

Full Length Research Paper

Effect of Leaders' Emotional Intelligence on Job Satisfaction: A Study of the Banking Sector in Nigeria.

Igweh Florence Konye¹, Egbule A. C. Solomon^{2*}, D. I. Hamilton³, J. O. Ogbor⁴

¹Department of Business Administration, Faculty of Management Sciences, Delta State University, Asaba, Nigeria

²Department of Business Administration, Faculty of Social Sciences, Delta State University, Abraka, Nigeria

³Department of Business Administration, Faculty of Management Sciences, River State University of Science And Technology, Port Harcourt, Nigeria

⁴Department of Business Administration, Faculty of Management Sciences, Delta State University, Asaba, Nigeria

Received February 16, 2017; Accepted May 24, 2017

The purpose of the study is to determine the effect of leaders' emotional intelligence on subordinate job satisfaction in five selected Banks in Nigeria. Structured questionnaire was used to elicit data for the study. The simple random sampling (SRS) technique was employed in distributing questionnaire to respective banks. Descriptive statistics (simple percentage, frequency distribution, mean and standard deviation), regression and correlation were used for data analysis. The results indicate that social awareness skills of leaders significantly affect subordinates' job satisfaction and work attitude and relationship management skills in Nigeria's banking sector. We conclude that leaders with this competence are skilled at persuasion and rapport building which is related to ideal influence. It also implied that relationship management skills would help leaders inspire subordinates by acknowledging and rewarding them after any deserving accomplishments. This would bring about a high desire job satisfaction in order to achieve optimum organizational objectives. The study recommended that social awareness skills of leaders should be encouraged so as to achieve subordinates' job satisfaction and make them participate effectively towards the attainment of organizational goals and objectives.

Key words: Emotional intelligence, social awareness skills, relationship management skills.

INTRODUCTION

The world has become a global village and as such there is a high level of communication with respect to exchange of scientific, economic and social ideas. Several factors have been attributed to the success and failure of an individual's performance in life. In the past, Seyyed et al. (2014) opined that intelligence quotient was used as the most important criterion and index for predicting success. Other aspects of intelligence such as emotional intelligence and social intelligence were totally ignored. The failure of some persons with high IQ strengthens this idea that probably other factors except IQ may be responsible for the success and failure of persons in life. Abi and Jijo (2012) attributed emotional intelligence (EI) as the root cause of success and failure among persons. Emotional intelligence describes the ability, capacity or skills to per-

ceive, identify, assess, manage and control one's or others emotions.

Organizations are goal-driven and target-oriented institutions; their effectiveness is measured by the degree to which they realize their goals. The quality of an organization's employees, their involvement, satisfaction and sense of fair treatment affect work attitude and invariably their performance. Coordinating the activities of people and guiding their efforts towards achieving set goals involves the process of leadership. Many managers still attempt to manage organizations through rules and procedures since there has been no progress in people management. Many managers in Nigerian banks do not seem to appreciate the emotions of their staff; as they set unrealistic targets for deposit mobilization which has resulted in spates of resignations of workers who could no longer cope with the demands of the job in the face of dwindling performance.

The banking sector reforms (1999–2007) in Nigeria

*Corresponding Author's Email: soky4real@gmail.com.

was designed to promote viability, soundness and stability in the sector to enable it adequately meet the aspirations of the economy in terms of accelerated economic growth and development. The success of these banking reforms hinges on the effectiveness of emotional intelligence skills adopted by management in order to effect positive job satisfaction in subordinates' and meet the needs of stakeholders.

Job satisfaction is an integral component of organizational climate and an important element in the management employee relationship. Individuals tend to fulfill important job values provided by the organization due to the existence of positive emotional state. This is evident in the study by Wong and Law (2002) who found that managers' self-reported accuracy in perceiving others' emotions was positively associated with employees' job satisfaction. Dormann and Zapf (2001) have speculated that job satisfaction can be significantly influenced by a wide variety of task characteristics such as responsibility, task variety and communications/ feedback mechanisms. The authors also reported the emergence of significant relationships between job satisfaction, absenteeism and other workplace behaviors. The purpose of the study is to determine the effect of leaders' emotional intelligence on subordinates' job satisfaction.

