EMOTIONAL INTELLIGENCE AMONG THE EMPLOYEES OF ESAF MICROFINANCE AND INVESTMENT (P) LTD., THRISSUR

By

AISWARYA S

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MAJOR PROJECT REPORT

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VELLANIKKARA, THRISSUR-680656

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Declaration

DECLARATION

I, hereby declare that this Major Project report entitled **"EMOTIONAL INTELLIGENCE AMONG THE EMPLOYEES OF ESAF MICROFINANCE AND INVESTMENT (P) LTD., THRISSUR"** is a bonafide record of research work done by me during the course of major project work and that it has not previously formed the basis for the award to me for any degree/diploma, associateship, fellowship or other similar title of any other University or Society.

Vellanikara,

Date: 29.08.2016

Aiswarya S

(2014-31-119)

Certificate

CERTIFICATE

Certified that this Minor project report entitled **"EMOTIONAL INTELLIGENCE AMONG THE EMPLOYEES OF ESAF MICROFINANCE AND INVESTMENT (P) LTD., THRISSUR"** is a record of major project work done independently by Ms. AISWARYA S under my guidance and supervision and that it has not previously formed the basis for the award of any degree, fellowship or associateship to her.

Vellanikara,

Date: 29.08.2016

Dr. Helen. S

Professor,

Central Training Institute

Mannuthy, Thrissur

(Supervising Guide)

CERTIFICATE

We, the undersigned members of the advisory committee of Ms. Aiswarya.S, a candidate for the degree of MBA in Agribusiness Management, agree that the project work entitled "**EMOTIONAL INTELLIGENCE AMONG THE EMPLOYEES OF ESAF MICROFINANCE AND INVESTMENT (P) LTD., THRISSUR**" may be submitted by Ms. Aiswarya. S, in partial fulfilment of the requirement for the degree.

Dr. Helen. S
Professor
Central Training Institute
Mannuthy, Thrissur
(Supervising Guide)

Dr. E.G. Ranjit Kumar
Director of MBA-ABM
College of Co-operation, Banking & Management
Kerala Agricultural University

Dr. G.S. Arularasan
Assistant Professor(SS),
Communication Centre
Mannuthy
(External Examiner)

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Needless to say solely I am responsible for any imperfections, which may remain...

Aiswarya S

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LIST OF ABBREVIATIONS

Sl. No	Abbreviation	Expansion
1.	CAGR	Compound Annual Growth Rate
2.	EI	Emotional Intelligence
3.	ESPCL	ESAF Swasraya Producer Company Ltd.
4.	EQ	Emotional Quotient
5.	HRD	Human Resource Development
6.	IFC	International Finance Corporation
7.	IPO	Initial Public Offering
8.	JLG	Joint Liability Group
9.	KHRA	Kerala Hotel And Restaurant Association
10.	MED	Micro Finance Enterprise Development
11.	MFI	Micro Finance Institution
12.	MFIN	Micro Finance Institution Network
13.	NBFC	Non Banking Financial Company
14.	NRM	Natural Resource Management
15.	R & D	Research and Development
16.	ROA	Return On Asset
17.	ROE	Return on Equity
18.	SFB	Small Financial Bank
19.	SHG	Self Help Group
20	SPMU	State Project Management Unit

Chapter - 1

Design of the Study

Chapter 1
DESIGN OF THE STUDY

1.1 Introduction

We all have different personalities, different wants and needs, and different ways of showing our emotions. Navigating through this all takes tact and cleverness – especially if we hope to succeed in life. This is where Emotional Intelligence becomes important.

Emotional Intelligence or Emotional Quotient (EQ) is increasingly being recognized as a key determinant to professional success in today's high-stressed environment. Emotional Quotient is synergistic with Intelligence Quotient; top performers have both. The more complex the job, the more important is emotional intelligence, if only because a deficiency in these abilities can hinder the use of whatever technical expertise or intellect a person may have. EQ has ramifications for how people operate at the workplace in relation to others.

Being defining 'emotional intelligence', it would be desirable to define the term 'emotion'. Emotions originate from exposure to specific situations. Emotions, when combined with the thinking process, result in the experience of feelings; they are human beings' warning systems that alert them to what is really going on around them. They are a complex state of the human mind, involving physiological changes on the one hand and psychological changes on the other.

EQ can help in increasing productivity, speeding up adaptation to change, developing leadership skills, stimulating creativity and cooperation, responding effectively to competition, encouraging innovative thinking and improving retention of key employees. It can also help create an enthusiastic work environment, improve the way employees feel about themselves and how they relate to others, reduce stress levels and resolve emotional issues, improve health and well-being, improve relationships, heighten success, and enable employees to experience greater fulfilment. In work situations, EQ can facilitate in resolving past issues, help employees attain emotional power, enable them to accomplish their goals at all levels- physical, mental, emotional and spiritual and improve their mental abilities such as memory, clarity of thinking and decision-making or coordinating the work of their subordinates.

1.2 Statement of problem

We can say emotional intelligence as emotions plus intelligence. It says how we can manage our emotions using our intelligence. Emotional intelligence is the behavioural part effective at work and in other spheres of life. It is a positive combination of a deep insight into one's emotional and cognitive capacities and a charming flair of communication, empathy and motivation, leading to personal optimism, inter-personal confluence and organizational excellence.

ESAF Microfinance and Investment (P) Ltd. is one of the leading Non Banking Financial Company-MFIs (Microfinance Institution) in India, particularly in Kerala, effectively empowering 7 lakhs members through 160 dedicated branches. ESAF had a humble beginning in 1992 with a small office in Thrissur, Kerala, launched by a group of likeminded social entrepreneurs. It is an institution which has very close interaction with the public. The emotional intelligence deals with how it affects today's workforce. Emotional intelligence is applicable to every human interaction in business that is from staff motivation to customer service and strengthening relationships. Many experts now believe that a person's emotional intelligence may be more important than Intelligence Quotient and is certainly a better predictor of success, quality of relationship, and overall happiness. In fact, no studies have been conducted on the EQ among the employees of ESAF, which is a major prerequisite for an organisation, on the verge of expanding its operations towards small banking sector.

This study focuses on the employees' ability to identify, control and express their emotions and the level of emotional intelligence among the employees of ESAF Microfinance and Investment (P) Ltd, Thrissur.

1.3 Objectives of the study

1. To study the level of emotional intelligence among the employees of ESAF Microfinance and Investment (P) Ltd., Thrissur.
2. To give suggestions for improving the level of emotional intelligence among the employees of Microfinance and Investment (P) Ltd., Thrissur.

1.4 Methodology

1.4.1. Study area and period of study

The study was conducted at ESAF Microfinance and Investment (P) Ltd., Thrissur. The study was conducted during the month of April-May 2016.

1.4.2 Data collection

Both primary and secondary data were used for the study.

I. Primary data

The primary data for the study was collected by administering a well structured mailed questionnaire.

II. Secondary data

Secondary data was collected from published sources like journals, books, newspapers, magazines and e- resources.

1.4.3 Sample design

By using random sampling technique, a sample size of 100 employees of ESAF Microfinance and Investment (P) Ltd., Thrissur were selected for conducting the study. A well structured questionnaire was mailed to the selected employees of cadre A, B, C and D. Based on their responses, the study was conducted. The details of the selected employees are given below:

Table 1.1 Details of the selected employees

Sl. No	Cadre	Job Title	No of existing employees in each cadre	No of selected employees in each cadre
1	A	AGM, DGM, GM and Director	29	0
2	B	Regional Manager, Sr. Manager, Dy. Chief Manager, Chief Manager.	41	20
3	C	Branch Manager, Sr. Branch Manager, Area Manager, Sr. Area Manager.	378	60
4	D	Junior Officer, Asst Officer, Officer, Asst Branch Manager.	2561	20
		Total	**3009**	**100**

1.4.4 Data analysis

The employees' level of emotional intelligence was analysed by constructing an ' Employees Emotional Intelligence Index' which captured variables like emotional self-awareness, self-assessment, self confidence, work ethics, adaptability, achievement drive, initiative, empathy, service orientation, organizational awareness, communication, leadership and building bonds.The variables were analyzed by obtaining the responses of the respondents on a constructed scale for the purpose of the study on five point continuum.

The scale was constructed with ten statements. Based on judge's opinion, ten statements were reduced to four statements under each dimension.

The employees were asked to rate the statements representing selected dimensions. The opinion of the employees were assigned values of 1,2,3,4 and 5 representing the most negative to most positive degree of opinion. The total score of each variable was calculated by summing up the values obtained. The following formula was used for calculating the index of each variable and composite index:

$$\text{Index of each variable} = \frac{\text{Total Score for each Variable}}{\text{Maximum Score of the Variable}} \times 100$$

$$\text{Composite index} = \frac{\sum X}{M \times N \times S} \times 100$$

Where, $\sum X$ =sum of total scores of all statements (Sum of frequencies multiplied by weight)

M = Maximum score

N = Number of respondents

S = Number of statements

The indicies were then classified into three categories as follows for interpreting the results.

Range of Index	Category
0 –32	Low
33– 66	Medium
67– 100	High

1.5 Key observations

1. Emotional self-Awareness
2. Self-assessment
3. Self confidence
4. Work ethics
5. Adaptability
6. Achievement drive
7. Initiative
8. Empathy
9. Service orientation
10. Organizational Awareness
11. Communication
12. Leadership
13. Building Bonds.

