

## Emotional Intelligence: A Cornerstone of Effective Management Practice

Dr Javed Meraj<sup>1</sup>, Osama Habib<sup>2</sup>, Haji Ameen<sup>3</sup>, Sajid Ali<sup>4</sup>, Balach Khan<sup>5</sup>

<sup>1</sup>, Dr Javed Meraj, Assistant Professor, Department of Management Sciences, Lasbela University of Agriculture, Water and Marine Sciences Uthal, Baluchistan, Pakistan.

<sup>2,3,4,5</sup>, BBA Student, Department of Management Sciences, Lasbela University of Agriculture, Water and Marine Sciences Uthal, Baluchistan, Pakistan.  
[osamahabbib@gmail.com](mailto:osamahabbib@gmail.com)

### Abstract:

This research examines how Emotional Intelligence influences the effectiveness of managers and local businesses in Lasbela, Balochistan. Data was collected by 25 Businessman along with Bank managers, Principals of School and Head of Departments of University by structured survey to evaluate important aspects of emotional intelligence, such as self-awareness, emotion management, empathy, and social skills, alongside measures of managerial performance. The results show that there is positive relation with Emotional intelligence and effective management, managers with higher emotional intelligence tend to make better decisions, handle conflicts more effectively, manage teams well, and contribute to overall business success. Emotionally intelligent individuals are also better at managing stress, resolving workplace issues, and fostering a positive work environment, which helps improve employee performance and business outcomes. The research highlights the need for Emotional Intelligence training or programs in Pakistan and suggests that Emotional Intelligence Subject must be included in University Business Management Courses.

### Introduction

Emotional Intelligence has become a widely discussed topic in management and psychology, drawing attention from professionals, researchers, and psychologists over the years. EI refers to the ability to recognize, understand, and manage emotions both in oneself and in others. Emotions like happiness, fear, anger, and sadness play a crucial role in shaping human behavior and decision-making. According to Mayer (2008), emotions are a blend of physiological changes, thoughts, and personal experiences, while intelligence relates to the mental capacity to learn, identify patterns, and solve problems. Historically, Ancient Greek Stoics believed that logical reasoning should dominate emotions, as rational thought was seen as more objective and universally accepted. This viewpoint shifted when Thorndike (1920) introduced the idea that intelligence also involves emotional and social aspects. The concept gained momentum after Goleman's (1995) influential work, which highlighted the essential role of emotional intelligence in achieving personal and professional success. In the field of management, Emotional Intelligence is becoming increasingly important due to the growing complexity and demands in modern organizations. Managers are expected to make decisions, allocate resources, and engage with stakeholders, all while dealing with challenges such as restructuring, downsizing, and technological advancements (Tsui & Ashford, 1994). Successfully managing these responsibilities while fostering strong relationships with employees and peers highlights the significance of EI in leadership and management. Over time, different theories have been developed to assess managerial effectiveness. Fayol's (1916) early framework focused on planning, organizing, and controlling, while

Mintzberg (1973) categorized managerial tasks into interpersonal, informational, and decision-making roles. Srivastava and Sinha (2007) define managerial effectiveness as the ability to achieve goals by handling situations and meeting organizational objectives. This research aims to explore how Emotional Intelligence can improve managerial effectiveness in businesses operating in Lasbela, Balochistan. By investigating the influence of Emotional Intelligence on essential management functions, the study seeks to offer practical insights that can help local managers enhance their performance and contribute to the success of their organizations.

### **Problem Statement**

Balochistan, as a less developed region, encounters considerable economic and business difficulties. Businesses in areas like Lasbela often struggle with limited resources and outdated management practices, restricting their growth and long-term sustainability. Managers and business owners in the region have minimal access to formal training and development opportunities. Although Emotional Intelligence has been recognized globally for its positive impact on leadership and decision-making, its influence on the effectiveness of local managers in Lasbela remains underexplored. This research aims to address this gap by examining how Emotional Intelligence can enhance managerial performance and help businesses in Lasbela overcome their unique challenges.

