The Impact of Emotional Intelligence in the Leadership Styles from the Employees Point View in Jordanian Banks

Bassam Fathi Aldiabat
Al-Balqa Applied University, Postal Code 21410 Ramtha, P.O. Box 325 Jordan

Abstract: The present study aims to examine the impact of emotional intelligence on leadership styles and to identify the level of emotional intelligence and leadership styles at the Jordanian banks. The study’s sample consists of (390) employees who will help to answer the study’s questions. In addition, the researcher developed a questionnaire that aimed to measure the impact of emotional intelligence dimensions (self-awareness, self-management, social awareness and relationships management) on the leadership styles level. Furthermore, some statistical techniques were used to test the hypothesis and answer the study’s questions. The most important findings and conclusions of the research are: the arithmetic mean of the estimates of employees at Jordanian banks towards emotional intelligence and leadership styles dimensions were moderate. Regression results indicate that there is statistically significant effect for emotional intelligence on leadership styles at Jordanian banks. In addition, social awareness influence came first concerning the size of the effect where the leadership style used mostly at Jordanian banks is transactional leadership.

Key words: Emotional intelligence, leadership style, Jordanian banks, transactional leadership style, significant, intelligence

INTRODUCTION

Emotional intelligence considers relatively one of the recent interest topics in management where the emotional intelligence plays a prominent role to enhance the effectiveness of leadership style and leadership capabilities such as influence skills, negotiation capabilities and verbal and written communication skills. Emotional intelligence considers one of the success factors to perform certain functions and jobs such as decisions making, open communications, creativity, innovation increase customers loyalty, financial success of entrepreneurs and increase employees productivity (Greenberg and Baron, 2008).

Emotional intelligence: Slowvy and Meyer introduced the first definition of emotional intelligence where they identified it as a subset of social intelligence which include the ability to monitor individuals’ feelings and emotions, control feelings, emotions and passions of others and distinguish between them and use these information to guide their thinking and behaviors (Mayer and Salovey, 1997) while Goleman identify the emotional intelligence as person’s ability to recognize his feelings and the feelings of others for self stimulation, good feelings management and relationships with others (Goleman, 1998). Emotional intelligence includes the following four dimensions.

Self-awareness: Through our sense and feeling of the real capabilities such as the correct assessment of self, self confidence and emotional awareness.

Self management: By not entering our feelings in tasks performance, the flexibility in overcoming obstacles and the adaptation of changing circumstances where self management include the optimism capabilities, self consciously, achievement, initiative, adaptability and transparency.

Social awareness: The sense of people’s feelings and the ability to look at things, issues and affairs with their perspective and include some capabilities related to the organizational awareness (organizational policies, decisions making and events recognition) and service (customer needs and staffs attention).

Relationships management: Through well emotions management of relationships, read the social situations properly use the skills related to persuasion, leadership and collaboration with work teams and the ability for negotiations. This dimension includes some capabilities such as inspirational leadership influence others, conflict management, motivation for change and cooperation (Rathi and Rasti, 2009).

Leadership style: Behavioral theories focused on studying what leaders perform where Douglas Mac
Grighor put the (X) theory to express the authoritarian style of leader and (y) theory to express the human relation style of leader while likert classified the leadership into four styles: Exploitative authoritative, benevolent authoritative, consultative and participative-group but the university of Iowa study revealed the presence of three leadership styles: Autocracy, democracy and non-interference or Laissez Faire leadership and the university of Michigan identified two types of leadership behavior: the production interest pattern and the subordinates interest pattern where Ohio University leadership studies identified two patterns of leader behavior: the individual consideration and work-oriented activity and Black and Mouton specified five leadership styles according to the dimension of concern for work or production and concern for people or employees: weak leadership style, authoritarian leadership, humanitarian leadership, compromises leadership and collective leadership style (Robbins and Judge, 2009).

The contingency theories of leadership referred to different styles of leadership where Fiedler in his theory mentioned that leadership effectiveness depends on the individual ability to align between the leadership attributes and situation factors which influence the appropriate leadership style. Those factors are leader relationship with the group members, structure level of required task performance and the career level strength. Tannenbaum and Schmidt at the continuum theory of leadership referred to seven leadership styles which vary according to the democratic and autocratic leaderships and the leadership style must align with leader capabilities, subordinates capabilities and the situation or circumstance they handle (Lahloub and Magda, 2012). Hersey and Blanchard mentioned in their situational model leadership theory that effective leader selects the appropriate style in the right situation which depends on the degree of maturity and readiness of subordinates and therefore, they were able to identify four leadership styles: telling, selling, participating and delegating (Robbins and Coulter, 2009).

