An Empirical Study about the Impact of Managers’ Emotional Intelligence on Workers’ Stress and Motivation in SME’s

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Present study investigates the impact of manager’s emotional intelligence (EI) on the stress and motivation level of employees. Fifty managers from small and medium enterprises were randomly selected from public and private sector in city of Jeddah. Each of these managers were responsible for the performance of minimum seven workers. Two questionnaires were used to calculate the stress and motivation level of workers, while one questionnaire was used to calculate the EI scores of managers. Results indicate a negative correlation between managers EI and workers’ stress levels, however, a strong positive correlation is observed between managers EI with workers motivation. Managers belonging to multinational organizations exhibit higher level of EI followed by managers of private and public sector organizations. EI domains of social skills and empathy are major contributors influencing the stress and motivation of workers. However, Self-awareness and self-management strongly affect the relationship management of managers. Organizations can reduce stress and increase motivation of their workers by improving the emotional intelligence of their managers, which in turn enhance the productivity and efficiency of the organizations.

Keywords: Emotional Intelligence, Managers, SME’s, Stress Level, Motivation, Job Satisfaction, Saudi Arabia

Introduction
Employee’s performance has always been critical in the progress of organizations, however, its importance significantly increases in the last couple of decades due to globalization of business environments. Nowadays, organizations prefer to create an environment, where employee’s engagement is encouraged, reducing their turnover and absenteeism. Role of managers are paramount in the creation of positive and healthy work environment, who use their analytical and psycho-social skills to improve the performance of their workers. In a study conducted by Mencl and Wefald, it is observed that managers with better interpersonal ties positively impact the performance of their co-workers, while emotionally exhausted managers negatively impact workers’ productivity and lower organizational commitment. Altindag found that managers with high emotional intelligence perform better by regulating their own and worker’s emotions, whereas, Goleman highlighted the moderating role of manager’s emotional intelligence between mental health and stress of his workers. Miao and Qian discovered that positive relationship existed between managers ‘EI and workers job satisfaction, which ultimately increases the efficiency of team members. Another study revealed a positive impact of manager’s EI on employee’s retention and organizational productivity. A research conducted on 566 participants in the Liaoning province of China revealed that negative correlation existed between EI and stress level, signifying the effect of emotional intelligence in reducing occupational and workplace stresses. Furthermore, managers’ EI not only created a positive work attitude among fellow team members but also moderated the effect of work-family conflicts in their careers. Azadeh and Pouria conducted a study on software developers and found that emotional intelligence not only reduces stress but also fosters trust among team members. Importance of empathy and social skills further increases among managers of Gulf Cooperation Council (GCC) countries, due to diversified workforce belonging from various cultures, religions and ethnic backgrounds. High turnover rate among migrant workers not only creates fiction among them but also hampers the productivity and profitability of organizations, further highlighting the role of emotional intelligence in reducing these conflicts.

Literature indicates that numerous studies are carried out in the last couple of decades to highlight the
importance of managers’ emotional intelligence in the psychological well-being of employees; however, most of these studies are context specific and conducted in the developed countries of the world. Thus, lack of empirical studies in the context of developing countries like Saudi Arabia signifies the importance of this research.

Present study focuses to see the effect of managers’ emotional intelligence on the stress and motivation level of workers in KSA, which is swiftly moving towards Saudization (Saudi Nationalization Scheme) by replacing expatriate managers with their own nationals.

Data Collection
Collection of data was done using three structured questionnaires. First questionnaire based on five point Likert scale was used to measure emotional intelligence of fifteen managers, who were randomly selected from SME’s. The questionnaire was divided into five main categories of emotional intelligence, i.e., self-awareness, self-management, motivation, empathy and relationship management. Each of these managers was responsible for managing at least seven workers. Subsequently, second and third questionnaire was distributed among 105 workers to measure their stress and motivation levels respectively. A preliminary survey was conducted to verify the consistency and reliability of the three questionnaires.