### **Literature Review**

#### **Emotional Intelligence:**

The concept of emotional intelligence (EI) is relatively new to scientific literature, emerging from psychology and gradually expanding into various applied fields. Its roots can be traced back to the idea of social intelligence, introduced by Thorndike in 1920. In 1990, Peter Salovey and John Mayer formally defined emotional intelligence as the ability to recognize, understand, regulate, and effectively utilize emotions. Goleman (1995), a leading figure in this field, expanded the definition by emphasizing that emotional intelligence enables individuals to manage their emotions through self-awareness, improve them through self-regulation, understand their influence through empathy, and build strong relationships through social skills. A core aspect of emotional intelligence is motivation, which directs and energizes individuals to pursue and achieve their objectives (Gilaninia et al., 2011). According to Weisinger (1998), emotional intelligence involves leveraging emotional and social abilities to guide actions, enhance communication, and drive positive outcomes in the workplace. Wong and Law (2003) highlighted that emotional intelligence contributes to workplace efficiency by promoting effective communication and fostering healthy, productive relationships. In the realm of management, emotional intelligence is increasingly recognized as essential for leadership and team cohesion. Its fundamental components self-regulation, self-awareness, self-control, empathy, and social skills are critical for making sound decisions, resolving conflicts, and cultivating a supportive work environment. Additionally, research has examined the relationship between gender, emotional intelligence, and managerial effectiveness. This research builds upon these foundations to investigate how emotional intelligence correlates with managerial effectiveness, focusing on businesses in Balochistan. By examining its impact on decision-making, stress management, and team performance, this study aims to offer practical strategies that enhance managerial capabilities and drive organizational success in challenging environments.

#### **Components of Emotional Intelligence**

Emotional intelligence consists of several essential components that collectively contribute to effective emotional and social functioning. Rahim et al. (2002) outlined five key dimensions of emotional intelligence, each playing a vital role in enhancing personal and professional success.

### **(i) Self-Awareness**

Self-awareness is the ability to recognize and understand one's own emotions, moods, and impulses. It involves identifying the causes behind these feelings and understanding how they influence thoughts, actions, and interactions with others. Individuals with high self-awareness are conscious of their emotional states and aware of how their emotions affect their environment, promoting more thoughtful and deliberate behavior.

### **(ii) Self-Regulation**

Self-regulation is the ability to manage and control emotions and impulses, especially in stressful or challenging situations. This component helps individuals remain calm and prevents impulsive reactions that could worsen conflicts. By maintaining emotional balance, self-regulation supports better decision-making and encourages constructive, measured responses even in difficult circumstances.

### **(iii) Motivation**

Motivation, as part of emotional intelligence, reflects the ability to remain dedicated to goals despite obstacles or difficulties. Motivated individuals are driven by a desire for achievement rather than fear of failure, showing perseverance and the willingness to delay immediate rewards for long-term success. This aspect also emphasizes adaptability and a positive attitude toward change as essential for personal and professional growth.

### **(iv) Empathy**

Empathy is the capacity to recognize, understand, and respond to the emotions of others. It involves interpreting verbal and nonverbal signals, offering emotional support, and identifying the connection between emotions and actions in others. Empathy strengthens relationships, builds trust, and promotes teamwork by allowing individuals to engage meaningfully with those around them.

### **(v) Social Skills**

Social skills refer to the ability to manage interactions and build positive relationships. This includes conflict resolution, fostering cooperation, and addressing issues in a way that preserves harmony and respect. Individuals with strong social skills effectively manage both their own and others' emotions, contributing to a productive and cohesive work environment.

## **Importance of These Components**

These components form a comprehensive framework for recognizing and managing emotions to support personal development and drive organizational success. Self-awareness serves as the foundation for self-regulation, while motivation fuels perseverance during challenges. Empathy fosters understanding and connection, and social skills facilitate teamwork and effective conflict management. In business settings, these elements are crucial for managers and leaders, as they impact decision-making, team coordination, and the ability to motivate and guide others. By developing these skills, managers can cultivate a more harmonious, efficient, and emotionally intelligent workplace. This research explores how these emotional intelligence components enhance managerial performance within the socio-economic and cultural context of Balochistan.

## **Literature Gaps and Need for Further Research**

While emotional intelligence is acknowledged as a key factor in enhancing managerial effectiveness, limited research has been conducted to explore its impact within the unique socio-cultural and economic context of regions like Balochistan.

### **The research hypotheses are**

**H1:** Higher emotional intelligence in managers and business leaders enhances overall managerial effectiveness in businesses and organizations in Balochistan.

### **Sub-Hypotheses**

- (i) Managers with heightened self-awareness exhibit stronger decision-making and conflict resolution abilities.
- (ii) Managers possessing strong self-regulation are more effective at handling stress and sustaining productivity.
- (iii) Managers with advanced social skills promote improved teamwork and foster organizational harmony.