1.6 Scope of the study

The study will help to understand employee's ability to identify and express their emotions and the level of emotional intelligence among the employees. This will enable the employees to improve and develop their emotional intelligence which will in turn enhance the success of the organisation.

1.7 Limitations of the study

The present study focuses only on selected variables of employees. The personal bias of the respondents is likely to have discounted some of the findings. Availability of secondary data and time period are limited.

1.8 Chapterisation

The study has been designed into the following chapters:

Chapter -1   --   Design of the Study

Chapter -2   --   Review of Literature

Chapter -3   --   Emotional Intelligence–A Theoretical Framework

Chapter -4   --   ESAF Microfinance and Investment (P) Ltd., Thrissur - A Profile

Chapter -5   --   Emotional Intelligence–An Analysis

Chapter -6   --   Summary of Findings and Suggestions

Chapter - 2

Review of Literature

Chapter 2

REVIEW OF LITERATURE

2.1 Introduction

From the beginning of the human history, the effects of mind and emotions on human behaviour constantly have been a matter of argue. The assumption of emotions directing people to wrong decisions and on the contrary the usage of mind and logic leading to better life conditions has been accepted during the history even if it was not completely true (Mayer, Roberts and Barsade, 2008; as cited in Beytekin, 2013). Emotions were traditionally considered by Greeks as opposite to thought. Old Greek philosophers emphasized on the superiority of reason and intellect over impulse of emotions. (Walkerdine, as cited by Alavinia and Mollahosseini, 2012). In 19th century, psychologists began to link emotions not only with psychology but also with thought. So, the concept of emotional intelligence formally developed out of growing emphasis on research on the interaction of emotion and thought in the field of psychology in 1990s. From a general point of view, EI is about the intelligent use of emotions and utilizing the power or information contained in emotion to make effective decisions (Ciarrochi and Mayer 2007,as cited in Mattews *et al.,* 2002). Since the publication of the bestselling book Emotional Intelligence by Daniel Goleman, the topic of emotional intelligence has witnessed unparalleled interest. Programs seeking to increase emotional intelligence have been implemented in numerous settings, and courses on developing one's emotional intelligence have been introduced in universities and even in elementary schools throughout the United States. The concept of emotional intelligence is being increasingly drawn upon in research and practice. Google Scholar shows 57,000 references to emotional intelligence in scientific work during the years 1995 to 2000, 121,000 references during the years 2001 to 2006 and 162,000 references in the years 2007 to 2012. (Schutte *et al.,*2013). In fact, Salovey and Mayer (1990) developed the original theory of emotional intelligence, and Goleman (1995) popularized the concept.

Peter Salovey and Mayer initially considered Emotional Intelligence (EI) as a form of intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions. Later, these authors revising their conceptualization define EI as the ability to perceive emotion, integrate emotion to facilitate thought, understand emotions, and to regulate

emotions to promote personal growth (Mayer and Salovey, 1997, as cited by Gayathri, 2013). Another prominent researcher of the emotional intelligence construct is Reuven Bar-On, the originator of the term "emotion quotient". Possessing a slightly different outlook, he defines emotional intelligence as being concerned with understanding oneself and others, relating to people, and adapting to and coping with the immediate surroundings to be more successful in dealing with environmental demands (Bar-On, 1997,as cited by Vierimaa, 2013).

Regardless of the discrepancies between definitions of emotional intelligence, it is clear that what is being referred to is distinct from standard intelligence, or I.Q. Researchers at first described the intelligence as cognitive aspects, such as memory and problem-solving. On the other hand, there were other researchers recognizing that the non-cognitive aspects played also important role in human intelligence. Wechsler (1940) referred to "non-intellective" as well as "intellective" elements, by which he meant affective, personal, and social factors (Cherniss, 2000). An influential psychologist in the areas of learning, education, and intelligence, E.L. Thorndike proposed that humans possess several types of intelligence, one form being called social intelligence, or the ability to understand and manage men and women, boys and girls, and to act wisely in human relations (Thorndike, 1920, as cited by Beytekin , 2013). Later in the century, Howard Gardner (1983) ,through his innovative look at the way intelligence was to be regarded, did a great deal in paving the way for the advent of emotional intelligence. He introduced eight different types of intelligence, one of which, the personal intelligence, made way for the extensive development of EI. (As cited by Cherniss, 2000). This chapter will review the emotional intelligence literature. A description of the three prominent models of emotional intelligence and the measures used to assess each are outlined to facilitate a more thorough understanding of the concept.

2.2 Evolution of Emotional Intelligence Theory

One possible reason for the dominance of rationality was provided by Planalp (1999, as cited by Mahadi, 2011) who argued that, the popular image of emotion as irrational, private, weak, feminine, and even downright embarrassing has de-legitimized emotion as a scholarly topic. The combination of the over-emphasis on rationality and the de-emphasis of emotionality create a conflict between what we think we know and what we actually observe. The limited value placed on emotion by the social sciences at least until recently is in contrast to the focus on emotion within our own lives.

There was a shift of focus from emotions being considered as disruptive to where it was considered as assisting cognition. The positive relationship between emotions and cognition was established by the "cognitive theorists" who supposed that emotions depended on personal interpretation or appraisal of a particular event (Gayathri, 2013).

Wierzbicka (as cited by Gayathri, 2013) contended that English word "emotion" contains a reference to "feeling", "thinking" and "human body" in its meaning. Thus, when we use the word emotions, we combine the qualities of all the three – feeling, thinking and physical experience. Many psychologists also prefer the word emotion over feeling because somehow emotion appears more objective than feeling, and it is easier to scientifically, logically analyze something that is objective than that which is subjective. If "intelligence" is thinking and rationalizing, and emotions combine the quality of thinking along with feeling, then it can be surmised that emotions have a lot of potentials to be analyzed and assessed like any other intelligence. This is the cornerstone of emotional intelligence theory which emphasizes on the importance of emotional regulation and emotional management in an individual's life.

Massey (2002, as cited by Mahadi, 2011) emphasis that there are four basic constraints on rationality based on what we know about human brain function and development. First, emotion predates cognition in human evolution. Second, even after developing the physiological capacity for rational cognition, it took additional time to develop the mental devices necessary for rational cognition and analysis. Next, emotion cognition precedes rational cognition, not only in historical time but also in real time of awareness. Finally, emotional traffic dominates the feedback between the emotional and rational brain. Clearly,

this shows the importance of emotion as a valid construct for scientific enquiry and its impact on human behaviour.

Taking these into account it is imperative to say that, interaction between emotion and cognition is a complex phenomenon (Greengrass, 2002); generally emotional experiences of people depend on what they focus on in a situation. After reviewing the studies on interaction of human cognition and emotions, Phelps (2006) concluded that it is unrealistic to separate the study of human cognition from emotion, rather emotions should be taken into consideration for better insight of human cognition.

Mayer (2001), reviewed the psychological activities of the past century, identified five periods in the evolution of emotional intelligence: Separate Narrow Fields, Precursors to EI, Emergence of EI, Popularization and Broadening of EI, and Research and Institutionalization of EI.

In Mayer and Salovey (1997) conceptualization, emotional intelligence should refer to heightened mental abilities involving reasoning about emotion, such as knowing what another person is feeling, and that this should involve considerable thinking rather than preferred ways of behaving. Their amended definition of emotional intelligence was then put forward as the ability to perceive emotions, to access and generate emotions so as to assist thought, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth. This seemed to make more sense because it connected intelligence and emotion. The fleeting glance at the evolutionary growth of EI provided here might suffice as an adequate ground for moving on to the next segment of the study which deals with emotional intelligence definitions and models.

2.3 Emotional intelligence and Emotions

Gogh (1889) suggested not to forget that the little emotions were the great captains of our lives and to obey them without realizing it.

Thorndike (1920) an influential psychologist in the areas of learning, education, and intelligence, proposed that human possessed several types of intelligence, one form being

called social intelligence, or the ability to understand and manage men and women, boys and girls, and to act wisely in human relations.

Woodworth (1940) suggested IQ tests were considered effective when they tested a person being 'not' afraid or angry or inquisitive over things that aroused emotions. Emotions were regarded as being disruptive in nature that hindered a person's thought process.

Young (1943) defined emotions as acute disturbances of the individual and believed that emotions made people lose control.

Manseen and Kunda (1989) explained that emotions were ineffable feelings of the self referential sort and were comprehensively defined as "self-referential feelings an actor (employee) experience in regard to the performances he or she brought off in the social world"

Salovey and Mayer (1989-1990) argued that there was a set of three conceptually related mental processes- appraising and expressing emotions in the self and others, and using, emotions in adaptive ways-involving emotional information.

Salovey and Mayer (1990) pointed out that emotional intelligence included an ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and action.

Leiter (1992) in his opinion self-efficacy was a more potent predictor could be attributed to the fact that a strong sense of efficacy enhanced human accomplishment and personal well being in many ways including the ability to cope with stress. People with low sense of efficacy on the other hand may have the tendency to look at things as they were tougher than they really were, a belief that fosters stress, depression and a myopic vision of how best to tackle problems. Supporting the positive impact on self-efficacy on stress Leiter indicated that individuals with high self-efficacy tend to use active coping strategies, whereas those with low self-efficacy tend to employ avoidance strategies and have a greater tendency to worry about job related stressors.