Research Question

1. To what extent does social-awareness influence job satisfaction?
2. Does relationship management influence job satisfaction?

LITERATURE REVIEW

Emotional intelligence

This is a combination of competencies. Emotional intelligence refers to the capacity of recognizing own feelings and those of others for motivating ourselves, and managing emotions well in ourselves and our relationships (Goleman, 1998). He identified four main dimensions of emotional intelligence; self-awareness, self-management, social awareness and relationship management. The construct of emotional intelligence according to Goleman (1988) contributes to 80 – 90% of the competencies that distinguish outstanding from average leaders, and sometimes more. Emotional intelligence is considered to play an important role in modern work force (Law, et al., 2004). Its principles help in evaluating employee behaviour, management styles, attitudes, interpersonal skills and potentials and is considered to have great relevance in other areas such as recruitment and selection, job profiling and planning (Oliver, 2009).

Job satisfaction is critical to organizational communication, since it is directly related to organizational outcomes. Job satisfaction refers to an employee's affective reaction to

his job in terms of how much it satisfies his desired outcome (Hassan and Saeid, 2011). Job satisfaction has been linked to two situational factors; sociological perspective and personal factors. Heller et al. (2002) reported that situational factors include job-related conditions such as pay, opportunities for promotion, and working conditions and job characteristics such as task identity, task significance, skill variety, autonomy, and feedback. Personal factors include personality disposition, traits, self-esteem, motivation, and emotions (Dormann & Zapf, 2001). Heller et al. (2002) identified that positive factors such as high energy, pleasurable engagement, and enthusiasm are positively related to job satisfaction while negative factors such as distress, unpleasant engagement, and nervousness are negatively related to job satisfaction.

Similarly, Dormann and Zapf (2001) stated that job satisfaction has become one of the most critically important and extensively researched concepts in organizational psychology. These authors have speculated that job satisfaction can be significantly influenced by a wide variety of task characteristics including responsibility, task variety and communications/feedback mechanisms. Dormann and Zapf (2001) also reported the emergence of significant relationships among job satisfaction, absenteeism and other workplace behaviors. Several studies have confirmed that job satisfaction is directly related to personal affective disposition factors (Staw & Cohen-Charash, 2005; Gerhart, 2005). In short, a review of the literature suggests that job satisfaction is a critical variable in an organizational climate study. Although the variable has been studied to a great extent in past decades, there is a gap in terms of understanding how the variable is related to emotional intelligence and trust. Job satisfaction has complex and multiple concepts and has a significant relationship with mental, physical and social variable. Farzaneh and Mohammad, (2013) argue that job satisfaction has significant relationship with mental factors; someone who has job satisfaction can provide enjoyable and emotional adjustment.

Social awareness is the ability to understand the feelings of others and why they act the way they do (Orluwene and Wachikwu, 2014). Goleman (1995) posits that employees with high ability in social awareness are more attuned to the subtle social signals that indicate what others need or want; hence the skill is well suited for caring professions such as nurses, teachers and social workers. Similarly, Muhammad (2009) did an empirical study on the relationship between emotional intelligence and job satisfaction among subordinates'. He used a sample of 120 non-teaching employees as respondents in a university in Perlis, Malaysia, in his case study. He observed that social awareness described the skills an individual is aware of such as concern, needs, reading situations and acting accordingly using exploratory research design. Muhammad (2009) found a positive relationship between job satisfaction and work attitude of subordinates which reflected in appraisal, resonance and utilization of schedules by the subordinates' in the university studied in

Malaysia. Seyyed et al, (2012) in Hasankhoyi (2006) conclude that there is a significant relationship between emotional intelligence and job satisfaction; as women had a higher level of emotional intelligence and therefore can be used to increase job satisfaction in an educational environment.