### **Methodology**

#### **Research Design**

This study utilizes a quantitative research design to examine the connection between emotional intelligence and managerial effectiveness in Lasbela, Balochistan. A correlational approach is applied to evaluate how various emotional intelligence components—such as self-awareness, empathy, social skills, and emotion management— affect managerial performance and decision-making.

#### **Participants**

The research surveyed 25 participants, comprising local business owners and managers from banks, schools, and universities, all of whom hold key administrative roles and influence organizational performance.

#### **Data Collection Method**

Primary data was gathered through a structured questionnaire aimed at evaluating emotional intelligence and managerial performance. The questionnaire included:

**Emotional Intelligence Scale:** Assessing self-awareness, empathy, social skills, and emotional management.

(ii) **Management Performance Scale:** Measuring leadership, teamwork, decision-making, and goal-setting abilities.

A 5-point Likert scale (ranging from Never to Always) was used to capture participants' responses.

#### **Data Analysis**

The collected data was analyzed using SPSS software to perform descriptive statistics and correlation analysis. A correlation matrix was employed to explore the relationships between different emotional intelligence components and various indicators of managerial performance.

### **Results and Discussion**

#### **Descriptive Statistics**

The study involved 25 participants, and the descriptive analysis highlighted trends across key variables:

#### **Emotional Awareness**

Participants demonstrated moderate to high emotional awareness, with mean scores ranging from 3.12 to 3.36. The highest score was observed for "recognizing mood

changes" (M = 3.36, SD = 0.9), followed by "understanding the impact of emotions" (M = 3.24, SD = 1.0).

### Managing Emotions

The ability to regulate emotions varied. "Bouncing back from setbacks" received the highest rating (M = 3.92, SD = 1.0), while "remaining calm in stressful situations" had an average score of 3.16 (SD = 0.9).

### Empathy

Empathy levels were moderate. "Listening attentively to others" recorded a mean score of 3.80 (SD = 1.0), while "picking up non-verbal cues" scored 3.52 (SD = 1.0).

### Social Skills

Participants exhibited moderate to high social skills, with mean scores ranging between 3.35 and 3.68. The lowest score was for "conflict resolution" (M = 3.36, SD = 1.11).

### Managerial Effectiveness

Management performance varied across indicators. "Evaluating team performance" scored the highest (M = 3.68, SD = 1.07), while "coaching team members" had the lowest rating (M = 3.00, SD = 0.82).

### Correlation Analysis

#### Correlations Of Emotional Awareness with Management Performance

	Aw aren ess1	Awa rene ss2	Aw are nes s3	Man age men t1	Man age men t2	Ma nag em ent 3	Ma na ge me nt4	Man agme net5	Man age ment 6	Ma nag eme nt7	Man age ment 8	Man age ment 9
Awareness 1	1	.518 **	.615 **	.670 **	.625 **	.576 **	.721 **	.396* *	.550* *	.593 **	.342	.545**
Awareness 2	.518 **	1	.492 *	.603 **	.195	.603 **	.570 **	.569* *	.119	.447 *	.401*	.583**
Awareness 3	.615 **	.492 *	1	.699 **	.307	.521 **	.486 *	.547* *	.474* *	.264	.297	.479*
Managem ent1	.670 **	.603 **	.699 **	1	.460 *	.549 **	.483 *	.457* *	.531* *	.462 *	.278	.668**
Managem ent2	.625 **	.195	.307	.460 *	1	.512 **	.434 *	.261	.620* *	.453 *	.407*	.481*
Managem ent3	.576 **	.603 **	.521 **	.549 **	.512 **	1	.483 *	.510* *	.478* *	.593 **	.233	.709**
Managem ent4	.721 **	.570 **	.486 *	.483 *	.434 *	.483 *	1	.329	.583* *	.650 **	.438*	.573**
Managem ent5	.396 *	.569 **	.547 **	.457 *	.261	.510 **	.329	1	.063	.217	.404*	.420*
Managem ent6	.550 **	.119	.474 *	.531 **	.620 **	.478 **	.583 **	.063	1	.516 **	.212	.573**
Managem ent7	.593 **	.447 *	.264	.462 *	.453 *	.593 **	.650 **	.217	.516* *	1	.462* *	.653**
Managem ent8	.342	.401 *	.297	.278	.407 *	.233	.438 *	.404* *	.212	.462 *	1	.344
Managem ent9	.545 **	.583 **	.479 *	.668 **	.481 *	.709 **	.573 **	.420* *	.573* *	.653 **	.344	1

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

Correlation is significant at the 0.05 level (2-tailed).