Mayer and Salovey (1993) said that emotional intelligence was a social intelligence that enabled people to recognize their own, and other people's emotions. Moreover, emotional intelligence enabled people to differentiate those emotions, and to make appropriate choices for thinking and action.

Gardner (1993) opined that intrapersonal intelligence, on the other hand, focuses on oneself. It included the ability to access one's feelings and range of emotions making discriminations among them, labelling them, and drawing upon them as a means of understanding and guiding one's own behaviour. A person with good intrapersonal intelligence has an effective and viable understanding of self.

Goleman (1995) referred emotional quotient, in order to correspond with IQ. It included one's competency in perceiving self and others. It could be characterized as having abilities such as being to motivate one and persist in the face of frustration; to control impulse and delay gratification; to regulate one's moods and keep distress from swamping the ability to think; to empathize and to hope.

Mayer and Salovey (1997) stated that emotional intelligence was the ability to perceive emotions, to access and generate emotions so as to assist thought, to understand emotions and emotional knowledge, and to reflectively regulate emotions as to promote emotional and intellectual growth.

Goleman (1998) proposed a theory of performance in organizations based on a model of EI. This model was created and adapted to predict the effectiveness and personal outcomes in the workplace and in organizational fields.

Cherniss (2000) pointed out that it was more useful and interesting to consider how important emotional intelligence was for effective performance at work.

Matthews *et al.* (2002) stated that the interest of the scientific community for this model was based on several reasons: 1) the solid and justified theoretical base, 2) the novelty of the measurement compared to other approaches, and 3) its systematic evaluation and support by empirical data obtained from basic and applied fields. Moreover, the critics of the concept

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considered Mayer and Salovey's model a genuine approach to the study of intelligence that could add interesting contributions to the emotional individual differences field.

Slaski and Cartwright (2002) pointed out that the emotional intelligence competencies generated the skill among individual to choose various courses of action to deal stress without collapsing, to be positive to solve a problem, and feel that one could control the situation.

Slaski and Cartwright (2003) studied the role of emotional intelligence training and its implication for managing stress, mental health and performance. To eliminate Hawthorn effect, post-test was given 6 months after the training sessions ended. The results showed EI training significantly improved mental health and stress management, but did not affect productivity.

Singh (2003) defined emotional intelligence was the ability of an individual to appropriately and successfully responded to a vast variety of emotional stimuli being elicited from the inner self and immediate environment. Emotional intelligence constituted three psychological dimensions: emotional sensitivity, emotional maturity and emotional competency, which motivated an individual to recognise truthfully, interpreted honestly and handled tactfully the dynamics of human behaviour.

Kapadia (2004) quoted emotional intelligence from Vedic psychological perspective that could be described as transformation of mind, body and spirit to realise our true potential for the universal well being an abundance of joy.

Sanwal (2004) defined emotional intelligence was the awareness of the use of emotions and their utilization within the parameters of individual cognitive styles to cope with situations and problems.

Oginska et al., (2005) conducted a study which was aimed to explore the relationship between emotional intelligence and perceived stress in the workplace and health related consequences in human service workers. The results confirmed an essential, but not very strong, role of emotional intelligence in perceiving occupational stress and preventing employees of human services from negative health outcomes. They concluded that the ability to effectively deal with emotions and emotional information in the workplace assisted

employees in coping with occupational stress therefore; it should be developed in stress managing trainings.

Chabungbam (2005) defined emotional intelligence was the ability of a person to control impulses and persist in the face of frustration.

Bangar (2005) pointed out that emotional intelligence as the capacity to create optimal results in your relationships with yourself and others.

Berges *et al.* (2007) conducted a study with nursing students had shown that emotional intelligence was a skill that minimized the negative stress consequences. They examined the role of perceived emotional intelligence (PEI) measured by trait Meta Mood Scale, in the use of stress coping strategies.

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Chapter - 3

Emotional Intelligence — A Theoretical Framework

Chapter- 3

EMOTIONAL INTELLIGENCE- A THEORETICAL FRAMEWORK

3.1 Emotional intelligence

Socrates' injunction 'know thyself' speaks to the key stone of Emotional Intelligence: awareness of one's emotions as they occur. It is obvious that we, human beings have emotions which help us to be smart. Emotions are core part of our intelligence. The more we are aware of our emotions, the more control we have over them, and the more empathy we have with the emotions of others, then the more emotionally intelligent we will be.

The term emotional intelligence (EI) does not yet appear in dictionaries. A dictionary definition might include "an array of non-cognitive capabilities, competencies, and skills that influence one's ability to succeed in coping with environmental demands and pressures".

EI means being effective at work and in other spheres of life. It is the intra and inter personal competencies that have a major influence on a person's overall effectiveness and contentment. EI is based on the recognition and management of our emotions, the ability to understand others and skill in dealing with people. In today's world, personal contentment and success depends on a good IQ and a crucial set of emotional competencies.

EI includes such skills and competencies as:

a. Gaining and sustaining relationships

b. Self-awareness on strengths and weaknesses

c. Ability to lead and influence others

d. Emotional awareness and self control

e. Ability to collaborate and term with others

f. Self-motivation, task management

g. Keeping emotional balance at the time of pressure and stress

h. Skill in communication and conflict management

EI describes the abilities distinct from, but complementary to academic intelligence measured by IQ. Thus, two kinds of intelligence - intellectual and emotional, express the activity of different parts of brain. The intellect is based solely on the working of the neocortex, the more recently evolved layers at the top of the brain. The emotional centres are lower in the brain, in the more ancient sub cortex. Because of brain's design, all information goes into our emotional centre first and then to our thinking centre. Emotions come before thought and behaviour. So it is important to understand and control emotions. By developing their EI individuals can become more productive and successful at what they do, and help others, to become more productive and successful too.

3.2 Definitions

Several schools of thought exist here to accurately describe and measure the notion of emotional intelligence. At the most general level, EI refers to the ability to recognize and regulate emotions in ourselves and others.

Peter Salovey and John Mayer, who originally coined the term 'emotional intelligence', initially defined EI as:

> " A form of intelligence that involves the ability to monitor one's own
> and others' feelings and emotions, to discriminate among them and to
> use the information to guide one's thinking and actions".

Later these authors revised their definition of EI, the current characterization now being the most widely accepted. EI is thus defined as:

> The ability to perceive emotion, integrate emotion to facilitate thought, understand
> emotions, and to regulate emotions to promote personal growth"

Daniel Goleman who popularized the concept of EI and defined EI as:

> "The capacity for recognizing our own feelings and those of others,
> for motivating ourselves, and for managing emotions well in ourselves
> and in our relationships".

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Another prominent researcher of the EI Reuvan Bar-On was the originator of the term "emotional quotient", possessing a slightly different outlook. He defined EI as:

"Being concerned with understanding oneself and others, relating to people, and adapting to and coping with the immediate surroundings to be more successful in dealing with environmental demands"

3.3 Components of emotional intelligence

"General intelligence" is composed of cognitive intelligence, which is measured by IQ, and emotional intelligence, which is measured by EQ. The well functioning successful and emotionally healthy individual is one who possesses a sufficient degree of emotional intelligence and an average or above average EQ score. The higher the EQ score, the more positive the prediction for general success in meeting environment demands and pressures. Moreover, lower scores on the following subscales should be considered more problematic for coping with one's environment: reality testing, problem solving, stress tolerance, and impulse control. EQ scores, when combined with IQ scores, will give a better indication of one's general intelligence and, hence, offer a better indication of one's potential to succeed in life. The following are the components of emotional intelligence:

3.3.1 Intrapersonal

The foundation of emotional intelligence is self-knowledge. Awareness of our own emotions, and recognizing and acknowledging feelings as they happen are at the very heart of emotional intelligence. Intrapersonal aspects of emotional intelligence are about self knowledge and it includes:

❖ *Emotional self-awareness*

Emotional self-awareness is the ability to recognize one's own feelings. It is not only the ability to be aware of one's feeling and emotions, but also to differentiate between them, to know what one is feeling and why, and to know what caused the feelings. Serious deficiencies in this area are found in alexithymic (inability to express feelings verbally) conditions. This EQ skill is also manifested by people who purposefully seek feedback about their performance- in life or on the job. These individuals thrive on open, honest, compassionate feedback about their strengths and

weaknesses. They seek a more accurate view of themselves than they alone could provide.

❖ *Assertiveness*

Assertiveness is the ability to express feelings, beliefs and thought and defends one's rights in a non-destructive manner. Assertiveness is composed of three basic components: (1) the ability to express feelings (2) the ability to express beliefs and thoughts openly (3) the ability to stand up for personal rights. Assertive people are not over controlled or shy – they are able to outwardly express their feelings, without being aggressive or abusive.

❖ *Self- Regard*

Self regard is the ability to respect and accept oneself as basically good. Respecting oneself essentially likes the way one is. This conceptual component of emotional intelligence is associated with general feelings of security, inner strength, self-assuredness, self-confidence, and feelings of self adequacy. A person with good self regard feels fulfilled and satisfied with himself/ herself. At the opposite of the continuum are feelings of personal inadequacy and inferiority.

❖ *Self- actualization*

Self actualization pertains to the ability to realize one's potential capacities. This component of emotional intelligence is manifested by becoming involved in pursuits that lead to a meaningful, rich, and full life. Striving to actualize one's potential involves developing enjoyable and meaningful activities and can mean a lifelong effort and an enthusiastic commitment to long term goals. Self actualization is an ongoing, dynamic process of striving towards maximum development of one's abilities, capacities and talents. This factor is associated with persistently trying to do one's best and trying to improve one in general. Excitement about one's interests energizes and motivates him/her to continue these interests. Self actualization is affiliated with feelings of self satisfaction.

