EMOTIONAL INTELLIGENCE AS PREDICTOR OF BANK MANAGERS’ LEADERSHIP PERFORMANCE IN NIGERIA

By

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Abstract
This study investigated the skills that constituted emotional intelligence; and examined the extent to which emotional intelligence skills could be a predictor of the leadership performance of bank managers in Nigeria. This was with a view to ascertaining the relevance of emotional intelligence as a management technique at improving the efficiency of bank managers in Nigeria. Two research instruments; Emotional Intelligence Inventory (EII) adapted from Sala (2000) and Performance Rating Scale Inventory (PRSI) adapted from Javan and Dharmangadan (1994) were used to collect data for the study. The inventories were administered on 100 managers (top level and middle level managers) purposefully selected at the headquarters of 20 out of the 22 post-consolidated banks in Nigeria as at 2012. The data collected was analyzed using simple percentages, Averages, regression and correlation analysis. The results showed that bank managers’ emotional intelligence is critical on the level of efficiency and performance noticed in their banks. The hypothesis tested revealed that there is a significant relationship between emotional intelligence skills and bank manager’s leadership performance (r= 0.615; p<0.05). The study concluded that Emotional Intelligence is crucial human resources management ability for re-engineering bank managers towards effective leadership performance.

Key Words: Emotional Intelligence, Leadership Performance, Bank Managers.

Introduction
One of the toughest challenges, in managing a business or an organization in the 21st century, is to manage the people involved in delivering the services or products successfully (Verma; 1996). For this reason several studies have been done to determine the impact of human resource management skills of a project manager on project management success.

Of all the factors affecting bank managers’ leadership performance, it seems that the most important is the ability of the manager to identify and assume the appropriate feeling required to perform at his best when he needs to. Whatever might be the level of skill, strength and experience of a manager, his performance in the face of stiff competition will be largely influenced by his ability to assume the right emotion and attain an appropriate level of the emotional energy for performing at his optimum. According to Kauss (1996), how you feel is how you will play. The significance of emotional influence on job performance has often been evident in most comments of people, co-managers and journalist on bank manager’s performances during and after change in financial policy. Oftentimes, they comment on managers’ display of confidence or lack of it, aggressiveness or timidity, resilience or depression, anger or enthusiasm, frustration or determination and other forms of emotionality while attributing to such factors, the responsibility for the success or failure of their performances.

The implication is that preparation of a banker for successful leadership performance in major challenges can no longer be predicated only on training them for optimum mental and physical qualities as strength, flexibility and skills but also and perhaps, more importantly, on training for development of adequate emotional energy, which will make possible a successful delivery of all the trainings acquired. Emotional training also known as emotional literacy involves development of the individual in the four
dimensions of emotional abilities as identified by Mayer and Salovey (1990). These include the development of the perception of emotion, the ability to reason using emotions, the ability to understand emotion, and the ability to manage emotion. The mastery of these four major dimensions of emotional learning is referred to as emotional intelligence.

Mayer and Salovey (2000) described emotional intelligence as the subset of social intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions. They further emphasized that emotional intelligence involves the ability to reason with and about emotions, and the capacity of emotion to enhance thought. Hein (2005) described emotional intelligence as knowing how to separate healthy from unhealthy feelings and how to turn negative feelings into positive ones.

Goleman (1998) asserted that it means managing feelings so that they are expressed appropriately and effectively, enabling people to work together smoothly towards their common goals. According to him, emotional intelligence has proved a more effective measure of human capabilities while programmes of emotional intelligence have proved enhancing to increased productivity in different fields of human activities. Another unresolved issue concerns the relative predictive power of emotional intelligence and intelligence quotient. This remains the focus of this paper. However, reports of application of emotional intelligence to bank manager’s leadership performances remain scanty. This study therefore investigated the applicability of emotional intelligence to bank manager’s ability to deliver excellently in face of stiff competition in the banking industry. Therefore, questions that readily come to minds are; What are the factors or skills that constitute/embrace emotional intelligence? To what extent can emotional intelligence skills impact on the leadership performance of bank managers?

The objectives of this paper are to assess the factors or skills that constitute emotional intelligence; and examine the relevance of emotional intelligence as a management technique at improving bank manager’s performance in Nigeria.

