

A Study on Emotional Intelligence among the Employees of Banking Sector with Special Reference to Kannur District

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ABSTRACT

Numerous obstacles confront the Indian banking sector, including community-focused banking and changing a traditional culture that traditionally placed a premium on operational efficiency in favour of winning that fosters teamwork, creativity, and high-quality, efficient processes. It is therefore crucial that banks concentrate on providing high-quality services. Service quality is meeting the needs and expectations of the client. When expectations are fulfilled, customers are satisfied. High service quality can be attributed to a number of human factors. Among these is Emotional Intelligence. Because of the fierce competition in today's world, Indian banks have begun to think about improving the quality of their services. These days, emotions and behaviour play a much larger role in effective and qualitative performances in service-oriented fields like banking. So, this is to investigate the Emotional Intelligence of employees of banking sector in Kannur District and how it will affect their performance. The main objective of the study is to find out the level of Emotional Intelligence of employees, to know how Emotional Intelligence affect the work performance of employees and to suggest necessary guidelines to improve the Emotional Intelligence of bank employees. The study is descriptive and analytical in nature. A sample of 100 employees who carrying out clerical and administrative work of various branches of public sector banks in Kannur District are selected through convenience sampling method. The primary data are analysed and interpreted with the help of tables and graphs and other statistical tools like Percentage analysis, Chi Square test and Weighted Average Mean. The study can be concluded with the main findings that the Emotional Intelligence of employees of banking sector are moderate level.

Keywords: Emotional Intelligence (EI), Self-Awareness (SA), Self-Regulation (SR), Motivation (M), Empathy (E), Social Skill (SS).

Introduction

Any nation's ability to develop is primarily depend on its strong banking system. The banking industry has undergone a paradigm shift in the twenty-first century as a result of technology breakthroughs, and all banks have modernised its infrastructure and technology. The Indian banking system faces a number of difficulties due to quick changes and more informed clients. The quality of the services is one of the main obstacles. High service quality can be attributed to a variety of reasons. One of the primary causes is human-related. A solid basis for the banking system's success is provided by human resources. Since, the employees who work in the banks have direct contact with customers. Therefore, the banking system is impacted by human activity either directly or indirectly. People are unpredictable because they come from a variety of emotional backgrounds. Their ability to maintain emotional stability is essential for all of their activities. Emotional stability is outlined with Emotional Intelligence. Emotional Intelligence (EI) refers to the ability of a person to recognize, regulate and manage emotions in ourselves and others effectively. The concept of emotional intelligence got world-wide popularity in 1995, when Daniel Goleman elaborated the five domains or element of emotional intelligence which includes self-awareness, self-regulation, motivation, empathy and social skills which defines the term Emotional Intelligence. These factors highlight how important it is to understand and

manage the emotions in internal and external relationships of banking sector. A banker having emotional intelligence can surprise in social interactions for adapting to please others by being able to predict and comprehend human behavior. Therefore, Emotional Intelligence helps banks to identify the customer needs and also helps to satisfying it, that results in winning and retaining clients.

Statement of the Problem

Now-a-days, banks face a lot of challenges. There are various factors responsible for it; one of them is human factors. Emotional intelligence is one of the components of human factors. That is, how emotional intelligence of each and every employee will affect the individual performance and overall banking performance. That is why the present topic has chosen.

Objectives of the Study

The objective of the study is to know the emotional intelligence among the employees of various public sector banks in Kannur District.

- To find out the level of emotional intelligence of employees.
- To know how emotional intelligence affect the work performance of employees.
- To suggest necessary guidelines to improve the emotional intelligence of bank employees.

Scope of the Study

The present study is based on the topic 'A study on Emotional Intelligence among the employees of banking sector with special reference to Kannur District'. It covers the area of Kannur District in Kerala. For this purpose, 100 employees who carrying out clerical and administrative work of various branches of public sector banks like SBI, Canara bank, PNB, Indian bank, Union Bank of India, Indian overseas bank, UCO bank, Bank of Maharashtra, Punjab and Sind bank, Bank of India, Bank of Baroda and their associate were considered as respondents.

Significance of the Study

The awareness about self, motivation, self-regulation, social skill, and empathy towards others are different from one another. These differences have great effect on the performance of work. In service sector, especially banking sector, these differences have great influence, because the emotional intelligence is not similar to all. Thus, the study provides framework for analyzing the emotional stability of employees and ways to improve it.

Research Methodology

Research means gathering of data, information and facts for the advancement of knowledge. A study will be conducted with reference to the data related to the employees of public sector banks in Kannur District. The relevant data has been collected from both primary and secondary source of information through questionnaire. The primary data collected for the study is collected through questionnaire. Secondary data are obtained from journals, websites, books, etc. The study is descriptive and analytical in nature. A sample of 100 employees who carrying out clerical and administrative work of various branches of public sector banks in Kannur District are selected through convenience sampling method.