❖ *Independence*

Independence is the ability to be self directed and self controlled in one's thinking and actions and to be free of emotional dependency. Independent people are self

reliance in planning and making important decisions. They may, however, seek and consider other people's opinions before making the right decision for themselves in the end; consulting others is not necessarily a sign of dependency. Independence is essentially the ability to function autonomously versus need protection and support-independent people avoid clinging to others in order to satisfy their emotional needs. The ability to be independent rests on one's degree of self-confidence, inner strength, and desire to meet expectations and obligations, without becoming a slave to them.

3.3.2 Interpersonal

The interpersonal aspects of emotional intelligence are sensitivity to and understanding of others' emotions or empathy and the ability to handle relationships or social skill. The ability to empathize, recognize, and understand the emotions of others are the cornerstone of successful interpersonal relations. Interpersonal components consist of:

❖ **Empathy**

Empathy is the ability to be aware of, to understand, and to appreciate the feelings of others. It is "tuning in" to what, how, and why people feel the way they do. Being empathetic means being able to "emotionally read" other people. Empathetic people care about others and show interest in and concern for others. They also show a keen ability to understand and respond to the issues and concerns behind other's feelings.

❖ **Interpersonal Relationship**

Interpersonal relationship skill involves the ability to establish and maintain mutually satisfying relationships that are characterized by intimacy and by giving and receiving affection. Mutual satisfaction includes meaningful social interchanges that are potentially rewarding and enjoyable. Positive interpersonal relationship skill is characterized by the ability to give and receive warmth and affection and to convey intimacy to another human being. This component is not only associated with the desirability of cultivating friendly relations with others, but with the ability to feel at ease and comfortable in such relations and to possess positive expectations concerning social intercourse. This emotional skill generally requires sensitivity towards others, a desire to establish relations, and feeling satisfied with relationships.

❖ Social Responsibility

Social responsibility is the ability to demonstrate oneself as a cooperative, contributing, and constructive member of one's social group. This ability involves acting in a responsible manner, even though one may not benefit personally. Socially responsible people have social consciousness and a basic concern for others, which is manifested by being able to take on community-oriented responsibilities. This component relates to the ability to do things for and with others, accepting others, acting in accordance with one's conscience, and upholding social rules. These people possess interpersonal sensitivity and are able to accept others and use their talents for the good of the collective, not just the self. People who are deficient in this ability may entertain antisocial attitudes, act abusively towards others, and take advantage to others.

3.3.3 Adaptability

Adaptability has been described as the ability to cope with unexpected disturbances in the environment. It is one of the components of emotional intelligence. It includes:

❖ Problem Solving

Problem solving aptitude is the ability to identify and define problems as well as to generate and implement potentially effective solutions. Problem solving is multiphase in nature and includes the ability to go through a process of (1) sensing a problem and feeling confident and motivated to deal with it effectively (2) defining and formulating the problem as clearly as possible, (3) generating as many solutions as possible, and (4) making a decision to implement one of the solutions. Problem solving is associated with being conscientious, disciplined, methodological, and systematic in persevering and approaching problems. This skill is also linked to a desire to do one's best and to confront problems, rather than avoiding them.

❖ Reality Testing

Reality testing is the ability to assess the correspondence between what is experienced and what objectively exists. Testing the degree of correspondence between what one experiences and what actually exists involves a search for objective evidence to confirm, justify, and support feelings, perceptions, and

thoughts. Reality testing involves "tuning in" to the immediate situation, attempting to keep things in the correct perspective, and experiencing things as they really are, without excessive fantasizing or day dreaming about them. An important aspect of this factor is the degree of perpetual clarity evident when trying to assess and cope with the situations; it involves the ability to concentrate and focus when examining ways of coping with situations that arise.

❖ *Flexibility*

Flexibility is the ability to read just one's emotions, thoughts, and behaviour to changing situations and conditions. This component of emotional intelligence refers to one's overall ability to adapt to unfamiliar, unpredictable, and dynamic circumstances. Flexible people are agile, synergistic, and capable of reacting to change, without rigidity. These are able to change their minds when evidence suggests that they are mistaken. They are generally open to and tolerant of different ideas, orientations, ways and practices.

3.4 Models of emotional intelligence

Currently there are three main models of EI:

1) Ability model
2) Mixed model
3) Trait EI model

Peter Salovey and John Mayer first coined the term "emotional intelligence" in 1990 and continued to conduct research on the significance of the construct. Their pure theory of emotional intelligence integrates key idea from the fields of intelligence and emotions. Mayer and Salovey's conception of EI is based within a model of intelligence, that is, it strives to define EI within the standard criteria for a new intelligence. The ability- based model views emotions as useful sources of information that help one to make a sense of land navigate the social environment. The model proposes that individuals vary in their ability to process information of an emotional nature and in their ability to relate emotional processing to a wider cognition. This ability is seen to manifest itself in certain adaptive behaviours. The model claims that EI includes four types of abilities:

3.4.1 Ability model

❖ **Emotional Perception**

The ability to detect and decipher emotions in faces, pictures, voices, and cultural artifacts- including the ability to identify one's own emotions. Perceiving emotions represents a basic aspect of emotional intelligence, as it makes all other processing of emotional information possible.

❖ **Emotional Integration**

The ability to harness emotions to facilitate various cognitive activities, such as thinking and problem solving. The emotionally intelligent person can capitalize fully upon his or her changing moods in order to best fit the task at hand.

❖ **Emotional understanding**

The ability to comprehend emotion language and to appreciate complicated relationships among emotions. For example, understanding emotions encompasses the ability to be sensitive to slight variations between emotions, and the ability to recognize and describe how emotions evolve over time.

❖ **Emotional Management**

The ability to regulate emotions in both ourselves and in others. Therefore, the emotionally intelligent person can harness emotions, even negative ones, and manage them to achieve intended.

Measures of Mayer and Salovey's Model

Mayer and Salovey began testing the validity of their four-branch model of emotional intelligence with the Multibranch Emotional Intelligence Scale (MEIS). Composed of 12 subscale measures of emotional intelligence, evaluations with the Multibranch Emotional Intelligence Scale indicate that emotional intelligence is a distinct intelligence with 3 separate sub factors: emotional perception, emotional understanding, and emotional management. The Multibranch Emotional Intelligence Scale found only limited evidence for the branch of emotional intelligence related to integrating emotions. Additionally, examination of the Multibranch Emotional Intelligence Scale found evidence for discriminate validity in that emotional intelligence was independent of general

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intelligence and self-reported empathy, indicating its ability to measure unique qualities of an individual not encompassed by earlier tests. There were, however, certain limitations to the Multibranch Emotional Intelligence Scale. Not only was it a lengthy test (402 items) but it also failed to provide satisfactory evidence for the integration branch of the Four Branch Model (Mayer, Salovey, and Caruso, 2002). For these and other reasons, Mayer and Salovey decided to design a new ability measure of emotional intelligence. The current measure of Mayer and Salovey's model of emotional intelligence, the Mayer Salovey-Caruso Emotional Intelligence Test (MSCEIT) was normed on a sample of 5,000 men and women. The MSCEIT is designed for individuals 17 years of age or older and aims to measure the four abilities outlined in Salovey and Mayer's model of emotional intelligence. Each ability (perception, facilitation of thought, understanding, and regulation) is measured using specific tasks. Perception of emotion is measured by rating the extent and type of emotion expressed on different types of pictures. Facilitation of thought is measured by asking people to draw parallels between emotions and physical sensations (e.g., light, colour, temperature) as well as emotions and thoughts. Understanding is measured by asking the subject to explain how emotions can blend from other emotions (e.g., how emotions can change from one to another such as anger to rage). Regulation (or management) of emotions is measured by having people choose effective self and other management techniques (Brackett and Mayer, 2003). With less than a third of the items of the original Multibranch Emotional Intelligence Scale, the Mayer-Salovey-Caruso Emotional Intelligence Test is comprised of 141 items. The scale yields six scores: an overall emotional intelligence score (expressed as an emotional intelligence quotient, or EIQ), two area scores (Experiential Emotional Intelligence, or EEIQ and Strategic Emotional Intelligence, or SEIQ) and four branch scores corresponding to the four branches of emotional intelligence. Each score is expressed in terms of a standard intelligence with a mean score of 100 (average score obtained in the general population) and a standard deviation of 15. Additionally, the manual provides qualitative ratings that correspond to each numeric score. For example, an individual who receives an overall EIQ of 69 or less would be rated 'considerable development' whereas someone scoring 130 or more would be rated 'significant strength' (Mayer, Salovey, and Caruso, 2002).

3.4.2 Mixed model

❖ *Goleman's mixed model*

The model introduced by Daniel Goleman focuses on EI as a wide array of competencies and skills that drive leadership performance. Goleman's model outlines four main EI constructs:

1. *Self-awareness-* The ability to read one's emotions and recognize their impact while using gut feelings to guide decisions.

2. *Self-management-* It involves controlling one's emotions and impulses and adapting to changing circumstances.

3. *Social awareness-* The ability to sense, understand, and react to others' emotions while comprehending social networks.

4. *Relationship management-* The ability to inspire, influence, and develop others while managing conflict.