**Hypothesis of the Study**

There is no significant correlation between emotional intelligence skills and bank manager’s leadership performance.

**Scope of the Study**

The study sample comprised of 20 banks out of the 22 banks that remained after post-consolidation merger of some banks in 2012. The study focused on what determines the emotional competencies of bank managers and how this competence has been transferred to leadership performance by the bank managers.

**Literature Review**

Emotional intelligence is a relatively new concept in psychology that emerged in the late 80s. It has however, rapidly gained wide acceptability in psychology as a convenient phrase with which to focus attention on the underlying emotional Components of human talent. It has been variously described as a set of competencies (Goleman, 1995) and as the ability (Mayer and Salovey, 1997) and as a set of skills (Jacobs, 2001) to recognize, understand and use emotional information about oneself and others to cause effective or superior performance. Emotional intelligence skills are however, described as synergistic with cognitive skills Goleman, 1998). It is said that top performers in any field of human activity have both. The more complex, the job is the more emotional intelligence abilities matter. If only because a deficiency in these abilities can hinder the use of whatever technical expertise or intellect a person may have (Goleman, 1995). Its efficacy as a more accurate measure of human productivity level and its boosting as an efficacious enhancer of human performance have been attested but hitherto, limited to industrial, corporate and general commercial activities. Goleman (1995) describe the four dimensions of emotional intelligence in clusters of certain practical skills. The first is the emotional self awareness, which concerns knowing one's internal states, preferences and resources, recognizing one's emotions and their effects. It also involves knowing one's strengths, limits and developing a strong sense of one's self worth and capabilities. The second is what we described as the social awareness cluster, which has among its practical skills as empathy and service orientation. The third is the emotional relationship management cluster with a number of practical skills as, developing others inspirational leadership, influence, change catalyst conflict management and teamwork. The fourth dimension of emotional intelligence is emotional self management with a cluster of practical skills, which include developing emotional self control, transparency, adaptability and a sense of achievement orientation, which involves striving to meet or improve on a standard of excellence, initiative and optimism (Goleman, 1998).

Our emotional intelligence determines our potential for learning the practical skills that are based on its four elements while our emotional competence shows how much of that potential we have translated into performance capabilities (Boyatzis & Sala; 2004). In contrast to the hitherto reliance on intelligence...
Emotional Intelligence and Leadership Styles

One of the most applied constructs which emotional intelligence has been associated with is that of leadership [Boyatzis (1982); Rai and Sinha (2002); Salgado (2003)]. Emotionally Intelligent leaders are not autocrats or stern parents, but coaches and mentors. They do not perch on top of steep pyramids but build interdependent networks of teams around them. They do not curtail and confine, but support and facilitate, as ‘servant leaders’ who remove obstacles and open up opportunities. They do not erode and crush self-esteem and self-confidence, but build them. By doing these things they build a culture within which their people will be more prepared to take risks, to go for big challenges, to own the corporate vision, and to commit to success.

The foremost contributor to the area of emotional intelligence and leadership is Daniel Goleman, who has written several books on implementing emotional intelligence in an organization, including Working and Emotionally Intelligence Workplace (2001). Goleman posits that leaders that are high in emotional intelligence are keys to organizational success, leaders must have the capacity to sense employee’s feelings about their work environments, to intervene when problems arise, to manage their own emotions in order to gain the trust of the employees and to understand the political and social conventions within an organization (Goleman, 2001).

Methodology

The study adopted an “ex post facto” descriptive design. A random sample of twenty out of the twenty two post consolidated and merger of banks was selected for the study. The population for this study comprised of all middle level and top level managers at the headquarters of the twenty selected banks in Lagos State. The total number of middle level managers (Operations managers, Human Resource Managers and Foreign Transactions managers) and top level managers of the twenty banks were 140, out of which 100 respondents (80 from middle level and 20 from top level ) were selected using stratified sampling technique. Primary source of data was employed for the study. The primary data were obtained through a structured Emotional Intelligence inventory adapted from Sala (2000) and Performance rating scale inventories adapted from Javan and Dharmangadan (1994). The inventory comprised of two sections. Section A of the inventory contained demographic information about respondents such as age, gender, educational background, years of experience and post held. Section B contained the measures of Emotional Intelligence of Managers. The EII measures 20 competencies organized into four clusters: Self-Awareness, Self-Management, Social Awareness and Social Skills. Criterion validity, concurrent validity and predictive validity of each of the EII competencies were established (Sala, 2002).

