

## Leader's Emotional Intelligence: How it Affects Employee's Performance at Workplace?

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### Abstract

Leaders with high levels of emotional intelligence are often better at managing their own emotions and those of their employees, leading to better workplace outcomes, such as improved employee performance. Leaders who exhibited high levels of emotional intelligence were more effective at creating a positive organizational climate and were more likely to foster a shared sense of purpose among their team members. This positive work environment has led to increased employee engagement and improved performance. The objective of this study is to analyze the relationship between three dimensions of emotional intelligence: a leader's social skills, empathy and motivation towards their employee's performance. 128 respondents who are employees in Klang Valley were involved in this quantitative study and were selected via convenience sampling where the questionnaires were distributed using an online platform. For the purposes of data analysis, SPSS was employed. The findings of the study revealed that all three dimensions of a leader's emotional intelligence have significant impact towards their employee's performance. A leader who fosters a high level of social skills interacting with the team, shows empathy towards team members, and has a high level of motivation in driving the team performance will have significant impact towards the employee performance. The study also revealed that among the three dimensions of emotional intelligence, a leader's motivation is the most significant factor in driving employee's performance. By fostering a sense of social skills, empathy, and motivation, leaders can create a more positive and able to drive the team towards better performance even in the most challenging of circumstances.

**Keywords:** Emotional Intelligence, Leadership, Socials Skills, Empathy, Motivation, and Employee Performance.

### Introduction

Today the leader's emotional intelligence has played a major role towards employees' performance (Vrontis et., al., 2021). Leaders with high levels of emotional intelligence are often better at managing their own emotions and those of their employees, leading to better

workplace outcomes, such as improved employee performance. Research shows that leaders with high emotional intelligence are more likely to increase employee trust, loyalty, and engagement (Panimalar, 2020). A study by Goleman et al (2021) found that leaders who exhibited high levels of their emotional intelligence were more effective at creating a positive organizational climate and were more likely to foster a shared sense of purpose among her members of the team. This positive work environment has led to increased employee engagement and improved performance. Meanwhile, leaders who lack emotional intelligence skills frequently struggle to motivate their staff, which lower performance, job satisfaction, and productivity (Murtza et. al., 2021). Understanding, recognizing, and controlling one's own emotions as well as those of others is referred to as emotional intelligence. Emotionally intelligent managers are able to establish better rapport with staff members, foster trust, and foster a positive work environment, all of which boost morale and productivity.

Particularly in the context of a leader's relationship with their employees, empathy is a critical aspect of emotional intelligence that is frequently disregarded in the workplace (Deliu, 2019). On employee performance, engagement, and satisfaction, the capacity to comprehend and relate to others' emotions can have a significant impact. However, lack of empathy on the part of leaders can have unfavourable effects like low morale, burnout, and turnover (Albashiti et al., 2021). Therefore, it is important to investigate the connection between a leader's empathy and their team members' performance. According to a study conducted by Goleman and Boyatzis in 2017, empathetic leadership is positively correlated with worker engagement and job performance (Wamsler & Restoy, 2020). Thousand of employees from different industries participated in the study, which found that leaders who exhibited empathy toward their team members had higher levels of engagement and job performance. Furthermore, research has found that leaders who showed empathy significantly improved the performance and well-being of their teams (Kotsou et. al., 2019).

On the other hand, leader's motivation also plays crucial roles in influencing employee performance. Leaders who are motivated themselves can inspire and drive their employees to perform at their best (Wen et. al., 2019). Numerous studies have highlighted the importance of motivation, which derives from internal elements including a person's interest, satisfaction, and sense of success. Leaders who are very motivated tend to inspire and engage their teams, creating a productive workplace (Kohntopp & McCann, 2020). The performance, output, and job satisfaction of a leader's team members are regularly shown to be positively correlated with their motivation.

Emotional intelligence, or the capacity to recognize, understand, and manage one's own emotions and those of others, has been shown to be an important factor in leadership (Cui, 2021). How do a leader's social skills, as a component of their emotional intelligence, impact employee performance? Social skills include the capacity for effective interpersonal interaction, relationship development, and influence over others (Fiori et. al., 2019). These abilities might be necessary for a leader to inspire and motivate their team members, which would lead to better work output. Due to that, this study sought to answer the following questions and achieve all the objectives:

#### *Research Questions*

- a. Is there any significant relationship between leaders' social skills and employee performance?
- b. Is there any significant relationship between leaders' empathy and employee performance?

- c. Is there any significant relationship between leaders' motivation and employee performance?

### **Research Objectives**

- a. To study the relationship between leaders' social skills and employee performance.
- b. To study the relationship between leaders' empathy and employee performance.
- c. To study the relationship between leaders' motivation and employee performance.