Bass (1985) did identify three leadership styles as follow: transformational leadership, interactive leadership and non-interference or laissez faire leadership style where the laissez faire avoid making decisions, ignore the existing problems, refuse to intervene and avoid taking leadership responsibility and initiative spirit to interact with the group members. The leader also avoids giving clear direction, doesn’t participate in staff development, avoid employees participation and avoid giving them incentives (Yukl, 2010) but the interactive leadership style happens between leaders and followers or subordinates and this exchange would be for things with economic value where both sides had related purposes but don’t go beyond these benefits and this relationship doesn’t require extra effort from employees or achieve higher goals. According to this style, there will be a debate between the leader and the followers about requirements and expected returns where the followers achieve the leader wishes to get the returns and avoid punishment in case they don’t achieve goals (Bass et al., 2003; Avolio and Bass, 2004) identify the following three interactive leadership components: conditional reward, positive management by exception and negative management by exception while the transformational leadership is a leadership style that inspire the followers and aggravate them to overcome their personal interests for the benefit of organization to be capable of creative thinking and to make extra effort that affect the attention of followers where (Avolio and Bass, 2004) specified the following four dimensions for it: inspirational motivation, ideal impact, personal consideration and mental simulation.

**Conceptual models:** The topic of relationship between the emotional intelligence and leadership style received the attention of many researchers locally and globally and in this context (Tyczkowski et al., 2015) conducted a study that aimed to identify the relationship between emotional intelligence and the leadership style for a group of nursing managers working at American hospitals. The study results showed a positive relationship between the transformational leadership and emotional intelligence and a negative relationship between the emotional intelligence and each of interactive leadership and non-interference styles.

Brown (2014) conducted a study that aimed to discover the relationship between emotional intelligence and each of interactive and transformative leadership styles and performance. The study results showed a relationship between the emotional intelligence and each of interactive and transformative leadership styles and performance there is a relationship between the dimensions of emotional intelligence and transformational leadership style and also the existence of a relation between the conditional reward as one of the interactive leadership and performance dimensions.

Faitru (2014) explained the importance of exercising the leadership with emotional intelligence from the perspective of economical and commercial sciences college Professors in an Algerian University where the study results indicated that academic and college professors trends toward the dimensions of emotional intelligence are high and the level of importance are also high for all of self awareness skills, self management skills, social awareness skills and relationship management skills.
Algarebi and Lilly (2014) showed the role of emotional intelligence in promoting the behaviors of transformational leadership through the arbitrator impact of wisdom in the universities of central and Southern Iraq. The results showed a positive and significant correlation between emotional intelligence and the transformational leadership, the existence of significant and positive relationships for the wisdom as an arbitrator variable with the transformational leadership and also a direct and indirect impact of emotional intelligence on the transformational leadership.

Abbooud (2013) did a study to determine the impact of emotional intelligence on transformational leadership at the Jordanian commercial banks. The study found statistically significant impact of emotional intelligence on the transformational leadership and non-existence of statistically significant differences in the impact of emotional intelligence, due to age, sex or social status.

Shahhosseini et al. (2013) performed a study aimed to analyze the relationship and impact between the emotional intelligence and each of the interactive and transformational leaderships on the job performance of managers group working at the banking sector in Iran. The study results showed a relationship between the emotional intelligence and both leadership styles but with a larger degree for the transformational leadership and also the existence of impact for the emotional intelligence and both of interactive and transformational leaderships on the job performance with a larger degree for the emotional intelligence.

Batool (2013) conducted a study that aimed to analyze the relationship between emotional intelligence and its dimensions from one hand and the effective leadership on the other hand at Pakistani banking sector. Study results showed a positive relationship between the emotional intelligence and effective leadership and also found a positive relationship between the emotional intelligence dimensions (responsibility, self control and performance) and the effective leadership.

Cavazotte et al. (2012) performed a study that aimed to reveal the impact of emotional intelligence and personal characteristics on the transformational leadership and the effectiveness of managers performance at Brazilian organization that operate in the energy field. Study results showed statistically significant impact of emotional intelligence on the transformational leadership and that leader effectiveness is a direct indication of the transformative leader behavior and indirect indication of individual differences (experience, intelligence and awareness).

Hamidi and Azizi (2012) study aimed to analyze the relationship between emotional intelligence and the leadership styles for a group of Iranian school principals. Study results showed the existence of relationship between emotional intelligence and the leadership styles and also found relationships between the self control, compassion and motivation with the open democratic leadership style but didn’t find any statistical significant relationship between the self-awareness and leadership styles and found a negative relationship between the compassion and the close autocratic style.

