

THE INFLUENCE OF EMOTIONAL INTELLIGENCE ON CRISIS MANAGEMENT

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ABSTRACT

Emotional intelligence has undoubtedly made my work as a library manager more effective and more enjoyable. While not always easy, developing trusting relationships with employees often leads to more productive environments and employees who support and contribute to the overall mission of the library. Successful library managers can use these skills to interact productively in all types of professional situations and among diverse personality groups, ultimately making them more valuable to their institutions. In the modern world, managers must possess a certain degree of emotional intelligence so that they can cope with rapid changes in their environment. With this in mind, it seems that emotional intelligence is an evolved form of human focus and modern equipment for managers to manage crises and help members of the organization achieve their goals. This study aims to study the influence of Emotional Intelligence on Crisis Management in small and medium companies in Tehran. After a review of literature, we formulate one main and four supporting hypotheses. The data required for the study are collected using questionnaire filled out by managers of those companies. The data are analyzed using SPSS 18.0. The results indicate that emotional intelligence as well as its components, excluding social awareness, has a significant positive impact on crisis management capabilities in managers.

Keywords: *Emotional Intelligence, Crisis Management*

INTRODUCTION

Emotional intelligence has become a popular topic in the business press in recent years. Although we have not used the term “emotional intelligence”, the Center for Creative Leadership has helped many leaders understand and develop emotional intelligence competencies for over thirty years. One way that we have successfully helped managers move beyond intellectual know-how and expand their emotional intelligence is through Benchmarks, a multi-rater feedback tool. There are certain characteristics a manager needs to possess in order to be able to adapt to change, survive, and prosper (Ruderman *et al.*, 2001).

Unfortunately, many current managers do not fit these criteria. Not long ago, scientists discovered the influence of human emotions on behavior and further findings are helping to determine the role of emotions in everyday activities.

Developing effective interpersonal relationships is critical to successful organizational management. Managers can employ emotional intelligence (EI) to build trust among employees, to effectively handle crises, and to produce an efficient, team-oriented work environment. EI is defined as being able to recognize and regulate emotions in ourselves and others (Cherniss and Goleman, 2001). It involves both internal and external characteristics and includes both cognitive and interpersonal skill sets (Promis, 2008).

Managers with EI are aware that situations are influenced by one’s own actions as well as those of other individuals. Moreover, they place value on relationships with others and they see situations as bigger than themselves. Managing through EI takes much time and energy. Sometimes it would be easier to tackle a problem or task on one’s own, but the emotionally intelligent manager sees the value in shared responsibility and accountability. Highly skilled EI leaders often see managing with emotional intelligence as the best management style to produce high levels of output and success for themselves, their employees, and their organization. This article focuses on how the author has used EI to help her excel as a library manager.

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Emotional intelligence is a key element in our ability to respond effectively to a crisis, encompassing the behavioral dynamics and emotional resilience needed to make decisions in extraordinary situations (Eidson, 2000). Even sophisticated, proven crisis management methodologies, tools and processes can fail completely if those leading the response are not sufficiently aware of their emotional ‘profile’ and maturity.

Emotional intelligence is on the cutting-edge of the research on the relationship between the mind and emotions and could trigger a revolution in the field of mental health. In fact, emotional intelligence covers a multi-agent area of social skillets and competencies, which affect the individual’s ability to identify, understand, and manage emotions; solve problems; and adapt to changes (Safavi *et al.*, 2009).

Emotional intelligence encompasses a wide set of skills and traits, often referred to as inter- and intra-personal skills, beyond previously known areas of science such as intelligence or technical skills (Rasouli *et al.*, 2010).

In all organized human activities, measures are taken against unexpected events and phenomena, which require planning, organization, investment, and equipment. However, sometimes there are unforeseeable consequences which are out of everyone’s control. Containing such situations requires a special kind of management formally called *Crisis Management* (Biroudian, 2006).

Golman (1998) defines emotional intelligence as the capacity or ability to organize feelings and emotions of one’s self as well as others’ in order to motivate one’s self and effectively control one’s feelings and use them in relationships with others.

Because individuals with high EQs own superior problem solving skills and are more adaptable, it is probable that they respond better than others in case of crisis (Moslehi *et al.*, 2013). Therefore, this study aims to study the influence of emotional intelligence on crisis management.

Emotional intelligence refers to an ability to recognize meanings of emotions and their relationships and to reason and solve problems on their basis. Emotional intelligence is involved in the capacity to perceive emotions, assimilate emotion-related feelings, understand the information of those emotions, and manage them (Mayer *et al.*, 1999).

Emotional intelligence is the ability to effectively control one’s self and learn methods to cope with stress, anger, and self-responsibility (Forgas *et al.*, 2001).

Emotional intelligence refers to the informed use of emotions and feelings (Poontengfatt, 2005).

Goleman and Boyatzis (1999) identify four dimensions for emotional intelligence, two of which are related to the person’s relationship with himself (intrapersonal dimensions) and the other two are related to the person’s relationship with others (interpersonal dimensions). In the following we provide some details on each dimension.