### **Literature Review**

#### *Emotional Intelligence Model*

Variation of emotional intelligence models have evolved as a result of different definitions of emotional intelligence put forth by influential theorists. Emotional intelligence, according to Salovey and Mayer (1990), is "the capacity to monitor one's own and other people's emotions, to distinguish between them, and to use the information to inform one's thinking and actions". On the other hand, Goleman (1995) defined emotional intelligence as any fundamental personality trait not covered by cognitive intelligence. It is slightly different view of emotional intelligence. In 1995, Goleman changed and popularized the first model of emotional intelligence by J. Meyer and P. Solovey to their selected elements including social skills, empathy and motivation. He combined the cognitive abilities with personal characteristics. Then, his model gained more attention not only from psychologist, but in the wider circle. The accomplishment of Goleman is to inspire people to cultivate personal attributes that contributes to the achievement of success in particular activity. However, it is clear that among the structural elements of emotional intelligence that Goleman has identified, there are not just emotional abilities present, but also volitional attributes, self-awareness traits, and social skills.

#### *Leader's social skills and employee performance.*

Social skills are described as the qualities or abilities that an individual employs when engaging with others on an interpersonal level (Kenayathulla et. al., 2019). Leader's social skills are critical for success in the job. These skills, often known as "interpersonal skills," are what leaders all utilize to engage and communicate with their employees. The key capabilities of social skills include personality, self-management, and social awareness. This will be very important in the workplace especially for leaders, as it is in other aspects of life (Obaide, 2022). Moreover, the transfer of social skills from one person to another is sometimes described as a basic triangle composed of the context, the transmitter, and the recipient.

H1: There is a significant relationship between leader's social skills and employee performance.

#### *Leader's Empathy and Employee Performance*

Empathy refers to the understanding of another person's experience through seeing oneself in that other person's circumstances. It has an immediate impact on employees' performance. Leaders with a high level of empathy have a more prosocial attitude towards their employees, demonstrating regard and concern (Pang et. al., 2022). Empathy is critical for leaders since it is favourably associated to followers' intrinsic motivation. Empathy is beneficial in the workplace because it allows leaders to build quick relationships with people, allows for a more accurate assessment of employee performance, and results in better outcomes (Elche et. al.,

2020). Empathy is becoming increasingly vital in the workplace, where shared vision and transparency are critical success elements (Cui, 2021).

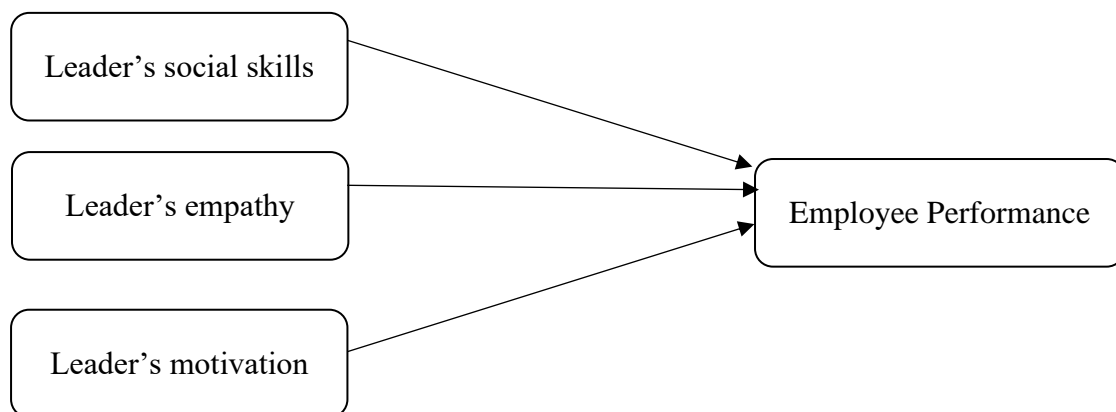
H2: There is a significant relationship between leader's empathy and employee performance.

*Leader's motivation and employee performance.*

Motivation refers to the method of satisfying the organization's goals with the best possible job results. This also be defined as the characteristics that exist in a person who moves to direct behaviour in order to achieve certain goals. The leader's and employee's attitude towards work conditions in an organizational setting will lead to a person's personality that pushes folks to conduct specific behaviours in order to attain organization's objective. Several studies have explored the relationship between leader's motivation and employee performance. A study conducted by Farrukh et. al (2019) demonstrated that leaders who provided clear and challenging goals, coupled with appropriate rewards, observed enhanced employee performance. These findings highlight the importance of strategic alignment between motivators and employees' aspirations for optimal performance outcomes.

H3: There is a significant relationship between leader's motivation and employee performance.