Job satisfaction has complex and multiple concepts and has a significant relationship with mental, physical and social variable. Farzaneh and Mohammad (2013) argue that job satisfaction has significant relationship with mental factors; someone who has job satisfaction can provide enjoyable and emotional adjustment. The success of an organization lies in the construction of prolonged relationships with the most important reason of leadership being to encourage the feelings and emotions of individuals linked with the organization (Weymes, 2003). Hina and Naheed, (2013) in Morin et al. (2010) notes that when employees observe and exercise their effort optimistically, they have a tendency to be more emotionally concerned in the organization and more likely to do additional work, collaborate more with others, and are more liable to provide the expected performance and job satisfaction. This can only be possible when employees are provided with healthy work environment by leaders through their emotional intelligence.

Nwibere (2014) worked on interactive relationship between job involvement, job satisfaction, organizational citizenship behaviour and organizational commitment in Nigerian Universities. He studied interactive relationship between these variables among employees in Nigerian Universities. He focused on job involvement and satisfaction in relation to how leaders interact with others in emotional situations.

A sample of 210 respondents consisting of both teaching and non-teaching staff from five Federal Government owned Universities in the Niger Delta Region of Nigeria was used. A simple random sampling technique, multiple regression model using SPSS version 15 and Z-test statistical tools were utilized. It was found out that a positive and significant relationship existed between job satisfaction, organizational commitment and subordinates' work attitude. It revealed that leaders' interactive skills played a key role in organizational commitment through emotional identification, participation and self-worth.

Social network theory is founded on the principle of social interaction and it is concerned with relationships between interacting entities. The underlying or basic assumption of the social network is the social man concept (Ahiauzu, 2007). This concept holds that man exists within a web of relationships and it is this view that gave rise to the human relations movements in organizational studies. Social network theory was adopted in this research because of its effectiveness in explaining patterns of communication channels in organizations.

METHODS

The main instrument used for gathering data for this study was the

structured questionnaire. The use of the questionnaire allows a wider coverage since researchers can approach respondents more easily (Kothari, 2012). The questionnaire for this study was divided into two sections; Section A was structured to elicit demographic information of the participants. Also, in this section, job satisfaction was measured using the Job Descriptive Index (JDI) according to Smith et al. (1969). The structured questionnaire consist of a five-point Likert scale—questions ranging from (1) strongly disagree, (2) disagree, (3) neutral, (4) agree, (5) strongly agree.

In sections B, emotional intelligence was measured using seventeen items from Goleman (1998) emotional intelligence scale which includes social awareness (5) and relationship management (12). This part of the questionnaire provided a list of behaviors such as; how often the respondent demonstrated, or shows each behavior thus: (1) Seldom shown (2) occasionally shown (3) = often shown and (4) frequently. Cronbach alpha was calculated to determine the coefficient of test reliability. The threshold was 0.85

In an attempt to make a true sample representation, five out of the 25 commercial banks in Nigeria were chosen due to limited resources. In the five banks was represented: one old generation bank – First Bank PLC, two new generation banks - Zenith Bank PLC and Diamond Bank PLC, and two merged and acquired banks - United Bank for Africa PLC and Fidelity Trust Bank PLC. This study is a whole population study hence the entire population was studied comprising of five hundred and six (506) marketing and operational staff of selected banks. The simple random sampling (SRS) was employed in distributing questionnaire to the respective banks.

The statistical tools used in data analysis are the descriptive statistic (simple percentage, frequency distribution, mean and standard deviation), regression and correlation analyses.

Hypotheses

The hypotheses for the study are thus:

Hypothesis 1: There is no significant positive relationship between social-awareness and job satisfaction.

Hypothesis 2: There is no significant positive relationship between relationship management and job satisfaction.

RESULTS

Of the 500 respondents, 348 are males while 152 of are females. Of the 500 respondents, 36% (180) are married while 30.4% are single. They have frequency of 180, 152, 84, 72 and 12 of them respectively. For the ages of the 500 respondents they are less than 20 years, 21-30 years, 31-40 years, 41-50 years, 51 – 60 years and above 60 years. They have frequency of 31, 161, 195, 60, 33 and 20 of them respectively.