Goleman includes a set of emotional competencies within each construct of EI. Emotional competencies are not innate talents, but rather learned capabilities that must be worked on and can be developed to achieve outstanding performance. Goleman pointed that individuals were born with a general emotional intelligence that determines their potential emotional competencies.

Table 3.1: Goleman's Emotional Intelligence Competencies

	SELF **Personal Competence**	OTHERS **Social Competence**
RECOGNITION	**Self-Awareness** Emotional Self-awareness Accurate Self-assessment Self-confidence	**Social Awareness** Empathy Service Orientation Organizational Awareness
REGULATION	**Self-Management** Self-control Trustworthiness Conscientiousness Adaptability Achievement Drive Initiative	**Relationship Management** Developing Others Influence Communication Conflict Management Leadership Change Catalyst Building Bonds Teamwork and Collaboration

❖ *Bar-On Model of Emotional- Social Intelligence*

Reuvan Bar- On developed one of the first measures of EI who used the term EQ. Bar-On defined emotional intelligence as being concerned with effectively understanding oneself and others, relating well to people, and adapting to and coping with the immediate surroundings to be more successful in dealing with environmental demands. Bar-On posit that EI develops over time and that it can be improved through training, programming, and therapy. Bar-On hypothesized that those individuals with higher than average EQs were in general more successful in meeting environmental demands and pressures. He also noted that a deficiency in EI could mean a lack of success and the existence of emotional problems. Problems in coping with one's environment were thought, by Bar-On, to be especially common among those individuals lacking in subscales of reality testing, problem solving, stress tolerance, and impulse control. In general, Bar-On considered emotional intelligence and cognitive intelligence to contribute equally to a person's general intelligence, which then offer an indication of one's potential to succeed in life.

Table 3.2 Bar-On's Model of Emotional Intelligence

Components	Sub- Components
Intrapersonal	Self Regard Emotional Self- awareness Assertiveness Independence Self- actualization
Interpersonal	Empathy Social Responsibility Interpersonal Relationship
Adaptability	Reality Testing Flexibility Problem Solving
Stress Management	Stress Tolerance Impulse Control
General Mood Components	Optimism Happiness

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Measures of Bar-On's Model

Reuven Bar-On's measure of emotional intelligence, the Bar-On Emotion Quotient Inventory (EQ-i), is a self-report measure of emotional intelligence for individuals sixteen years of age and over. Developed as a measure of emotionally and socially competent behaviour that provides an estimate of one's emotional and social intelligence, the Emotion Quotient Inventory is not meant to measure of personality traits or cognitive capacity, but rather to measure one's ability to be successful in dealing with environmental demands and pressures (Dawda and Hart, 2000; Bar-On, 2002). One hundred and thirty three items were used to obtain a Total EQ (Total Emotion Quotient) and to produce five composite scales corresponding to the 5 main components of the Bar-On model: Intrapersonal EQ, Interpersonal EQ, Adaptability EQ, Stress Management EQ, and General Mood EQ. Items were measured on a 5 point scale ranging from 1 (very seldom/not true for me) to 5 (very often/often true of me). Total raw scores were converted into standard scores with a mean of 100 and standard deviation of 15, similar to that of IQ scores (Bar-On, 2002). Bar-On developed several versions of the Emotion Quotient Inventory to be used with various populations and in varying situations. Among these were the EQ-interview (to be completed after the self-report), the EQ-i Short Version (a 52 item version of the original), the EQ-i:125 (a 125 item version of the original which excluded the negative impression scale), the EQ-i Youth Version (for children and adolescents 7- 15 years of age), and the EQ-360.

Assessment (a multi-rater instrument used in conjunction with the regular self-report EQ-i to give a more complete assessment). In addition, the original EQ-i was available in several languages, including Spanish, French, Dutch, Danish, Swedish, Norwegian, Finnish, and Hebrew (Bar-On, 2002).

Measures of Goleman's Model

Several measurement tools have been developed based on Goleman's model of emotional intelligence and it's corresponding competencies. Included among these were the Emotional Competency Inventory (ECI; Boyatzis, 1994), the Emotional Intelligence Appraisal (EIA; Bradberry, Greaves, Emmerling, *et al.,* 2003), and the Work Profile Questionnaire - Emotional Intelligence Version (WPQei; Performance Assessment Network, 2000). Emotional Competency Inventory: Daniel Goleman developed the Emotional Competency Inventory (ECI) as a measure of emotional intelligence based on his emotional intelligence competencies as well as an earlier measure of competencies for managers, executives, and leaders (the Self-Assessment Questionnaire) by Richard Boyatzis (1994). The Emotional Competency Inventory was a multi-rater (360 degree) instrument that provides self, manager, direct report, and peer ratings on a series of behavioural indicators of emotional intelligence. It measured 20 competencies, organized into the four constructs outlined by Goleman's model: self awareness, social awareness, self management, and social skills. Each respondent was asked to describe themselves or the other person on a scale from 1 (the behaviour was only slightly characteristic of the individual) to 7 (the behaviour was very characteristic of the individual) for each item, and in turn these items were composed into ratings for each of the competencies. The respondent was left with two ratings for each competency: a self rating and a total other rating (made up of an average of all other ratings; Boyatzis, Goleman, & Rhee, 1999). Emotional Intelligence Appraisal: The Emotional Intelligence Appraisal (EIA) measure was developed by Travis Bradberry and Jean Greaves along with members of the Talent Smart Research Team in an effort to create a quick and effective measure of emotional intelligence for use in a variety of settings. Based on Daniel Goleman's model of emotional intelligence, the Emotional Intelligence Appraisal uses 28 items to measure the four main components of the model (self-awareness, social awareness, self-management, and relationship management) and took an average of 7 minutes to complete. Items target the existence of skills reflective of the above components and were rated using a six point frequency scale where 1 reflected "never" exhibiting a behaviour and 6 reflected "always" exhibiting a behaviour. The Emotional Intelligence Appraisal resulted in five final scores; an overall EQ score as well as a score for each of the four emotional intelligence components. It also was available in three different formats: a Me Edition (self-report), a MR Edition (in 360 degree format) and the Team Edition (the EQ of an intact group; Bradberry, Greaves, Emmerling, *et al.,* 2003). Work Profile Questionnaire -

Emotional Intelligence Version: The emotional intelligence version of the Work Profile Questionnaire (WPQei) was designed as a self-report measure of seven competencies in the Goleman model of emotional intelligence. Intended as a measure of competencies essential for effective work performance, the 84 item Work Profile Questionnaire - Emotional Intelligence Version gave participants a score (out of 10) for total emotional intelligence and a score (out of 10) for each of the seven competencies of interest: innovation, self-awareness, intuition, emotions, motivation, empathy, and social skills (Performance Assessment Network, 2000).

3.4.3 Trait EI model

Petrides and colleagues proposed a conceptual distinction between the ability based model and a trait based model of EI. Trait EI is "a constellation of emotional self-perceptions located at the lower levels of personality". In lay terms, trait EI refers to an individual's self-perceptions of their emotional abilities. This definition of EI encompassed behavioural dispositions and self perceived abilities and is measured by self report, as opposed to the ability based model which referred to actual abilities, which had proven highly resistant to scientific measurement. Trait EI should be investigated within a personality framework. An alternative label for the same construct was trait emotional self-efficacy.

ESAF Microfinance and Investment (P) Ltd., Thrissur – A Profile

Chapter 4

ESAF MICROFINANCE AND INVESTMENT (P) LTD., THRISSUR- A PROFILE

4.1 Microfinance industry

Microfinance is a source of financial services or entrepreneurs and small businesses lacking access to banking and related services. The two main mechanisms for the delivery of financial services to such clients are:

- Relationship-based banking: For individual entrepreneurs and small businesses.
- Group-based models: where several entrepreneurs come together to apply for loans and other services as a group.

In some regions, for example, South Africa microfinance is used to describe the supply of financial services to low income employees, which is closer to the retail finance model prevalent in mainstream banking. For some, microfinance is a movement whose object is "a world in which as many poor and near-poor households as a possible have permanent access to an appropriate range of high quality financial services, including not just credit but also savings, insurance, and fund transfers." Many of those who promote microfinance generally believe that such access will help poor people out of poverty, including participants in the Microcredit summit campaign. For others, microfinance is a way to promote economic development, employment and growth through the support of micro-entrepreneurs and small businesses.

Microfinance is a broad category of services, which includes microcredit. Microcredit is provision of credit services to poor clients. Microcredit is one of the aspects of microfinance and the two are often confused. Critics may attack microcredit while referring to it indiscriminately as either 'microcredit' or 'microfinance'. Due to the broad range of microfinance services, it is difficult to assess its full impact. Proponents often claim that microfinance lifts people out of poverty, but the evidence is mixed. What it does do, however, is to enhance financial inclusion.

The microfinance sector in India has developed a successful and sustainable business model which has been able to overcome challenge traditionally faced by the financial service sector in servicing the low income population by catering to its specific needs, capacities and leveraging pre-existing community support networks. The microfinance business model in India typically generates a Return of Equity ("ROE") of between 20% and 30%. Driven by financing from commercial banks, strong operating efficiency and high portfolio quality.