**Research Framework**



**Methodology**

The research design employed in this quantitative study was cross-sectional survey. A sample of respondents was collected from employees in Klang Valley area and the study used an online platform to collect data. The study also employed a correlational approach to examine the relationship between leader's emotional intelligence towards employee performance. The sample of this study consisted of 128 employees aged above 18 years. The respondents were selected using convenience sampling, whereby random individuals were approached and invited to participate. Informed consent was obtained from all respondents before their inclusion in the study. The survey comprises of seven items for each variable, social skills, empathy, motivation and employee performance. All respondents rated their experiences on 5 Point Likert-Scale ranging from 0 (strongly disagree) to 5 (strongly agree). Data collection was conducted through a self-administered questionnaire. Respondents were provided with clear instructions on how to complete the survey and were given ample time to respond. The collected data was analysed using SPSS software.

**Findings**

*Demographic Analysis*

Table 1

*Demographic Analysis*

		Age	Gender	Race	Religion	Education	Employment Status
N	Valid	128	128	128	128	128	128
	Missing	0	0	0	0	0	0
Mean		1.6719	1.4531	2.5313	2.6875	2.0625	2.1875
Median		1.0000	1.0000	3.0000	3.0000	2.0000	2.0000
Mode		1.00	1.00	3.00	3.00	2.00	1.00
Std. Deviation		.92310	.49975	.78306	.97811	1.17554	1.34428
Variance		.852	.250	.613	.957	1.382	1.807
Minimum		1.00	1.00	1.00	1.00	1.00	1.00
Maximum		4.00	2.00	4.00	5.00	7.00	6.00

Based on Table 1 above, there were 128 respondents answered the survey and no data is missing. The age reported with mean at 1.6719 with the standard deviation at 0.92310. For the gender, the sample shows mean of 1.4531 and standard deviation of 0.49975. The sample also shows that the mean for race is 2.5313 with the standard deviation at 0.78306, while religion mean is 2.6875 with a standard deviation of 0.97811 respectively. The sample also indicates that education’s means is 2.0625 with a standard deviation of 1.17554. Lastly, the sample shows employment’s status with the mean of 2.1875 with the standard deviation at 1.34428.

*Normality Analysis*

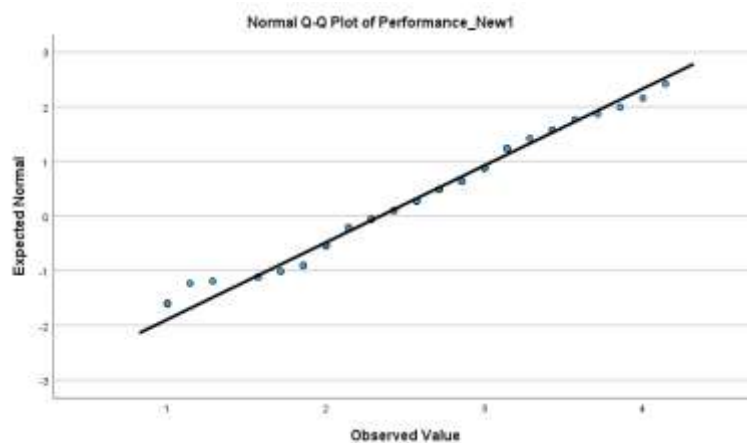


Figure 1. Normality Test

In order to determine normality graphically, researcher use the output of a normal Q-Q Plot. If the data are normally distributed, the data points will be close to the diagonal line. If the data points stray from the line in an obvious non-linear fashion, the data are abnormally distributed (Mangipudi et. al., 2020). From table 2 above, the data is normally distributed.

*Reliability Analysis*

Table 2

*Reliability Analysis*

Variable	Cronbach's Alpha	N of Items
Leader's social Skills	.764	7
Leader's empathy	.796	7
Leader's motivation	.723	7
Employee Performance	.789	7

Cronbach's alpha is a measure used to assess the reliability, or internal consistency, of a set of scale or test items (Amirrudin et. al., 2021). Cronbach's alpha reliability coefficient normally ranges between 0 and 1. The closer Cronbach's alpha coefficient is to 1.0 the greater the internal consistency of the items in the scale. George and Mallery (2003) provide the following rules of thumb

> .9 – Excellent
> .8 – Good
> .7 – Acceptable
> .6 – Questionable
> .5 – Poor
< .5 – Unacceptable

Based on Table 2 above, the alpha coefficient for the four variables is above .70, suggesting that the items have relatively high internal consistency and acceptable.