The second instrument termed the performance rating scale (Jayan and Dharmangadan, 1994) is scored separately for rating of Self, Co-worker, Superiors. The scoring has been done in each case as follows – each scale is a five point one, rating from least efficiency to highest efficiency. Hence a score of ‘one’ is given to response ‘1’, i.e., least efficiency, a score of ‘two’ for a response ‘2’ and so on. A score of ‘five’ is obtained by a response on ‘5’ indicating highest efficiency. On the whole, the rating scales yield three measures of performance viz, Self-rating, Rating by Co-workers and Supervisor’s rating. The leadership performance index of an individual manager is the average of the scores obtained in the above ratings. Descriptive and inferential statistical techniques were adopted for the analysis.

Results and Discussion

Factors/Skills that Predict Emotional Intelligence of Bank Managers in Nigeria

To measure this, the marks obtained on the responses of the various respondents to the relevant section of the EI inventory were obtained. Means and standard deviations were calculated on the scores to determine the factors that constitute emotional intelligence skills in a manager. Summary of the result is presented in Table 1. Table 1: Factors that Predict Emotional Intelligence of Bank Managers in Nigeria (N =100)

<table>
<thead>
<tr>
<th>S/N</th>
<th>Predicting Factors</th>
<th>Mean (Y)</th>
<th>Std. Dev.</th>
<th>Sig. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Emotional Self-Awareness</td>
<td>8.93</td>
<td>1.83</td>
<td>p&gt;0.05</td>
</tr>
<tr>
<td>2</td>
<td>Accurate Self-Awareness</td>
<td>17.65</td>
<td>3.37</td>
<td>P&lt;0.05</td>
</tr>
</tbody>
</table>
From Table 1, the mean and standard deviation analysis, used to determine the efficacy of predictor variables on criterion variable, yields seven significant variables capable of predicting job preference. The emotional intelligence of a manager can be determined by the level of adaptability of the manager, which is the ability to regulate distressing effects like anxiety and anger and to inhibit emotional impulsivity ($\bar{Y} = 13.23; P < 0.05$). Other factors identified through the mean rating of respondents were Accurate Self-Awareness ($\bar{Y} = 17.66; P < 0.05$), Self-Confidence ($\bar{Y} = 18.66; P < 0.05$), Empathy ($\bar{Y} = 19.78; P < 0.05$), Developing others ($\bar{Y} = 15.82; P < 0.05$) and Organization Awareness ($\bar{Y} = 20.85; P < 0.05$). Though other factors identified determine emotional competence of a manager, however, they are not significant.

### Emotional Intelligence Skills as Predictor of Bank Manager’s Job Performance

The seven factors identified in Table 1 were then subjected to Ordinary Least Squares (OLS) analysis to ascertain their level of influence on the leadership performance of bank managers. A summary of the result is presented in Table 2.

#### Table 2: OLS Result of Emotional Intelligence Skills as Predictor of Bank Managers’ Leadership Performance

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Coefficient</th>
<th>t-value</th>
<th>p-value (Sig. value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accurate Self-Awareness</td>
<td>4.1256</td>
<td>2.0754</td>
<td>0.0025**</td>
</tr>
<tr>
<td>Self-Confidence</td>
<td>1.7643</td>
<td>2.1234</td>
<td>0.0487</td>
</tr>
<tr>
<td>Adaptability</td>
<td>8.5624</td>
<td>5.9904</td>
<td>0.0017**</td>
</tr>
<tr>
<td>Empathy</td>
<td>-0.2586</td>
<td>-2.6543</td>
<td>0.0436</td>
</tr>
<tr>
<td>Developing others</td>
<td>6.7654</td>
<td>4.1006</td>
<td>0.0098**</td>
</tr>
<tr>
<td>Communication</td>
<td>2.2054</td>
<td>2.0121</td>
<td>0.0223</td>
</tr>
<tr>
<td>Organizational awareness</td>
<td>7.0541</td>
<td>4.3245</td>
<td>0.0137**</td>
</tr>
</tbody>
</table>

F = 54.356 (0.000021)    DW = 1.893    R² = 0.8973    ** means significant at 1% level.