Data Analysis
Demographically, these fifteen managers were selected from public and private SME’s. Out of them, six managers possessed 3-6 years of managerial experience belonging to public sector organizations. Five of them, who had 7-9 years of experience, belong to private sector, while four of them with more than 10 years of managerial experience belong to multinational organizations. Similarly, forty percent of the workers had 3-6 years of work experience; thirty three percent had 7-9 years while remaining twenty seven percent had more than 10 years of work experience. Thirty-five workers were each taken from public, private and multi-national organizations.

Table 1 indicates the scores of fifteen managers in the five domains of emotional intelligence. These scores are tabulated in the descending order. Those managers (M1-M5), who scored high in EI possessed ten or more years of work experience indicating the learning curve of EI improves with exposure and experience. Similarly, managers (M11-M15) scoring low in EI are the ones with minimum managerial experience. Managers working in multi-national organizations showed highest level of EI as compared to the managers of public sector organizations, who exhibited minimum EI. It clearly indicates a multi-national organization realizes the importance of EI more than their counter parts in the public sector organizations. Table 2 indicates the mean stress and mean motivation levels of each seven workers functioning under the supervision of one manager. These scores are arranged in the same order of managers as shown in Table 3. The total scale for stress level is 100 and workers who score between 10-30 indicates less stress, workers scoring 40-60 indicate low motivation.
indicates moderate stress while those scoring 70-100 indicates higher level of stress. Similarly, the total scale for motivation level is also 100; however, 10-30 means workers have minimum job motivation, 40-60 means moderately motivated workers, while 70-100 indicates highly motivated workers. It is clearly visible in the below table that managers with high EI scores (M1-M5) develop high motivation and less stress among their workers, while managers with low EI scores develop less motivation and high stress among workers (M11-M15). Figure 1 indicates a strong negative correlation (-0.9858) between managers’ EI and the corresponding stress level of their workers. It shows that the higher the EI scores of the managers, the lesser the stress level of workers working under them and vice-versa. Conversely, Figure 2 shows that the Pearson’s correlation coefficient between EI level of managers and the motivation level of their respective workers was found to be 0.9834. It indicates that the higher level of managers’ EI will result in higher motivation level of people working under their supervision and vice-versa. Data analysis demonstrates not only the impact of EI of stress and motivation on workers, but also shows their negative and positive correlations with EI.

### Discussion

Present study demonstrates that managers’ emotional intelligence strongly affects the stress and motivation level of their respective workers. Moreover, managers belonging to the multinational organizations possess high level of emotional intelligence as compared to their counter parts in private and public sector organizations. Major reasons behind this variation are the cultural diversity and better awareness about EI that positively influences the team performance in multinational organizations. This is in sharp contrast to the managers of public sector organizations, who score minimum in EI, indicating lack of knowledge and awareness about EI. However, this deficiency can be minimized through effective training and intervention programs, which