The primary data are analyzed and interpreted with the help of tables, graphs and other statistical tools like percentage analysis, Chi Square test and Weighted Average Mean. A five-point Likert scale starting from strongly agree to strongly disagree (1-5) is used to assess the five domains of emotional intelligence; self awareness, self regulation, motivation, empathy and social skill. Based on Likert scale Weighted Average Mean (WAM) of each five domains are calculated. For bringing clarity in analysis a separate scaling is used, it is as follows,

- Mean value between 1 and 2 – Most unfavorable
- Mean value between 2 and 3 – Unfavorable
- Mean value between 3 and 4 – Favorable
- Mean value between 4 and 5 – Most Favorable

Hypothesis of the Study

H₀: There is no association between Emotional Intelligence and gender of the bank employees.

H₁: There is association between Emotional Intelligence and gender of the bank employees.

H₀: There is no association between Emotional Intelligence and marital status of the bank employees.

H₁: There is association between Emotional Intelligence and marital status of the bank employees.

Limitations of the Study

- Some respondents were hesitating to give true response.
- The area of study is limited to Kannur District.
- Difficulty to get information from various employees.

Review of Literature

(Radha & Aithal, 2023) conducted a study on the topic "A Study on the Influence of Emotional Intelligence Interventions in the Banking Sector". The main objective of the study is to know the difference between male and female bank employees on emotional intelligence and its influencing factors and to know the impact of emotional intelligence on job performance and job stress. The research is descriptive in nature which uses the case study method to analyse the data collected.

(Akhilandeswari & Lakshmibala, 2019) did a study on the topic "A study on Emotional Intelligence in Banks – An empirical study with reference to selected banks of Thanjavur District". The main objective of the study is to know the response of respondents on elements of Emotional Intelligence and to know the relationship between demographic variables and elements on Emotional Intelligence.

(Ugoani, 2017) conducted research on effective change management and emotional intelligence in the Nigerian banking sector. The findings indicate that emotional intelligence includes all of the skills needed for effective change management.

(Hamdan et.al., 2017) carried research on the Jordanian nurses' capacity for emotional intelligence. A cross-sectional, descriptive correlation design was employed for this. Six Jordanian hospitals provided a sample for the study. The study's conclusions supported the link between nurses' clinical performance and emotional intelligence by showing a strong and favourable relationship between emotional intelligence and job performance.

(Swarnalatha, 2016) on her research on emotional intelligence in bank workers revealed that all of the workers had high emotional intelligence and that emotional intelligence is important in bank workers' lives. Additionally, there is no correlation between an employee's age and emotional intelligence.

(Praveena, 2015) conducted research on the impact of bank managers' emotional intelligence on their job performance in Sri Lanka. According to the study, bank managers with greater emotional intelligence scores also had higher job satisfaction and job performance levels. It also showed that one of the most important abilities that managers in today's organisations should have emotional intelligence.

(Danquah, 2015) studied the impact of emotional intelligence on the financial performance of Ghanaian commercial banks and found that emotional intelligence has a major impact on those institutions' financial performance. The study also discovered that relationships are predictive of customer happiness, relationship marketing, service quality, and financial performance.

Data Analysis and Interpretation

Table 1: Demographic Profile of Respondents

Gender	No. of Respondents	Percentage (%)
Male	53	53
Female	47	47
Age Group		
20-30	30	30
30-40	47	47
Above 40	23	23
Marital status		
Married	52	52
Unmarried	48	48

Source: Primary data

Interpretation

The table 1 shows demographic profile of respondents. 53 percent of respondents are male and 47 percent are female. Majority of respondents (47 percent) lie the age group of 30-40, 30 percent of respondents come under the age group of 20-30. Only 23 percent of respondents lie in the age group of above 40. Majority of respondents (52 percent) are married and 48 percent of respondents are unmarried.

Calculation of Weighted Average Mean

$$\text{Weighted Average Mean} = \sum v \cdot f / N$$

Where, v = Point scored against each statement on scale (1-5)

f = No. of respondents for each response against statements

N = Total no. of respondent (100) * Total no. of statements in each component of EI

Note: For each component of Emotional Intelligence, there are four statements.

Therefore, N = 400

Table 2: Weighted Average Mean of components of EI

Components	$\sum v \cdot f$	N	WAM
Self-Awareness (SA)	1543	400	3.86
Self-Regulation (SR)	1397	400	3.49
Motivation (M)	1560	400	3.9
Empathy (E)	1407	400	3.52
Social Skill (SS)	1463	400	3.66

Source: Primary data

Interpretation

The table 2 shows that the Weighted Average Mean scores of various components of Emotional Intelligence. It is observed that respondents have highest degree of motivation (WAM = 3.9), followed by self-awareness (WAM = 3.86), social skill (WAM = 3.66), empathy (WAM = 3.52) and lastly self-regulation (WAM = 3.49). The Weighted Average Mean scores of each component of Emotional Intelligence lie in between the range of 3-4, therefore each element is favorable. It can also infer that bank employees have low self-regulation compared to other components of emotional intelligence.