For the highest educational qualifications of the 500 respondents, they are Senior School Certificate, Trade R.S.A. Certificate, Diploma, O.N.D., H.N.D., First Degree, Ph.D. and Professional Certificate. They have frequencies of 34, 27, 8, 27, 115, 238, 30, 0 and 55 of them respectively. For the statuses of the 500 respondents, 222 of them are marketing staff while 278 are operational staff.

Table 1 shows that 52.6% of the respondents strongly disagreed while 13.0% strongly agreed that leaders' self-management emotional intelligence skills affect subordinates' work attitude in the banking industry in the area studied 2

Table 1: The analysis of the responses related to first objective.

STATEMENT		SA	A	N	D	SD
Leaders' Self-management emotional intelligence skills do not affect subordinates' work attitude	F	65	66	67	99	263
	%	13.0	13.2	13.4	19.8	52.6
Leaders' Self-management emotional intelligence skills do affect subordinates' work attitude	F	263	99	67	66	65
	%	52.6	19.8	13.4	13.2	13.0
There is no positive relationship between leaders' self-management skills and subordinates' work attitude.	F	64	65	63	102	206
	%	12.8	13.0	12.6	20.4	41.2
There is a positive relationship between leaders' self-management emotional intelligence skills and subordinates' work attitude.	F	206	102	63	65	64
	%	41.2	20.4	12.6	13.0	12.8

Source: Field work analysis, 2015.

Table 2: The analysis of the responses related to the second objective.

STATEMENT		SA	A	N	D	SD
leaders' relationship Management skills have a positive effect on subordinates' work attitude	F	211	105	60	61	63
	%	42.2	21.0	12.0	12.2	12.6
Leaders' relationship Management skills do not have a positive effect on subordinates' work attitude.	F	63	61	60	105	211
	%	12.6	12.2	12.0	21.0	42.2
There is a relationship between leaders' relationship Management skills and subordinates' work attitude.	F	219	103	52	62	64
	%	43.8	20.6	10.4	12.4	12.8
There is no relationship between leaders' relationship Management skills and subordinates' work attitude.	F	64	62	52	103	219
	%	12.8	12.4	10.4	20.6	43.8

Source: Fieldwork Analysis, 2015.

and 13.0 respectively, totaling 100.

For the statement that there is no positive relationship between leaders' self-management emotional intelligence skill and subordinates' work attitude in the banking industry in the area studied, the responses are Strongly Agreed (SA), Agreed (A), Neutral (N), Disagreed (D) and Strongly Disagreed (SD). They have frequencies of 64, 65, 63, 102 and 206 respectively. These gave percentages of 12.8, 13.0, 12.6, 20.4 and 41.20 respectively, totaling 100.

For the statement that there is a positive relationship between leaders' self-management emotional intelligence skills and subordinates' work attitude in the banking industry in the area studied, the responses are Strongly Agreed (SA), Agreed (A), Neutral (N), Disagreed (D) and Strongly Disagreed (SD). They have percentages of 41.2, 20.4, 12.6, 13.0 and 12.8 respectively, totaling 100.

Table 2 shows that for the statement that the leaders' relationship emotional intelligence skills have a positive effect on subordinates' work attitude in the banking industry in the area studied, the responses are Strongly Agreed (SA), Agreed (A), Neutral (N), Disagreed (D) and Strongly Disagreed (SD). They have frequencies of 211, 105, 60, 61 and 63 respectively. These gave percentages of 42.2, 21.0, 12.0, 12.2 and 12.6 respectively totaling 100.

For the statement that the leaders' relationship emotional intelligence skills do not have a positive effect on subordinates' work attitude in the banking industry in the area studied, the responses are Strongly Agreed (SA),

Agreed (A), Neutral (N), Disagreed (D) and Strongly Disagreed (SD). They have frequencies of 63, 61, 60, 105 and 211 respectively. These gave percentage of 12.6, 12.2, 12.0, 21.0 and 42.2 respectively, totaling 100. For the statement that there is a relationship between the leaders' relationship emotional intelligence and subordinates' work attitude in the banking industry in area studied' the responses are Strongly Agreed (SA), Agreed (A), Neutral (N), Disagreed (D) and Strongly Disagreed (SD). They have frequencies of 219, 103, 52, 62 and 64 respectively. These gave percentages of 43.8, 20.6, 10.4, 12.4 and 12.8, respectively, totaling 100.