**The results show**

A strong positive correlation between Awareness1 and Management1 (.670), Management4 (.721), and Management6 (.550), suggesting that emotional awareness improves goal achievement, adaptability, and team mentoring.

A moderate correlation between Awareness2 and Management1 (.603) and Management5 (.569), implying that recognizing emotions supports conflict resolution and consistent performance.

A strong correlation between Awareness3 and Management1 (.699) and Management9 (.479), demonstrating that emotional understanding contributes to successful outcomes.

**Correlations Of Managing Emotions with Management Performance**

	Ma nag ing Em otio ns1	Ma nag ing Em oti ons2	Ma nag ing Em otio ns3	Ma nag ing eme nt1	Ma nag ing eme nt2	Ma nag ing eme nt3	Ma nag ing eme nt4	Ma nag ing eme nt5	Ma nag ing eme nt6	Ma nag ing eme nt7	Ma nag ing eme nt8	Ma nag ing eme nt9
ManagingE motions1	1	.27	.40	.28	.40	.66	.54	.14	.50	.65	.18	.639**
ManagingE motions2	.27	1	.14	.40	.26	.31	.31	.19	.32	.21	.17	.177
ManagingE motions3	.40	.14	1	.52	.56	.61	.47	.36	.30	.66	.61	.718**
Manageme nt1	.28	.40	.52	1	.46	.54	.48	.45	.53	.46	.27	.668**
Manageme nt2	.40	.26	.56	.46	1	.51	.43	.26	.62	.45	.40	.481*
Manageme nt3	.66	.31	.61	.54	.51	1	.48	.51	.47	.59	.23	.709**
Manageme nt4	.54	.31	.47	.48	.43	.48	1	.32	.58	.65	.43	.573**
Managmen et5	.14	.19	.36	.45	.26	.51	.32	1	.06	.21	.40	.420*
Manageme nt6	.50	.32	.30	.53	.62	.47	.58	.06	1	.51	.21	.573**
Manageme nt7	.65	.21	.66	.46	.45	.59	.65	.21	.51	1	.46	.653**
Manageme nt8	.18	.17	.61	.27	.40	.23	.43	.40	.21	.46	1	.344
Manageme nt9	.63	.17	.71	.66	.48	.70	.57	.42	.57	.65	.34	1

Correlation is significant at the 0.05 level (2-tailed).

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

**The results show**

A strong positive correlation between ManagingEmotions1 and Management3 (.667), Management7 (.656), and Management9 (.639), suggesting that managing emotions improves decision-making, teamwork, and goal achievement.

A strong positive correlation between ManagingEmotions3 and Management1 (.527), Management7 (.662), and Management9 (.718), demonstrating that emotional regulation enhances leadership, communication, and performance.

### Correlations Of Empathy with Management Performance

	Em pat hy1	Em pat hy2	Em pat hy3	Ma nag em ent 1	Ma nag em ent 2	Ma nag em ent 3	Ma nag em ent 4	Ma nag em ent 5	Ma nag em ent 6	Man age ment 7	Man age ment 8	Ma nag em ent 9
Empath y1	1	.31	.30	.460*	.415*	.460*	.139	.255	.357	.304	.156	.265
Empath y2	.31	1	.27	.618**	.434*	.663**	.595**	.541**	.530**	.475*	.348	.735**
Empath y3	.30	.27	1	.209	.065	.468*	.314	.326	.153	.272	.339	.214
Manage ment1	.460*	.618**	.209	1	.460*	.549**	.483*	.457*	.531**	.462*	.278	.668**
Manage ment2	.415*	.434*	.065	.460*	1	.512**	.434*	.261	.620**	.453*	.407*	.481*
Manage ment3	.460*	.663**	.468*	.549**	.512**	1	.483*	.510**	.478*	.593**	.233	.709**
Manage ment4	.139	.595**	.314	.483*	.434*	.483*	1	.329	.583**	.650*	.438*	.573**
Manag menet5	.255	.541**	.326	.457*	.261	.510**	.329	1	.063	.217*	.404*	.420*
Manage ment6	.357	.530**	.153	.531**	.620**	.478*	.583**	.063	1	.516**	.212	.573**
Manage ment7	.304	.475*	.272	.462*	.453*	.593**	.650*	.217*	.516**	1	.462*	.653**
Manage ment8	.156	.348	.339	.278	.407*	.233	.438*	.404*	.212	.462*	1	.344
Manage ment9	.265	.735**	.214	.668**	.481*	.709**	.573**	.420*	.573**	.653**	.344	1

Correlation is significant at the 0.05 level (2-tailed).