Almurad (2009) conducted a study that aimed to analyze the relationship between emotional intelligence and the leadership styles and their impact on increasing the management leadership effectiveness at an Egyptian Airlines company where the study sample consisted of 109 administrative leaders. The study found a positive relationship between emotional intelligence and the transformational leadership style, a positive relationship between emotional intelligence and interactive leadership style and a positive relationship between emotional intelligence and the increase in management leadership effectiveness. The study also found that emotional intelligence increases the management leadership effectiveness through the presence of transformational leadership style and interactive leadership style but with a larger form for the transformational leadership style.

Based on the above, the current study seeks to identify the impact of emotional intelligence on the leadership style, through the implementation of this study on the Jordanian banking sector.

**Study problem:** Jordanian banking sector plays a prominent role to provide the financing needs of various national economy sectors and achieve the sustainable development and offer different forms and types of banking services. It also faces many challenges and competition with the Foreign banks, the pace of change and the slowness of economic growth rates which requires from its leaders to use leadership styles that believe in change and management innovation to face the competition and market conditions which makes it the most dynamic and innovative source of competitive advantage.

The leaders success depends primarily on using the adequate and effective leadership style on the employees under their supervision, launch their energies and direct it in the desired direction, through their abilities to recognize and influence employee’s feelings, their abilities to build up effective relationships with them, create group spirit and work teams, ensure open communications with employees, support employees development and provide the job security for them which require from leader a high level of emotional intelligence.
Based on the above, the research problem in its general framework connect to a weak recognition of the relationship between emotional intelligence and the leadership styles at Jordanian banks, therefore, this study seeks to declare the relationship between emotional intelligence and the leadership styles. The study problems may show through raising the following questions:

- What is the level and dimensions of emotional intelligence for employees at Jordanian banks
- What are the prevalent leadership styles at Jordanian banks
- What is the impact of emotional intelligence in the leadership styles at Jordanian banks

**Hypothesis:**

- H1: there is statistically significant impact of emotional intelligence on the leadership styles at level ($\alpha \leq 0.05$) in the Jordanian banks and branch from it
- H2: there is a statistically significant impact of self-awareness in leadership styles at level ($\alpha = 0.05$) in the Jordanian banks
- H3: there is a statistically significant impact of self-management in leadership styles at level ($\alpha = 0.05$) in the Jordanian banks
- H4: there is a statistically significant impact of social-awareness in leadership styles at level ($\alpha = 0.05$) in the Jordanian banks
- H5: there is a statistically significant impact of relationships management in leadership styles at level ($\alpha = 0.05$) in the Jordanian banks

**MATERIALS AND METHODS**

**Study society and sample:** The study society consists of (18257) employees who are all employees working at (16) Jordanian banks, according to the official reports of Jordanian banks association for the year (Anonymous, 2015). Simple random sample was selected from the study society depending on the society size and allowed error margin of (5%) and the sample size was determined according to the statistical tables (Sekaran, 2006) where the study sample consisted of (400) employees from the various management levels.

**Study instrument:** The questionnaire consisted in its final form of (48) paragraphs according to likert five scales, where the questionnaire contained three parts as follows.

**Part one:** It related to a series of demographic variables such as sex, age, education, years of experience and job title to describe the characteristics of study sample.

**Part two:** It related to the emotional intelligence and included (24) questions to measure it where the questions (1-6) represented the self-awareness, the questions (7-12) represented the self-management, the questions (13-18) represented the social awareness and the questions (19-24) represented the relationships management and where measured based on Goleman (2000) Model. Researcher also got help from previous studies and relevant references.

**Part three:** It related to the leadership styles and included (24) questions to measure it where the questions (25-34) represented the transformational leadership style and its dimensions (ideal impact, stimulated motivation, intellectual consultation and individual consideration) the questions (35-42) represented the interactive leadership style and its dimensions (conditional bonus, positive management by exception and negative management by exception) and the questions (43-48) represented the non-interference leadership style where it rely on the Multifactor Leadership Questionnaire (MLQ) to measure the leadership styles (Avolio and Bass, 2004). Researcher also got help from previous studies and relevant references.

**Study tool validity and reliability:** An exploratory sample was selected which consisted of 20 employees working in the Jordanian banks to develop the questionnaire and ensure the validity of its paragraphs, all questionnaires were retrieved and then the exploratory sample members were excluded from the study. Researcher used the internal consistency coefficient method to identify the study tool stability level by using Cronbach alpha test where the stability coefficient value of leadership styles reached (0.82) and for the emotional intelligence (0.71). Cronbach alpha values for all the study variables in the survey amounted to (0.85) which is higher than the usually accepted (0.60) in the social researches and studies.