For the statement that there is no relationship between leaders' relationship emotional intelligence and subordinates' work attitude in the banking industry in the area studied, the responses are Strongly Agreed (SA), Agreed (A), Neutral (N), Disagreed (D) and Strongly Disagreed (SD). They have frequencies of 64, 62, 52, 103 and 219 respectively; these gave percentages of 12.8, 12.4, 10.4, 20.6 and 43.8 respectively, totaling 100.

There was a positive correlation among variables as indicated in Table 3 above.

The regression analysis result showed in Table 4 shows that Social Awareness exhibited a positive relationship with Job satisfaction; given the Beta value ($\beta = .435$, $P < 0.05$). The model summary reveals the extent to which Social Awareness accounted for change in Job satisfaction, indicated by the adjusted R^2 , which shows that 18.9%

Table 3 Inter-correlation among study variables

Social Awareness skill	Pearson correlation	Significance (2-tailed)	N
1	1		500
2			
3			
Relationship Management Skill			
1	0.577**	0.000	500
2	1		500
3			
Job satisfaction			
1	0.686**	0.000	500
2	0.786**	0.000	500
3	1		500

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

Table: 4: Regression analysis for Social Awareness and Job satisfaction Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Significance
	B	Standard Error	Beta		
Constant	8.945	1.041		8.591	0.000
Social Awareness	0.459	0.064	0.435	7.227	0.001

a. Dependent Variable: Job satisfaction

Table 5: Regression analysis for Relationship Management and Job satisfaction Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Significance
	B	Standard Error	Beta		
Constant	8.945	1.041		8.591	.000
Relationship Management	.659	.064	.535	7.227	.001

a. Dependent Variable: Job satisfaction

(.189) of the change in customer satisfaction is brought about by Social Awareness.

Given the result, the null hypothesis would be rejected in favour of the alternate, implying there is a significant positive relationship between social-awareness and job satisfaction. The findings is consistent with (Kelleth, Humphrey, & Sleeth, 2006; Wolff, Pescosolido, & Druskat, 2002) who examined the relationship between EI and leadership, and have argued that empathy, as a key aspect of EI, and that leader's social awareness skills affect subordinates' job satisfaction.

The regression analysis result showed in Table 5 shows that Relationship Management exhibited a positive relationship with Job satisfaction; given the Beta value ($\beta = .535$, $P < 0.05$).

The model summary reveals the extent to which Relationship Management accounted for change in Job satisfaction, indicated by the adjusted R^2 , which shows

that 99.6% (.996) of the change in customer satisfaction is brought about by Relationship Management.

Given the result, the null hypothesis would be rejected in favour of the alternate, implying there is a significant positive relationship between relationship management and job satisfaction.

The findings were consistent with Orluwene and Wachikwu, (2014) that people who excel in the relationship-management do well in tasks that rely on interacting smoothly with others thus creating an atmosphere of openness with cleanliness of communication competences is a key factor in organizational success..

Conclusion

Social awareness skills of leaders significantly affect subordi-

nates' job satisfaction and work attitude in the banking industry in Nigeria. It implied the increased relevance of social ethics and social awareness in managing the business of the 21st century as it relates to business conduct and employees' welfare. It also implied that efficient and effective management of these personal and social attributes would go a long way towards the achievement of organizational goals and objectives.

Relationship management skills of leaders significantly affect subordinates' job satisfaction and work attitude in the banking industry in Nigeria. It implied that it is fundamentally important in principle and practice to involve adeptness in inducing desirable responses in employees which would therefore increase their work attitude. Leaders with this competence are skilled at persuasion and rapport building which is related to ideal influence. It also implied that relationship management skills would help leaders inspire subordinates' by developing them through acknowledging and rewarding the subordinates' after any deserving accomplishments. This would bring about a high desire job satisfaction in order to achieve optimum organizational objectives.