Source: Computed by the Author (2012)

From Table 2, the first variable that turned out to be significant in the regression equation is adaptability, a component of emotional competencies. About 9.0% of variation in leadership efficiency is accounted for by adaptability, which is the ability to regulate distressing effects like anxiety and anger and to inhibit emotional impulsivity, indicating that this variable is the best predictor of bank manager’s leadership performance. The second variable is organizational awareness, which is about 7.1% (the ability to read current emotions and political realities in groups, is a competence vital to the behind the-scenes networking and coalition building that allow individuals to wield influence, no matter what their personal role) entered as the next strongest predictor.

Developing others is the third variable entered into the equation, contributed 7.0% to the level of leadership performance of bank managers. Developing the emotional competency variable involves...
sensing people’s developmental needs and bolstering their abilities. Competence in developing others, a hallmark of superior managers, typifies those at the top of the field (Spence and Spence, 1993). Although this ability is crucial for those managing front-line work, it has also emerged as a vital skill for effective leadership at high levels (Goleman, 2000).

All other factors are significant at five percent in predicting the leadership performance of a bank manager judging by their t-values and p-values.

The overall predictive ability of the model is also strong and significant at five percent (F= 54.356; P<0.005). All explanatory variables jointly accounted for 89.7% of the variation or total change in the performance indicator. This implies that emotional intelligence display by the bank managers is critical on the level of efficiency and performance noticed in their banks. This emotional competency translates into letting others know one’s values and principles, intentions, and feelings and acting in ways that are consistent with them. Trustworthy individuals are forthright about their own mistakes and confront others about their lapses. A deficit in this ability operates as a career derailed (Goleman, 1998).

Test of Hypothesis

This hypothesis states that there is no correlation between emotional intelligence skills and bank manager’s leadership performance.

To test this hypothesis, the scores obtained on the emotional intelligence inventory and leadership performance rating inventory were subjected to Pearson Product Moment Correlation analysis. Summary of the result is presented in table 3.

### Table 3: Correlation between Emotional Intelligence Skills and Leadership Efficiency of Bank Managers

<table>
<thead>
<tr>
<th>Correlation</th>
<th>Leadership Efficiency</th>
<th>Emotional Intelligence Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson’s (r)</td>
<td>Correlation Coefficient</td>
<td>1.000</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Emotional Intelligence Skills</td>
<td>Correlation Coefficient</td>
<td>0.655**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Computer Printout  
** Correlation is significant at the 0.05 level (2-tailed).

The Pearson’s Correlation analysis in Table 3 indicated that there was a statistically significant relationship between emotional intelligence skills and bank manager’s Leadership performance with a 2-tailed significance of 0.000 which is less than 0.05 (r = 0.655; p < 0.05). Accordingly, the null hypothesis was rejected. This means that there is a significant relationship between emotional intelligence skills and bank manager’s leadership performance. The implication of this result is that the ways and manner in which bank managers handle their subordinate and customers go a long way to improve their level of efficiency and the performance of banks in general.

Conclusion

This study has revealed that to some degree, emotional Intelligence is something we all possess. We have all survived in our home and work lives using these skills to the best of our ability. The good news is that Emotional Intelligence training can “re-teach” the emotional centers of bank executives or managers’ brain to be less on edge, less reactive and more rational in the face of challenges. These new skills will enable them to be more focused, more successful and, ultimately, happier at work and home which in turn translate to good performance of their duties.

Implication for Practice

The paper is able to reveal the construct of emotional intelligence as applicable to bank managers and indicates that bank managers have the opinion that emotional intelligence is an important ability required to manage their workers and bank businesses more successfully. Therefore, there is the need to introduce training in emotional intelligence for all categories of staff in all banks so that harmonious relationships will be ensured among them and foster the achievement of the corporate goals of the organization.

Furthermore, this research shows that emotional intelligence is an important competence for bank managers and therefore needs more attention in selection and development of bank managers. According
to the literature, emotional intelligence is something that can be learned and improved. Emotional intelligence should thus be taught to all categories of managers in order to reap its benefits.

**References**