Research suggests that under similar circumstances, managers whose methods involve positive emotions and effective relationships with their staff are without a doubt more successful (Tabari and Ghorbani, 2009).

These four dimensions (Self-awareness, Self-management, Social awareness, Social skills) help a person build effective and continuous relationships with others (Goleman, 2003) and face unexpected events.

Crisis management is the process of predicting and preventing crisis, intervening and recovering after the crisis. In other words, crisis management includes any measure taken to avoid, contemplate, and control a crisis in favor of national benefit (Tajik, 2004). Crisis is a breakdown which can physically impact an organization, and threaten its survival (Barton, 2009).

Many assessments of Crisis Management capabilities in organizations of different sectors (manufacturing, financial services, public administration, etc) highlighted that the reference framework for Crisis Management covers actually five domains: organizational model, processes, procedures, tools, and staff.

Although lack of comprehensive crisis management is the main reason for substantial losses in a crisis, human resources and other factors seem to have an impact as well. Modern human resources school of thought considers the human workforce as an unending resource. Furthermore, the ability to think and solve problems increases its importance. Experts in this field consider human resources so valuable that they regard any expenses in this area as an investment (Dulan and Shuller, 2002).

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Since previous studies indicate that emotional intelligence positively affect inter-personal relationships, empathy, self-esteem, success, stress, and conflict and furthermore, no other studies explore the relationship between emotional intelligence as a personality trait and crisis management, this study aims to focus on this relationship among SME managers in the Tehran city.

MATERIALS AND METHODS

Methods

This is an applied descriptive survey. The statistical population includes the SME managers, at all organizational levels in the Tehran city. Using random sampling, 400 copies of the questionnaire were distributed among the participants, of which 140 were acceptable upon return. The questionnaire consists of two sections. The first section assesses demographic variables such as age, gender, education, and marital status. The section, on the other hand, focuses on study variables. Answers are given on Lickert scale of 1 (completely disagree) to 5 (completely agree).

Content validity of the questionnaire was verified by experts and professors at the University of Tehran. To determine the reliability of the test, Cronbach's alpha was calculated giving a result of 0.90, which is acceptable. Cronbach's alpha for individual variables can be seen in Table 1.

Table 1: Cronbach's alpha

Variable	Number of Questions	Dimensions	Cronbach's alpha
Emotional intelligence	27	self-awareness self-management social awareness social skills	0.93
Crisis management	10		.86

Table 2 presents descriptive statistics for each variable.

Table 2: Descriptive demographic statistics

Variable	Sex	N	Percentage
Gender	Male	115	% 80/7
	Female	25	% 19/3
Position	Top-level	14	9/2%
	Middle-level	45	22/7%
	First-level	81	68/1%

Main Hypotheses: There is a significant relationship between EI and Crisis Management

Table 3: Variables of EI and Crisis Management

Statistical indicator	n	Correlation Coefficient	Significance Level	Result
variables				
EI and Crisis Management	140	0/62	0.02 8	Confirm

Secondary Hypotheses

- H1: There exists a relationship between self-awareness and crisis management capabilities.
- H2: There exists a relationship between self-management and crisis management capabilities.
- H3: There exists a relationship between social awareness and crisis management capabilities.
- H4: There exists a relationship between social skills and crisis management capabilities

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Table 4: Secondary hypotheses test results

Hypothesis	Sample size	Critical value	Correlation coefficient	Significance	Result
self-awareness and Crisis management	140	6/54	0/67	0/000	Confirm
self-management andCrisis management	140	4/43	0/54	0/000	Confirm
social awareness and Crisis management	140	0/43	0/03	0/54	Reject
social skills andCrisis management	140	0/049	0/24	0/0000	Confirm

RESULTS AND DISCUSSION

Discussion and Conclusion

Hypotheses Results

H0: There is a relationship between emotional intelligence and crisis management capabilities. Path analysis proved that, with a 0.62 coefficient, emotional intelligence influences crisis management capabilities.

H1: There is a relationship between self-awareness and crisis management capabilities. Path analysis proved that, with a 0.67 coefficient, self-awareness influences crisis management capabilities.

H2: There is a relationship between self-management and crisis management capabilities. Path analysis proved that, with a 0.54 coefficient, self-management influences crisis management capabilities.

H3: There is a relationship between social awareness and crisis management capabilities. Path analysis proved that, with a 0.24 coefficient, social skills influences crisis management capabilities.

H4: There is a relationship between social awareness and crisis management capabilities. Path analysis rejected this, with a 0.03 coefficient.

The results of this study prove that emotional intelligence impacts crisis management capabilities. We, therefore, recommend that managers improve their emotional intelligence skills in order to make more effective decisions in face of unexpected events.

Unplanned decision making is a concern for most managers and those who do well in this area appear more successful. Because managers with higher emotional intelligence are able to make decisions better under unexpected circumstances, training managers in emotional intelligence skills can improve their unplanned decision making abilities.

Managers need more power and control to be able to make better decisions.

As the relationship between emotional intelligence and crisis management capabilities was established in this survey, it can be used as a criterion for hiring new recruits.

Since emotional intelligence can be learned, training courses for managers can be crucial to improving their skills.

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