Analysis of levels of Emotional Intelligence

Total score of EI = SA+SR+M+E+SS

Respondent's minimum score = $1 \cdot 20 = 20$

Respondent's maximum score = $5 \cdot 20 = 100$

Range of EI score = 20 – 100

It can be divided into four levels such as very low, low, moderate and high level of Emotional Intelligence.

Table 3: Levels of Emotional Intelligence

Range	Levels	No. of respondents	Percentage (%)
20-40	Very low	0	0
40-60	Low	11	11
60-80	Moderate	51	51
80-100	High	38	38
Total		100	100

Source: Primary data

Interpretation

From the table 3 it is clear that majority of bank employees have moderate level of emotional intelligence. That is, 51 percent of respondents have moderate level of emotional intelligence. No one have very low-level emotional intelligence. Only 11 percent of respondents have low level of Emotional Intelligence. 38 percent of respondents have high level of Emotional Intelligence.

Chi-Square Test Result**Table 4: Association between Emotional Intelligence and Gender**

Sl. No.	H ₀	H ₁	Chi-Square Value	df	p-value
1.	There is no association between Emotional Intelligence and gender of the bank employees.	There is association between Emotional Intelligence and gender of the bank employees.	8.1	2	0.017

Interpretation

From the table 4, it is found out that Chi – square value is 8.1 and p-value (significance) for Pearson Chi-Square is 0.017 at 2 degrees of freedom which is less than 0.05. So, the null hypothesis at 5 percent level of significance is rejected. Hence, it can be concluded that emotional intelligence and gender of bank employees are associated.

Table 5: Association between Emotional Intelligence and Marital Status

Sl. No.	H ₀	H ₁	Chi-Square Value	df	p-value
1.	There is no association between Emotional Intelligence and marital status of the bank employees.	There is association between Emotional Intelligence and marital status of the bank employees.	6.8	2	0.033

Interpretation

From the table 5, it is found out that Chi – square value is 6.8 and p-value (significance) for Pearson Chi-Square is 0.033 at 2 degrees of freedom which is less than 0.05. So, the null hypothesis at 5 percent level of significance is rejected. Hence, it can be concluded that emotional intelligence and marital status of bank employees are associated.

Findings and Recommendations

Emotional Intelligence is considered as the one of the most important human factors which will affect the service quality of the banking sector. The level of Emotional Intelligence of banking sector employees is moderate. Emotional Intelligence of each respondent can be defined on the basis of the five domains. The mean score of Self Awareness, Self Regulation, Motivation, Empathy and Social Skill are 3.86, 3.49, 3.9, 3.52 and 3.66 respectively which is fall in between 3-4, hence, all the domains are favorable. While comparing mean scores, the banking employees have high level of motivation skill which is then followed by Self Awareness, Social Skill, Empathy and Self-Regulation. The data analysis is included with hypothesis testing by using Chi-square tool. Through this, it is evidenced that gender and marital status have association between Emotional Intelligence. Stress at work is the primary cause of emotional instability. A suitable strategy for lowering employee work-related stress should exist. Stress management, equitable leave policies, entertainment initiatives, and professional development and motivating programmes can all help make it happen. The bank ought to take the lead in raising and developing staff members' emotional intelligence. This can be achieved by creating and offering staff members efficient training. Their motivation, empathy, self-control, self-awareness, and social skills will all improve as a result.

Conclusion

Emotional Intelligence is the ability of each and every person to know themselves and others and to manage the emotions as the situation needs. The Emotional Intelligence of banking employees with special reference to Kannur District is moderate. There are lots of factors which affects their level of Emotional Intelligence, which includes stress, work environment, personal matters, relationship between co workers, etc. It could find out that the employees have high degree of motivation compared to other components of Emotional Intelligence. The employees should be initiated to enhance their self-regulation level. Moreover, the study reveals that the level of Emotional Intelligence affects the performance level of employees. Employees with emotional equilibrium are better at solving problems and making decisions, and they can adjust to changing circumstances. The employees' age and gender had an impact on their

emotional intelligence score. As a result, the study shows that emotional intelligence contributes to the success and competitive advantage of banks.

Future Scope

The banking industry is one of the service sectors which undergoes drastic changes with regard to future time period. The increased workload, competition, technological advancement etc. will always create work pressure among the employees and it will affect their performance. Hence, it always creates the necessity for conducting research work in this area.

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