Despite achieving rapid growth with a CAGR of 86% in loan portfolio outstanding and 96% in borrowers over the last five years, the microfinance sector still faces a large unmet demand which means that it still has great potential for continued growth. The microfinance sector is maturing and beginning to diversify its product and service base to address other unmet financial and non-financial needs of the low income population either directly or by acting as a conduit for third-party providers – savings, insurance, remittance and low cost education and healthcare services being some of the key samples. Given this growth and maturity dynamic, the Indian microfinance sector is increasingly becoming a viable investment sector with commercial investors joining social investors who have been nurturing the industry thus far.

Equity valuations in the Indian microfinance sector are higher than the financial sector due to the high growth expectations and substantial availability of dept to fuel its rapid expansion. The availability of debt to support expansion is expected to grow as more domestic banks take exposure to the industry and alternative debt providers enter the market. Over the short and medium term, MFI shares are expected to trade at significant premia to book value as they realign their business models to capitalize on unsatisfied demand, and cool down over the longer term as the industry matures and begins to consolidate.

The MFI industry grew rapidly in the first decade of this century. Its gross loan portfolio jumped to Rs 21,200 crore in 2010/11 from Rs 839 crore in 2004/05, according to data from the Microfinance Institutions Network (MFIN), an industry group. Then the bad times started. In October 2010, the Andhra Pradesh government issued an ordinance to rein in MFIs after reports that coercive collection tactics had led many borrowers to commit suicide. MFIs denied the allegations. The state was the biggest market for MFIs at the time and the law crippled the industry. Loan repayment rates plunged, money flow from banks slowed, and the gross loan portfolio dropped to Rs 18,510 crore in 2011/12. The industry is now bouncing

back. The loan portfolio climbed to Rs 21,245 crore in 2012/13. The resurgence began when the Reserve Bank of India announced in 2011 a series of measures, including a cap on interest rates MFIs charge borrowers, to govern the hitherto unregulated industry. The central bank created a new category of non-banking financial companies, called NBFC-MFI, for the industry. This gave a new lease of life to the industry as banks resumed lending to MFIs. Equity investments have also resumed. During 2012/13, at least 10 MFIs got funding from financial institutions such as International Finance Corporation, the World Bank's private-sector lending arm, and US-based non-profit Accion International, according to MFIN's annual report. IFC introduced initiatives to disburse loans with adequate checks and balances more than a year before the Andhra Pradesh crisis, IFC has so far invested over $ 100 million in Indian MFIs. The MFI industry is also taking many proactive measures, which works as a self-regulatory organization. MFIs now share their loan information and borrower profiles with credit bureaus such as Equifax and High Mark Credit Information Services. The repayment rate has climbed to as high as 98 per cent. The industry has also expanded outside Andhra Pradesh, which remains the top state in terms of gross loan portfolio as a large amount of bad loans remain on the balance sheet of MFIs. West Bengal, Tamil Nadu and Maharashtra have emerged as other large markets for the industry while Uttarakhand, Rajasthan and Punjab are the place that shows the fastest growth price.

The industry, which earlier mostly lent to poor women in rural area, is also tapping into a different demographic base. *"We believe financial inclusion should not be restricted"*, says Veena Mankar, co-founder of Swadhaar Finserve, an MFI which works mostly in urban areas. Some new players are also entering the sector. One of them is Muthoot Fincorp, mainly a gold loan company which started a microfinance division in 2010.

The fundamental reason behind the Indian microfinance industry's impressive growth is that it is fulfilling a critical need of its target audience, the low- income population, which has thus far remained unaddressed by the traditional financial services sector. Currently, a total population of 1.1 billion is being served by 50,000 commercial banks, 12,000 co-operative bank offices, 15,000 regional rural banks and 100,000 primary agriculture societies. This density of financial services, however, belies the availability of financial services to low-income households, which make up a significant chunk of the Indian population.
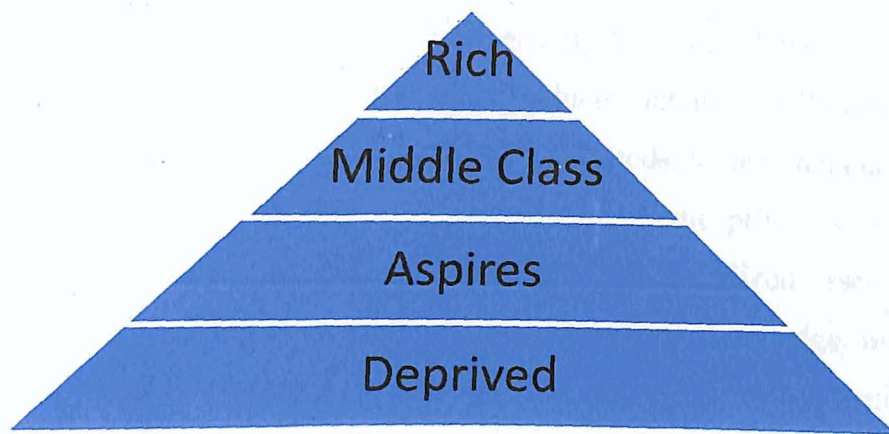
Fig 4.1 Structure of Target population

The Indian population can be divided into four categories based on household income levels. The Rich who make up 0.4% of the households have an annual household income greater than US $ 20,000. The Middle Class comprises 11 million households, or 5.9% of the total households, and has an annual household income between US $ 4,000 and US $ 20,000. The Aspirers make up nearly 22% of the households and have an annual household income between US $ 1,800 and US $ 4,000. Lastly, the deprived segment, the prime target of the microfinance industry, comprises 135 million or 72% of the households and has an annual household income below US $1,800. Despite the density and robustness of the formal Indiàn financial system, it has failed to reach the deprived segment, leaving approximately 135 million households entirely unbanked. The size of India's unbanked population is one of the highest in the world, second only to that of China. The microfinance sector targets the poorer portion of the aspirer segment and the mid to richer portion of the deprived segment. The industry as thus far been able to create a service model and products that are suitable to these segments and these services and products have proven successful in affecting improvements in the clients' economic status.

The reasons behind the formal financial sector's failure to reach such a large segment of the Indian population are manifold and operate in a self-reinforcing manner. The principal prohibiting factor is that banks face extremely high fixed and variable costs in servicing low income households, resulting in high delivery costs for relatively small transactions. Much of the low income households, resulting in high delivery costs for relatively small transactions. Much of the low income population is located in rural areas that are geographically remote and inaccessible. For this population, the cost of visiting a traditional bank branch is prohibitive due to the loss of wages that would be incurred in the time required. Concurrently, from a bank's perspective, the cost of operating a branch in a remote location

is financially unfeasible due to the low volume and high cost dynamic. Moreover, low income households are not interested in the same products that are usually utilized by the rest of the population because they have different immediate needs, lower financial capacities and variable income streams. The unsuitability of existing credit products for low income households is exacerbated by a general unavailability of collateralized assets. Additionally, the low income population is often illiterate and lacks financial knowledge, making it nearly impossible for it to even contemplate availing existing financial services, which provide no ancillary support to mitigate these challenges.

In the absence of access to formal financial services, the low income segment has traditionally relied on local moneylenders to fulfil their financial needs. While this money is readily available, it is often exorbitantly priced at 60%-100% annual yields and forces the borrowers into a classic debt trap, entrenching her in poverty. Credit from moneylenders has not traditionally acted as a tool for business expansion or enhancement of quality of life, but rather as a lifeline for immediate consumption or healthcare needs.

The microfinance business model

The microfinance business model is designed to address the challenges faced by the traditional financial services sector in fulfilling the credit requirement of the low income segment at an affordable and sustainable cost. Most MFIs follow the Joint Liability Group (JLG) model. A JLG consists of five to ten women who act as co-guarantors for the other members of their group. This strategy provides an impetus for prudent self-selection of reliable and fiscally responsible co-members. Moreover, the JLG has an inbuilt mechanism that encourages repayment in a timely fashion as issuance of future loans is contingent upon the prior repayment record of the group.

Table 4.1 Repayment record of the group

Interest rate charged Typically	25-35% p.a.
Interest on debt	12-16%; lower for larger MFIs
Operating expenses ratio	6-15% depending on level of efficiency
ROA	Typically 3-5%
Debt/Equity	Typically 5-8%
ROE	20-30%

Micro- loan sizes vary from an initial loan size between US $ 100 and US $ 150 to subsequent loans of US $ 300 to US $ 500 with an annual interest rate between 25% and 35%. The term loans are structured with weekly or monthly repayment schedules and a 6 month to 2 year term. Microfinance institutions typically charge a higher rate of interest to their clients than traditional commercial banks as the administrative costs of servicing smaller loans is far higher in percentage terms than the cost of servicing larger loans. Additionally, MFIs provide doorstep services to their customers, a strategy that has a high cost associated with it, especially in rural areas where population densities tend to be low. Because of this model, MFIs generally face an operating expense ratio between 6% and 15%, depending on the scale and efficiency level of the particular MFI as well its area of operations. Additionally, today, MFIs face borrowing costs in the range of 12% to 16% per annum, depending on the size and track- record of the individual MFI. This model allows well-run MFIs to achieve a ROA of about 3% to 5% and a ROE of as much as 20% to 30%. These high ROA and ROE numbers are contingent upon low cost financing from commercial banks and the ability to maintain high portfolio growth along with high portfolio quality. The portfolio quality for MFIs is typically superior to commercial banks with total Non-performing Assets 180 days past due of 0.2% to 3% as opposed to 3% to 10% for commercial banks. MFIs typically enjoy extremely low delinquency rates despite the non existence of security. This portfolio quality is driven by the discipline embedded in the JLG model through the self- selection of the group members as well as the mutual support informally embedded in the groups in relation to members' loans. The 3% to 5% ROA range is a product of both the maturity level of MFIs and the basic business model to which they subscribe. No MFI typically begins by achieving a 3% ROA, but it can be achieved and becomes sustainable as the MFI refines its business model and scales enough to become profitable. Within this range, however, an MFI's ROA will be determined largely by its particular business model.

