective) in order to serve the goals of the organization. According to Druskat and Wolff (in press), there are two key features of emotional intelligence that make it relevant to the desirable and effective management of emotions in Group: Firstly, they argue that feelings can be early indicators of problems that may be faced by the group. Therefore, the attention given to the feelings of individuals can result in timely resolution of problems long before they become larger. Secondly, the emotional intelligence allows individuals to manage their negative feelings as the appearance of such emotions in teams is inevitable. In short we can say that the emotional intelligence can be an asset in the context of a group as people with high emotional intelligence are able to effectively manage the negative behaviors and use this knowledge to create a supportive, positive

environment, which in turn will contribute to the cooperation, to improve processes of decision-making and the results of the group.

### Implications

In the literature it is mentioned that organizations can derive several benefits from high emotional intelligence people such as lower stress levels, higher organizational commitment, creativity, etc. which likely lead to higher efficiency (Druskat & Wolff, 2001). This study confirmed the influence of emotional intelligence cooperation between team members and highlighted its relationship with the achievement of the organization's goals. As New Public Administration's challenge includes the need to strengthen organization's activity, to increase efficiency and adaptability, to incorporation of the emotional intelligence concept in processes such as working groups and recruitment of qualified persons, its implementation would lead to desirable results.

### CONCLUSION

A comprehensive and holistic view of EI should include the multiple levels of EI. Behavioral EI is an approach that could complement other levels and measures and potentially offer stronger and unique variance of predicting job and life outcomes, performance, engagement, citizenship and innovation. First, the behavioral level must be treated as a separate form of EI, with its own types of measures. Second, behavioral measures along with measures of other levels of EI should be tested against job and life outcome measures, controlling for personality. Third, the same study designs should be replicated with various moderator or mediator variables. Although quality of relationships was examined in this paper, there are numerous other potential variables of interest, such as self-efficacy, emotion perception abilities, wise reasoning and practical intelligence, and so forth. Prospective mediators could include other forms of information processing as well as perceptual variables. Fourth, to use a behavioral level information, use of 360° assessments is most

likely in quantitative studies. As we suggested, a few methodological challenges must be investigated further. We raised initial studies about response set and sources. Regardless, the basis for aggregation should move away from traditional correlation based methods like ICCs and toward the three sources of invariance.

All of this suggests a higher sensitivity to domain specific models and using a variety of appropriate measures. Just as the domain of cognitive intelligence has evolved as a complex array over the last 100 years, we can expect emotional and social intelligence to continue along a comparable path. Few psychology Departments in research oriented Universities exist today without numerous neuroscientists. We have come a long way from stimulus-response-reinforcement explanations for human behavior. The increased complexity should not obscure or be used to avoid good science. The increasingly complex concepts must be assessed separately and together to create more holistic theories. Given the demands of specialization in each of our fields and specialties, this suggests the need for more research teams composed of scientists with different disciplinary backgrounds.

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