*Correlation Analysis*

Table 3

*Correlation Analysis*

		M_Ne w1	Social_Ne w1	Empathy_Ne w1	Performance_Ne w1
M_New1	Pearson Correlation	1	.678**	.510**	.699**
	Sig. (2-tailed)		<.001	<.001	<.001
	N	128	128	128	128
Social_New1	Pearson Correlation	.678**	1	.578**	.646**
	Sig. (2-tailed)	<.001		<.001	<.001
	N	128	128	128	128
Empathy_New1	Pearson Correlation	.510**	.578**	1	.654**
	Sig. (2-tailed)	<.001	<.001		<.001
	N	128	128	128	128
Performance_Ne w1	Pearson Correlation	.699**	.646**	.654**	1
	Sig. (2-tailed)	<.001	<.001	<.001	
	N	128	128	128	128

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 3 above shows the result from the correlation analysis. Correlation analysis was used in this study to show the significant relationship between the independent and dependent variable. Since the p-value of each independent variable (leader's social skills, leader's empathy, leader's motivation) is less than significance value of 0.01, thus the variables are statistically highly significant towards dependent variable (employee performance).

*Result of Hypothesis Testing*

Table 4

*Hypothesis Testing*

Hypothesis	P value	R <sup>2</sup> value	Decision
There is a significant relationship between leader's social skills and employee performance.	< 0.001	.418	Accept H <sub>1</sub> , Reject H <sub>0</sub> .
There is a significant relationship between leader's empathy and employee performance.	< 0.001	.427	Accept H <sub>2</sub> , Reject H <sub>0</sub> .
There is a significant relationship between leader's motivation and employee performance.	< 0.001	.489	Accept H <sub>3</sub> , Reject H <sub>0</sub> .

**H1: There is a significant relationship between a leader's social skills and employee performance.**

Based on Table 4 above, it indicates that there is a significant relationship between leader's social skills and employee performance since p-value is less than 0.001. Thus, the decision is

to accept  $H_1$  and reject  $H_0$ . While  $R^2$  in the table above represents how much total variation can be explained by independent variable towards the dependent variable. In this study, 41.8% is explained by leader's social skills towards the employee performance.

**H2: There is a significant relationship between leader's empathy and employee performance.**

Based on Table 4 above, it indicates that there is a significant relationship between leader's social skills and employee performance since p-value is less than 0.001. Thus, the decision is to accept  $H_1$  and reject  $H_0$ . While  $R^2$  in the table above represents how much total variation can be explained by independent variable towards the dependent variable. In this study, 42.7% is explained by leader's empathy towards the employee performance.

**H3: There is a significant relationship between leader's motivation and employee performance.**

Based on Table 4 above, it indicates that there is a significant relationship between leader's social skills and employee performance since p-value is less than 0.001. Thus, the decision is to accept  $H_1$  and reject  $H_0$ . While  $R^2$  in the table above represents how much total variation can be explained by independent variable towards the dependent variable. In this study, 48.9% is explained by leader's motivation towards the employee performance.

**Conclusion**

Drawing from the result of leader's emotional intelligence and employee performance, it shows sufficient evidence that a leader high on emotional intelligence can translate and actualize the reactions and emotions of the employees, and its upshot on their performance while keeping these emotions under control. A leader's emotional intelligence is crucial in determining how he interacts with his team, which in turn affects how well they do, how motivated they are, and how they engage with one another at work. A leader who has a high emotional intelligence will be better able to drive each individual towards a more engaging and productive atmosphere, foster employee performance, and create an interactive work environment.

Future research should include investigation into the most effective programs and methods for delivering professional development in emotional intelligence to current and future leaders at workplace as this is currently an area that is significantly lacking in most work locations. However, such knowledge is critical to one's success in career and life. One of the best things about developing our own emotional intelligence is that we can then turn around and help our colleague to do the same thing. Instead of feeling exhausted after getting "emotionally dumped on" yet again, we feel uplifted because we've learned how to manage our own emotions and compassionately work with someone else's.

Based on the present study, distinct areas of prospective research have been identified. The sample size is one of the study's primary limitations. The study only included 128 respondents, which may have limited the findings' applicability to a larger population. Further limiting the generalizability of the results to other populations is the fact that the sample was largely made up of members of a particular demographic group. In addition, the research employs a cross-sectional design, which captures data at a single point in time. This design limitation prevents establishing causality and understanding the long-term effects of a leader's emotional intelligence. Longitudinal studies with repeated measures would provide a more accurate



representation of the relationship between emotional intelligence and organizational outcomes over time. Furthermore, the study focuses on a specific organizational context or industry, which may limit the generalizability of the findings to other settings. Emotional intelligence can manifest differently across various industries, cultures, and organizational structures. Therefore, caution should be exercised when applying the results to different contexts, and further research is needed to explore the nuances and variations across diverse settings.

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