The strength and sustainability of the Indian microfinance business model lies in the fact that it is serving a large unmet need for financial inclusion. It has thus far successfully tackled challenges that have faced other financial service providers in meeting the demands of this sector through creative product innovation with awareness of the segment's particular needs and capacities and use of the joint liability group mechanism to manage risk. The model has been successful in maintaining excellent portfolio quality even with extremely rapid expansion over the last few years. The large size of the currently unbanked population in India and diversity of geography means that the microfinance sector has great potential for

continued high growth. Moreover, as the sector approaches maturity, there will be increasing attention focused toward client and geographical diversification and product innovation, financial and non-financial. Besides expanding their own services, MFIs are also being viewed as potential channels for delivery of other products and services to low income and rural populations. Since the scale of the Indian MFI industry has exceeded 20 million clients, other consumer product and service providers are beginning to attach greater value to the microfinance distribution network. Given this growth and maturity dynamic, the Indian microfinance sector is increasingly seen as a viable investment target with commercial investors joining the social investors who have been nurturing the industry thus far. Equity valuations in the Indian microfinance sector are higher than the financial sector in general and global MFIs in particular due to the high growth expectations and substantial availability of debt to fuel its rapid expansion. MFI shares are expected to trade at significant premium to book over the short and medium term as MFIs realign their business models to capitalize on unsatisfied demand, and cool down over the longer term as the industry matures and begins to consolidate. As more investors enter the market, exit opportunities are also increasing in the form of secondary and trade sales. Larger MFIs may also consider IPOs, although that may not be a realistic exist option for most MFIs in the short to medium term. Another likely exit scenario is M&A, as larger MFIs seek to acquire players with product or geographical niches. The industry is in its initial stage and its development could take many forms, but we expect growth, innovation and financial performance to continue on an encouraging path.

4.2 Profile of organisation

Evangelical Social Action Forum (ESAF) was established in 1992 as a response to the social and economic needs of the people. ESAF stands for sustainable wholistic transformation of the poor and the marginalized for a just and fair society. Evangelical Social Action Forum is a registered charitable society, bom out of deep conviction that our deeds should match our words. The society was launched in 1992under the patronage of Kerala Evangelical Graduates Fellowship...ESAF is registered under Travancore Cochin Literal and Scientific Charitable Societies Act of 1955 Reg. No 109/1992. ESAF is also registered under Foreign Contribution Regulation Act, 1976. Vide Reg. No. 052900328

History of ESAF

❖ In April 1991, at the KEGF annual conference in Always the founders of ESAF presented a paper on wholistic development.

❖ On June 25, 1991, a new charitable society was launched by the name Evangelical Social Action Forum' (ESAF)

❖ Mr Jacob Samuel, co-founder of ESAF, suggested the name. At the time of inception ESAF had 5 life members, 7 annual members and 8 honorary members.

❖ On March 11, 1992 ESAF society was registered under the Travancore Cochin Literary, scientific and Charitable Societies Registration Act. The Founder President was Rev. Itty Mathew; Miss. J.Danabai was the vice president. Mr. K Paul Thomas was the Secretary supported by Mr. Jacob Samuel as Joint Secretary and Arun Ramakrishnan as Treasurer.

❖ In 1994, ESAF had its first voluntary staff. Mr. George. K. John.

❖ ESAF started organizing Career Counseling and Employment Guidance Programs, ·Promoting Income Generation and Self-employment Schemes and creating Awareness about the Dignity of Labour.

❖ In June 1992, ESAF organized its first programme on Career Guidance at Christavasramam, Manganam for 30 fresh graduates.

❖ In September 1993, a weekend Seminar on "Development an Evangelical Perspective" was conducted at Kottayam. Seminars on Street Children,

Banking with the Poor, and Micro Enterprise Development conducted with the support of EFICOR.

In 1996, a separate office was setup and the society started functioning in a more systematic manner. In 1999, the registered office was shifted to Hephzibah Complex, Mannuthy. In the same year computerization was implemented at the Head Office level.

Fields of action

1. Kids for kids:

Vision-'Sustainable wholistic development of marginalised children' Children are the most vulnerable victims of poverty. Acute poverty, migration, illiteracy, ignorance of parents etc lead children to ill health, abuse and exploitation which ultimately block the survival of the

children. Majority of children in the operational areas of this spends time in cattle rearing, taking care of siblings, etc eventually ends up in child labour, child marriage, sexual abuse, drug addiction, etc.

ESAF believes that it is the responsibility to ensure protection and holistic development of each and every child. They are hope and future of our nation. Moulding and nurturing from the bud stage will facilitate the holistic development and protection of the child. Kids for Kids through its various projects like 'Let Them Smile' provides opportunities for the holistic development of children through education, healthcare, social security and other supporting services. At present ESAF 'Kids for Kids' operates 14 'Let Them Smile' child care centres (Susnia, Bosko, Begini, Bania, Kaldhiha, Damkitola, Hisapeda, Baramassiah, Dumiria, Jirga) and looks after more than 650 children. Apart from formal education based on a value-based and culture-sensitive curriculum, we provide one meal a day, books, uniform and periodic health checkups to children. And the future plans include:

- 300 new centers to support 15,000 children
- A dedicated Teacher's Training Centre
- A value based, culture sensitive, wholistic development oriented curriculum
- A library in every village
- Building a stronger value based community

2. Micro Enterprise Development (Microfinance):

ESAF Microfinance and Investments (P) Ltd (EMFIL), operates in 6 states in India through 105 branches spread across 30 districts. It offers a wide range of micro services to more than 2,50,000 clients. The company provides both financial and non-financial services to these marginalized people.

The customized financial services help the poor to meet their requirements on time. The services are delivered through Joint Liability Groups organized in each area called SHGs. Micro Finance Enterprises Development (MED) plays a crucial role in the development of economy, particularly, in those economies which are undergoing transition from traditional subsistence to a modem industrial economy.

ESAF started Micro Enterprises Development (MED) programs in the year 1995. Ithas initiated several grass root level development programs, which aimed at economic self-reliance among the poor. The Micro Enterprises Development Division, provides a broad package of Financial and Business Development Services to the society especially the economically challenged men and women.

3. Sustainable Health:

ESAF Healthcare Services (P) Ltd, the health wing of ESAF, delivers excellent healthcare services to the poor through a chain of hospitals, clinics, pharmacies, diagnostic labs, Ayurvedic treatment centers, and training centres in locations with least healthcare facilities. It also attends to the least addressed public health issues like HIV/AIDS.

ESAF Healthcare has 2 hospitals and 4 clinics in Kerala, in the districts of Palakkad and Thrissur. The company is planning to expand its operations by starting a ' Diabetic Clinic, Free Clinic and a Medical Centre at Elambulassery, at Kozhinjampara, Palakkad ESAF has a 150 bedded hospital named ESAF Hospital and Research Centre and at Thachampara Palakkad a 50 bedded hospital. In all the Primary Healthcare Centres of ESAF poor patients get special discounts for consultation, lab fee and medicines.

For the treatment of ESAF sangam members we distribute Suraksha and Pariraksha cards. As part of our service the company organizes Workshops, Medical Camps (on Paediatrics, Gynaecology, Ophthalmology, Orthopaedics and Ayurvedic) Exhibitions and seminars.

Some of the programs organized by ESAF Healthcare are mentioned below:-

I.   A workshop on 'Palliative Care for Cancer', with the support of Christian Medical Association of India and Help Age India.

II.   Free eye treatment camps and cataract operations, by entering into an agreement with Netra Eye Care Centre. Free medicines are distributed to all patients who attend the camps.

III.   Diabetes controlling camps at hospitals managed by the company.

IV.   Exhibitions and seminars on topics like diabetics, HIV/AIDS, Suicide, Abortion, no Tobacco and Pain &Palliative.

4. Natural Resource Management (NRM):

NRM- Natural Resource Management division of ESAF aims to facilitate proper stewardship of God's creation by making the natural resources accessible to everyone. Its major working areas are:

- ➢ Non Conventional Energy projects- Promotion of biogas plants and incinerator for managing Bio-degradable solid wastes. Under this ESAF has constructed biogas plants for Southern Naval command, Kerala Hotel and Restaurant Association (KHRA), hospitals, educational institutions etc, of varying capacity from 40m 3-1.5m 3.

- ➢ Green Conservancy projects- conservation of premises from unhygienic condition through controlling unwanted growth of weeds, maintaining natural flow of drainage and safe disposal of garbage generated from the compound.

- ➢ Promotion of Vermi Compost- this is an easiest way for degrading biomass and ensuring the availability of organic manure.

- ➢ Rural water supply and sanitation projects for Kerala Govt - Jeevandhara and Jalanidhi projects ensuring the availability of drinking water and various lively hood means to rural people. Engineering services- Planning and Consultancy services for launching new buildings, designing and undertaking interior works and assisting Tsunami relief works through constructing low budget houses.