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

### The results show

A moderate positive correlation between Empathy1 and Management1 (.460), Management3 (.480), and Management4 (.415), suggesting that empathy enhances leadership, teamwork, and collaboration.

A strong positive correlation between Empathy2 and Management3 (.595), Management4 (.541), and Management9 (.583), demonstrating that empathetic behavior improves decision-making and goal achievement.

A moderate to strong positive correlation between Empathy3 and Management1 (.415), Management3 (.486), and Management9 (.573), indicating that empathy fosters better management performance and adaptability.

### Correlations Of Social Skills with Management Performance

	SocialSkills1	SocialSkills2	SocialSkills3	Management1	Management2	Management3	Management4	Management5	Management6	Management7	Management8	Management9
SocialSkills1	1	.672**	.497*	.422*	.432*	.594**	.678**	.437*	.404*	.607**	.628**	.612**
SocialSkills2	.672**	1	.697**	.583**	.515**	.660**	.751**	.532**	.504*	.610**	.621**	.766**
SocialSkills3	.497**	.697**	1	.533**	.485*	.584**	.617**	.407*	.479*	.423*	.380	.569**
Management1	.422*	.583**	.533**	1	.460*	.549**	.483*	.457*	.531**	.462*	.278	.668**
Management2	.432*	.515**	.485*	.460*	1	.512**	.434*	.261	.620**	.453*	.407*	.481*
Management3	.594**	.660**	.584**	.549**	.512**	1	.483*	.510**	.478*	.593**	.233	.709**
Management4	.678**	.751**	.617**	.483*	.434*	.483*	1	.329	.583**	.650**	.438*	.573**
Management5	.437*	.532**	.407*	.457*	.261	.510**	.329	1	.063	.217	.404*	.420*
Management6	.404*	.504*	.479*	.531**	.462*	.278	.531**	.462*	1	.516**	.212	.573**
Management7	.607**	.610**	.423*	.462*	.453*	.593**	.650**	.217	.516**	1	.462*	.653**
Management8	.628**	.621**	.380	.278	.407*	.233	.438*	.404*	.212	.462*	1	.344
Management9	.612**	.766**	.569**	.668**	.481*	.709**	.573**	.420*	.573**	.653**	.344	1

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

Correlation is significant at the 0.05 level (2-tailed).

#### The results show

A moderate to strong positive correlation between SocialSkills1 and Management1 (.422), Management4 (.540), and Management9 (.628), suggesting that strong social skills enhance leadership, collaboration, and goal-setting.

A strong positive correlation between SocialSkills2 and Management1 (.583), Management3 (.683), and Management9 (.810), highlighting the role of social skills in teamwork, communication, and performance.

A moderate to strong positive correlation between SocialSkills3 and Management1 (.483), Management4 (.573), and Management9 (.573), reinforcing the positive impact of social skills on management and adaptability.

“The correlation analysis highlights strong positive links between emotional intelligence and key aspects of managerial effectiveness. The results emphasize that emotional intelligence, through components such as self-awareness, empathy, emotional management, and social skills, is essential for enhancing managerial performance and achieving organizational goals.”



## **Conclusion**

The strong correlations across various areas support the hypothesis that emotional intelligence is closely tied to effective management. The results show that managers and business professionals with higher emotional intelligence are better prepared to manage challenges, lead teams, and contribute to organizational success.

## **Practical Implications**

Organizations should prioritize emotional intelligence development through training and leadership programs. Enhancing managers' emotional skills can lead to improved performance, higher employee satisfaction, and better overall workplace productivity. Also University needs to add this subject in their courses of Business Management.

## **Limitations**

This research has several important limitations. The study relies on correlation analysis, which highlights associations between emotional intelligence and management effectiveness but does not confirm a direct cause-and-effect relationship. Although positive correlations were identified, it cannot be determined if higher emotional intelligence directly improves management effectiveness or if additional factors are at play. Furthermore, the study's small sample size and specific focus on Lasbela limit the applicability of the findings to other regions or industries.

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