**RESULTS AND DISCUSSION**

**Results related to the first question:** What is the level and dimensions of emotional intelligence for employees at Jordanian banks. To answer this question, the arithmetic means and standard deviations were calculated for the study sample member estimations toward the emotional intelligence level and dimensions of employees at Jordanian banks as shown in Table 1.
Table 1: Arithmetic means and standard deviations for the study sample member estimations on emotional intelligence

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Arithmetic mean</th>
<th>SD</th>
<th>Level*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-awareness</td>
<td>3.55</td>
<td>0.61</td>
<td>Medium</td>
</tr>
<tr>
<td>Self-management</td>
<td>3.55</td>
<td>0.59</td>
<td>Medium</td>
</tr>
<tr>
<td>Social awareness</td>
<td>3.68</td>
<td>0.56</td>
<td>High</td>
</tr>
<tr>
<td>Relation management</td>
<td>3.14</td>
<td>0.52</td>
<td>Medium</td>
</tr>
<tr>
<td>Emotional intelligence as a whole</td>
<td>3.48</td>
<td>0.40</td>
<td>Medium</td>
</tr>
</tbody>
</table>

*Significant value

It noticed from the previous table that evaluation degree of emotional intelligence level as a whole from the point view of study sample members is medium at an arithmetic mean of (3.48) where social awareness came with an arithmetic mean of (3.68) at high degree while self-awareness with an arithmetic mean of (3.55) and medium degree, self-management with an arithmetic mean of (3.55) and medium degree and also relationships management with an arithmetic mean of (3.14) and medium degree. This result shows that study sample recognize the importance of emotional intelligence skills.

Results related to the second question: What are the prevalent leadership styles at Jordanian banks. It noticed from the previous table that leadership styles practice level as a whole from the point view of study sample members is medium at an arithmetic mean of (3.65) where the interactive leadership style came first with an arithmetic mean of (3.72) at medium degree while the transformational leadership style came in second place with an arithmetic mean of (3.61) and medium degree and the non-interference leadership style came third with an arithmetic mean of (3.22) and low degree. This result shows that the most common styles in the banks are the interactive and transformational leadership styles with degree larger than the non-interference leadership style, which came at low degree. This may be due to the banking business nature where the management leadership must have a key role in banking business because any mistake will lead to negative results (Table 2).

Study hypothesis test:

- H$_{1.1}$: there is a statistically significant impact of self-management in leadership styles at level (α≤0.05) in the Jordanian banks
- H$_{1.2}$: there is a statistically significant impact of social-awareness in leadership styles at level (α≤0.05) in the Jordanian banks
- H$_{1.3}$: there is a statistically significant impact of relationships management in leadership styles at level (α≤0.05) in the Jordanian banks

Multiple linear regression analysis was used as shown in Table 3 and 4. It noticed from Table 3 that (F) value is equal to (178.979) at statistical significance of (0.000) which is less than the statistical significance level of (α≤0.05) and indicate the existence of explanatory and significant force to use the multiple linear regression analysis model between the independent variable (emotional intelligence) and the dependent variable (leadership style). Therefore, the simple linear regression model is suitable to measure the causal relationship between the independent variable (emotional intelligence) and the dependent variable (leadership style). It also shows that correlation coefficient value between the independent variable (emotional intelligence) and the dependent variable (leadership style) is (0.810), the regression coefficient value (R$^2$) is (0.656) and the adjusted regression coefficient value (R$^2$) is (0.653) which shows that independent variable (emotional intelligence) could interpret (65.3%) of the changes that happened in the dependent variable (leadership style) and the rest are due to other factors.