Recommendation

1. Social awareness skills of leaders should be encouraged so as to make the subordinates' participate effectively towards the attainment of organizational goals and objectives.
2. Continue to encourage relationship management skills of the leaders that would bring about emotional balance of subordinates' work attitude.

References

- Abi E, Jijo G. (2012). Emotional intelligence and job satisfaction: A correlational study. *Res. J. Commerce Behav. Sci.* 1:37-42
- Badea L, Pana NA (2010). The role of empathy in developing the leader's emotional intelligence. *Theoretical Appl. Econ.* 543(2):69-78.
- Dormann C, Zapf D (2001). Job satisfaction: A meta-analysis of stabilities. *J. Org. Behav.* 22: 483-504.
- Gerhart B (2005). The (Affective) dispositional approach to job satisfaction: sorting out the policy implications. *J. Org. Behav.* 26:79-97.
- Goleman D (1998). What makes a leader? *Harvard Bus. Rev.* 93-102.
- Goleman D (1995). *Emotional intelligence*, Bantam Books, New York, NY.
- Heller D, Judge T, Watson D (2002). The Confounding role of Personality and trait affectivity in the relationship between job and life satisfaction. *J. Org. Behav.* 23:815-835.
- Hina A, Naheed R (2013). Leaders' Emotional Intelligence and its outcomes: A study of medical professionals in Pakistan. *Interdisciplinary J. Contemporary Bus.* 5(7):279-297.
- Farzaneh SN, Mohammad RB (2013). Relationship between emotional intelligence and job satisfaction. *Eur. Online J. Nat. Social Sci.* 2(3): 979-984.
- Kothari CR (2012). *Research methodology: methods and techniques*. New Age International Publishers, Daryaganj New Delhi.
- Law SK, Wong C, Song JL (2004). The construct and criterion validity of emotional intelligence and its potential utility for management studies. *J. Appl. Psychol.* 89: 483-496.
- Muhammad MA (2009). The Relationships between the emotional intelligence and job satisfaction: Empirical findings from higher education institution in Malaysia. *J. Manage. Social Sci.* 5(2): 124-139.
- Nwibere BM (2014). Interactive relationship between job involvement, job satisfaction, organizational citizenship behaviour, and organizational commitment in Nigeria University. *Int. J. Manage. Sustainability* 3(6): 321-340.
- Orluwene GW, Wachikwu T (2014). Dimensions of emotional intelligence as predictors of job involvement among teachers. *Int. J. Dev. Emerging Econ.* 2(1): 8-18.
- Seyed JS, Emami M, Rastegar A (2014). Investigating relation between organizational culture and knowledge management: national company of refining and distributing oil production of Iran. *Q. J. Res Sci. Manage. Hum. Source Pet. Ind.* 4(12): 21-40
- Seyyed RM, Saeed Y, Ayoud BN, Zabiholah (2012). The Relationship between Emotional Intelligence and job satisfaction of physical education teachers. *Annual Biol. Res.* 3(2)780-788.
- Wong CS, Law KS (2002). The effects of leader and follower emotional intelligence on performance and attitude: An exploratory study. *The Leadership Quarterly.* 13: 243-274.
- Smith PC, Kendall LM, Hulin CL (1969) *The Measurement of satisfaction in work and retirement*. Chicago: Rand McNally.
- Staw BM, Cohen-Charash Y (2005). The dispositional approach to job satisfaction: More than a mirage, but not yet an oasis. *J. Org. Behav.* 26: 59-78.
- Weymes E (2003). Relationships not leadership sustain successful organizations. *J. Change Manage.* 3(4): 319-331.

Model Summary 1.

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	0.998 ^a	0.996	0.996	0.133

^aPredictors: (Constant), Relationship Management

Model Summary 2.

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	0.435 ^a	0.189	0.185	1.812

^aPredictors: (Constant), Social Awareness