<table>
<thead>
<tr>
<th>Worker Group</th>
<th>Mean Stress Score (Out of 100)</th>
<th>Mean Motivation Score (Out of 100)</th>
<th>EI score of Managers (out of 250)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers under M1</td>
<td>19.57</td>
<td>91.29</td>
<td>211</td>
</tr>
<tr>
<td>Workers under M2</td>
<td>25.71</td>
<td>86.71</td>
<td>207</td>
</tr>
<tr>
<td>Workers under M3</td>
<td>30.14</td>
<td>82.34</td>
<td>200</td>
</tr>
<tr>
<td>Workers under M4</td>
<td>34.86</td>
<td>78.00</td>
<td>199</td>
</tr>
<tr>
<td>Workers under M5</td>
<td>38.71</td>
<td>75.57</td>
<td>194</td>
</tr>
<tr>
<td>Workers under M6</td>
<td>54.28</td>
<td>71.86</td>
<td>173</td>
</tr>
<tr>
<td>Workers under M7</td>
<td>60.71</td>
<td>68.71</td>
<td>168</td>
</tr>
<tr>
<td>Workers under M8</td>
<td>64.14</td>
<td>65.00</td>
<td>163</td>
</tr>
<tr>
<td>Workers under M9</td>
<td>67.28</td>
<td>57.86</td>
<td>162</td>
</tr>
<tr>
<td>Workers under M10</td>
<td>70.14</td>
<td>49.71</td>
<td>148</td>
</tr>
<tr>
<td>Workers under M11</td>
<td>74.43</td>
<td>42.14</td>
<td>142</td>
</tr>
<tr>
<td>Workers under M12</td>
<td>77.29</td>
<td>36.43</td>
<td>130</td>
</tr>
<tr>
<td>Workers under M13</td>
<td>81.43</td>
<td>32.71</td>
<td>125</td>
</tr>
<tr>
<td>Workers under M14</td>
<td>85.58</td>
<td>27.14</td>
<td>123</td>
</tr>
<tr>
<td>Workers under M15</td>
<td>90.43</td>
<td>21.57</td>
<td>118</td>
</tr>
</tbody>
</table>

Fig. 1 — Stress level of workers plotted against the EI level of their respective managers

Fig. 2 — Motivation level of workers plotted against the EI level of their respective managers
not only improve EI but also enhances self-efficacy of their managers. In a country like Saudi Arabia, where twenty seven percent of the workforce comprises of expatriate workers belonging diversified cultures, religions and nationalities, it is paramount to have managers capable of creating work-life balance among team members. Increased stress among workers not only reduces their individual motivation but also hinder the overall performance of their team. Meanwhile, present study indicates that a strong correlation existed between stress and motivation of workers with EI of their respective managers. Therefore, organizations can improve EI to enhance the overall productivity of their subordinate workers. Further analysis reveals that managers having good empathy and social skills develop high motivation and less stress among their workers. However, self-awareness and self-regulation of these managers have a strong impact on their respective empathy and social competencies. Thus, instead of focusing on all five domains of managers, organizations can only concentrate on developing self-awareness and self-management among them, which can further improve their people management. As high EI among managers improve the organizational climate, which in turn increases the creativity of their workers regardless of the size and nature of organizations. Intense competition in the job market of Saudi Arabia compels organizations to look for workers beyond the nation’s borders. The challenge of managing diversified workforce discourages organizations to adopt ‘one size fits all’ approach in the selection of managers. Under these circumstances, management of organizations need to develop competencies in their managers that can help in reducing cross-cultural conflicts without compromising on the cultural identities of these workers. Moreover, economic recession in the local business market coupled with the changing labour laws enormously increase job stress among expatriate workers, which further highlights the significance of managers’ emotional competencies to better work-life conflicts among their workers.

Conclusion
In countries like Saudi Arabia, where majority workforce consists of expatriate workers and local population forms a small minority, managers’ emotional intelligence plays a crucial role in reducing stress and increasing motivation among its workers. Data collected from fifteen managers and more than one hundred workers indicate a strong relationship between managers’ EI with the respective stress and motivation level of their workers. Two domains of self-awareness and self-management strongly influence the remaining two domains of empathy and social skills of EI, which, in turn influences the stress and motivation of their workers. Based on these findings, it is convenient for managers to focus on their self-management in order to bring improvement in the efficiency of their workers. Although, the phenomenon of global mobility is not new, yet, it has witnessed considerable increase in the last couple of decades due to exponential growth of information technology. Besides creating improvised work arrangements making best use of ergonomics, organizations need to hire efficient workforce regardless of their culture and nationalities. Under these situations, managers must be capable enough to manage stresses and conflicts of this diversified workforce. For this, they need to possess good emotional intelligence in addition to their analytical and technical prowess. It not only improves the motivation level of individual workers but also enhances the overall productivity of organizations.

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