It noticed from the previous table that t-test values for the independent variable dimensions showed the existence of statistically significant impact for self-awareness dimension in the leadership style where calculated-t amounted to (6.563) as a significant value at level (α≤0.05). It showed statistically significant impact for the self management dimension in leadership style, where calculated (t) amounted to (5.193) which is a significant value at level (α≤0.05). It also showed statistically significant impact for the social awareness in leadership style where calculated (t) amounted to (14.618) which consider a significant value at level (α≤0.05). It also showed statistically significant impact for the social relationships in leadership style where calculated (t) amounted to (5.246) which is a significant value at level (α≤0.05).
Table 3: Multiple linear regression analysis results for the impact of emotional intelligence in the leadership style

<table>
<thead>
<tr>
<th>Variance source</th>
<th>Square total</th>
<th>Degree of freedom</th>
<th>Square average</th>
<th>R</th>
<th>R(^2)</th>
<th>Adjusted R(^2)</th>
<th>F-values</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>40.377</td>
<td>4.00</td>
<td>10.094</td>
<td>0.810</td>
<td>0.656</td>
<td>0.653</td>
<td>178.979</td>
<td>0.000</td>
</tr>
<tr>
<td>Residual</td>
<td>21.150</td>
<td>3.75</td>
<td>5.656</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>61.527</td>
<td>3.79</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4: Significant coefficient of standardized and unstandardized multiple linear regression formula for major hypothesis

<table>
<thead>
<tr>
<th>Simple linear regression model</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>SE</td>
</tr>
<tr>
<td>Constant</td>
<td>0.758</td>
<td>0.152</td>
</tr>
<tr>
<td>Self-awareness</td>
<td>0.196</td>
<td>0.050</td>
</tr>
<tr>
<td>Self-management</td>
<td>0.184</td>
<td>0.085</td>
</tr>
<tr>
<td>Social awareness</td>
<td>0.528</td>
<td>0.036</td>
</tr>
<tr>
<td>Relation management</td>
<td>0.126</td>
<td>0.024</td>
</tr>
</tbody>
</table>

CONCLUSION

Data analysis that were obtained through the study tool led to several important results which hopefully can enrich the previous literatures, open future prospects for researchers and scholars and help the commercial banks to cope with the changing business environment conditions where the most important results are: the evaluation level of emotional intelligence as a whole is medium where self-awareness came with high estimation degree, self-management came with medium estimation degree, social awareness came with high estimation degree and management relationships with medium degree. This result indicate the recognition of study sample to the importance of emotional intelligence skills in the banking business which agrees with the result of Fairuz (2014) study.

Practice degree of the three leadership styles as a whole at the commercial banks is medium where the interactive leadership style came in first place with medium degree, transformational leadership style came second with medium degree and the non-interference leadership style came in last place with low degree. This indicate that Jordanian banks don’t follow only one leadership style which require from them to practice these styles according to the surrounding conditions and incorporate employees by linking their goals with the organization goals. This result align with Almurad (2009) and Shahhosseini et al. (2013) studies.

The study found a statistically significant impact for emotional intelligence in the leadership styles where this result indicate that leadership style depends on the emotional intelligence and that leader must create strong and balance emotional relationships between the individuals, sentimental participation with employees, communication skills and build relationships. This result agrees with the studies of Brown (2014), Hamidi and Azizi (2012). The study found a statistically significant impact for the dimensions of self-awareness, self-management, social awareness and social relationships in the leadership style. These results align with the study of Batool (2013). This finding indicate that leaders must have self-awareness and the desire to help others and empathize with them and also indicate the ability of leaders to understand the feelings, inclinations and trends of others and use them to achieve goals and their abilities to deal with others in the social situations and listen and respond to them will largely impact the leadership style of employees.

The degree of social awareness impact on leadership style came first with (β = 0.553) which means that social awareness considers one of the important factors to influence leaders as they are aware of others feelings who work and sympathize with them. The impact degree of self-awareness on leadership style came second with (β = 0.528) which means that individual’s awareness of themselves make them more capable to influence and change their behaviors and the behavior of others and often realize their feelings, behaviors and actions and have full knowledge of their strengths and weaknesses.

RECOMMENDATIONS

Based on the study results, it is possible to make the following recommendations. Recommend the leaderships in Jordanian banks to focus on implementing the transformational leadership style, since, it moves the hidden energies of employees and gives work meaning by enabling employees to achieve the current obligations toward work and complete the tasks and at the same time help them to achieve future hopes and ambitions.

Advise the Jordanian banks to hold training programs for leaders that explain to them the emotional intelligence skills such as empathy, sympathy for employees, communication skills and build long term capabilities for leaders to improve individual performance and link their goals with the goals of organization and the self awareness and the desire to help others.

Researchers need to verify the findings of this study in other sectors such as communications and strive to
implement the study model in other sectors, like insurance and services to give the study model more reliability and credibility. Future studies and research are invited to add any modified or intervening variables to the current study model such as work design, organizational justice or personal variables.

REFERENCES


Fairuz, S., 2014. The importance of leadership practice in emotional intelligence in work study of the trends of a sample of teachers of higher education at the University of Biskra. Master Thesis, University of Biskra, Biskra, Algeria.