- ➢ Micro Energy projects- Utilization of Solar Energy as an alternative energy source for human being, promotion of Smokeless Oven for marginalized community.

5. Human Resource Development (HRD):

Human Resource Development wing of ESAF aims at developing Human Resource potential through Employment Informative Service. For this purpose the company has started ESAF Centre for Excellence in 2005. Since then this wing has trained more than 1600 employees, sharpened their skills and made them capable enough to contribute in different ways to the society. The role of training is inevitable for upgrading capacity, quality maintenance, and standardization. Instead of merely providing training we aim at excelling our staff to the level of high quality professionals. Our training is a series of programs that starts with Induction Training, and there after various kinds of soft skill trainings will be provided to help them cope up with the pressures of the jobs.

The various activities of the Centre for Excellence are mentioned below:

> Providing Induction Training

> Conducting training need assessments

> Preparation of training calendar

> Identifying external and internal trainers

> Trainer training for internal trainers

> Organising and conducting various training programs namely-

- Training on Personality improvement
- Training on Professional development
- Training on Performance development
- Training on general issues

> Measuring the impact on training.

6. Advocacy and Networking:

Advocacy and Networking wing of ESAF promotes/ organises the following types of programs-

I. Promotional meetings: To introduce ESAF and its activities in various churches, Christian organisations and among influential leaders. This would provide a platform for ESAF as well as other organisations to learn from each other.

II. Workshop for college students: To help them select the right career for building their future.

III. Medical camps: To provide better health awareness among people

IV. Church visits: To build strong relationships with churches

V. Awareness conference: To build awareness on Health and HIV/AIDS

VI. Holistic mission seminars: To build awareness on mission seminars supported by Christian Ministry and Social Work. Through these seminars we aim at complete development of a person.

VII. Youth conferences: Aims to develop a good team for Social Responsibility Team Building.

VIII. Soft Skill training: Identify students potentials and strengthen their career

IX.   Bible Arts competition: By networking with all churches to develop talents of Sunday school students.

7. Research and Development:

The research and development activities help us to plan and validate our work. The broader activities under R&D are as follows:

Conducting impact studies: Various impact studies are conducted periodically to assess the effect of the different activities of ESAF, on reducing poverty and mainstreaming the marginalized. The effect of the outreach on the poor and the marginalized is one of the emphasis of the various studies that will be organized by the SPMU. This would help the organisation in optimising the probability of achieving its social goals.

Social performance monitoring & dissemination of information:

Monitoring of the performance, especially the social performance 'and ensuring suitability of the positive effects is an important aspect. The dissemination of various learning also is another important function which facilitates mutual learning and optimization of operational capacity.

i.   **Promotional meetings:** To introduce ESAF and its activities in various churches, Christian organisations and among influential leaders. This would provide a platform for ESAF as well as other organisations to learn from each other.

ii.   **Workshop for college students:** To help them select the right career for building their future.

iii.   **Medical camps:** To provide better health awareness among people

iv.   **Church visits:** To build strong relationships with churches

v.   **Awareness conference:** To build awareness on Health and HIV/AIDS

vi.   **Holistic mission seminars:** To build awareness on mission seminars supported by Christian Ministry and Social Work. Through these seminars we aim at complete development of a person.

vii.   **Youth conferences:** Aims to develop a good team for Social Responsibility Team Building.

viii. **Soft Skill training:** Identify students potentials and strengthen their career

ix. **Bible Arts competition:** By networking with all churches to develop talents of Sunday school students

8. Annual program planning & monitoring:

It is an integral part of an organization and the R & D reports helps various departments to monitor and scrutinize their various activities so that they are planned to meet the needs and fill the gaps in the projects.

Monitoring social development projects: The social performance monitoring of the various projects and activities will help to develop various other supplementary projects hence all the important components will be covered in the planned projects.

9. Care and Counselling:

Though Kerala is a highly literate society AIDS awareness level in the state is comparatively low. In most cases AIDS affected people faces social stigma and are isolated from the society leading them to commit suicide. As per the Government estimate there are about 1.5 lacs HIV/ AIDS infected people in Kerala at present. The impact of AIDS among poor is very high due to lack of awareness, access of medical services; diagnoses and treatment, a majority of them remain undiagnosed and untreated.

Santhwana Care and Counselling program promoted by ESAF aims to reach out to those affected by HIV / AIDS. By giving them proper counselling we make them more active and in still more confidence in them. Our care and counselling staff give frequent visits to their homes to inspire in them "hope" for a better tomorrow.

Moreover, they helped by providing medicines and support by offering opportunities to carryout livelihood activities

10. Career Guidance

Career guidance is a process in which a qualified and experienced career counselor helps the students learn about selecting a program of studies, and preparing for a career.

Importance: Of late, aspirants among the sangam member's children for developing a good career, from a variety of choices, are increasing every day. After the formation of the SHG Trust, innumerable number of programs has been conducted for the holistic development of Sangam members.

The career guidance is course of action developed as another initiative of the trust. The SHG trust has already identified some branches and individuals who are really in need of such a program.

Our methodology for career guidance takes into account, not just occupation but also needs and wants capacities and potentials, excitements and anxieties, insights and so on. SHG Career Guidance is designed specifically for sangam member's children who are looking to explore career options with the help of experienced professionals. We focus on career related issues like career and course exploration, career change, personal career development and other career related issues.

The Scope of SHG Career Counselling

SHG Career Counselling offers a safe, confidential and non-judgmental context in which at the end of program the students will be able to:

- Gain clarity and right perspective on the academic issues.
- Receive the support they need to resolve issues and make decisions.
- Explore their personal resources and aptitudes.
- Understand new career prospects and strive for personal development.
- Make a proper and informed decision for their career.

The main objectives of this SHG career counseling include:

- To uplift and strengthen our Sangam members children mentally to explore various learning experiences.
- To make them aware of choosing the right career option or the appropriate course according to their aptitude.
- To identify their values, aspirations and goals.
- To render career counseling through proper advise by introducing them various courses and its prospects for a bright future.
- To teach them various household tasks and responsibilities as students alongside their schooling to make them more practical.

- To uphold academic values and to promote its ideals.

- To keep and preserve dignity of our Sangam members children with highest academy proficiency.

ESAF GROUPS:

1. ESAF Microfinance

ESAF was established in Trichur in 1992, as a response to the social and economical needs of the unemployed youth and the underprivileged. The vision of the Forumwas guided by the principle of sustainable holistic transformation of the poor and the marginalized. Inspired by the guiding principles and success of Prof. Mohammed Younus (Founder, Grameen Bank), the founders of ESAF ventured into micro financing in 1995, by organizing self sustainable groups, to alleviate poverty and generate employment.

Since then, ESAF has grown by leaps and bounds in the Microfinance sector, promoting microfinance as a viable, sustainable and effective means for creating jobs and reducing poverty. Today, ESAF Microfinance is one of the premier microfinance institutions in India, particularly in Kerala, effectively empowering 4.34 lac members through 150 dedicated branches. ESAF started its Micro Enterprises Development (MED) program in 1995, which was an important intervention area. MED provided a broad package of financial and business development services to the socially and economically challenged men and women. In order to have a cost effective delivery of the services of microfinance operations through an RBI licensed NBFC, ESAF acquired Pinnai Finance and Investments in 2006 and transformed it as ESAF Microfinance and Investments (P) Ltd.- EMFIL, in 2008.

2. ESAF Swasraya Producers Company (P) Ltd

ESAF Swasraya Producers Company Limited (ESPCL) is promoted by ESAF. ESPCL empowers small rural producers of handicrafts. Herbal Products, Agri-Food, Dairy and meat products, in capacity building, production, value addition, quality assurance and marketing.

Vision: A just & fair society through sustainable holistic transformation of poor and the marginalized.

Mission: Assure quality, add value & link producer members to market.

Goal: Build a sound financial base and an assured forward integration for company and enhance livelihoods of producer members with higher returns. Objectives: Targets Rs 50 Lakhs capital through equity, grant & debt by Dec'08 end and to handle business worth Rs 165 Lakhs by March'09 end through Prerana, Amruth & Agri divisions.

3. ESAF HEALTH CARE Services (P) Ltd

Vision: ESAF Health Care seeks to build a just, fair and healthy society by making world-class Health Care services available, accessible and affordable to the rural and semi-urban poor.

Mission: ESAF Health Care delivers excellent HEALTH CARE services to the poor through health education, counselling, health insurance and a chain of hospitals, clinics, pharmacies, diagnostic labs, Ayurvedic treatment centres, and training centre in locations with least Health Care facilities.

Different projects in Health Care:-

i. Swanthana project: A project to love people living with HIV/ AIDS

Home-basedcare and counselling

Medical support

Educational support for children

Get-together for families

Income-generation projects

ii ESAF Hospital and Research Centre, Thachampara, Palakkad:

100-bedded hospital which is the only hospital with like facilities between Palakkad and Perinthalmanna (a stretch of 70km). This hospital, which has been a blessing to thousands to thousands of people in and around Thachampara including the tribal communities ofAttappadi, was on the verge of closure due to poor management. ESAF Health Care took over this hospital in April 2007 with the intention of developing it into a multi- speciality rural hospital.

iii. Unity Hospital, Kozhinjampara, Palakkad:

Unit hospital is a 50-bedded hospital at Kozhinjampara(a small town 35km south east of Palakkad on the Palakkad-Pollachi road) has all the basic facilities. A population of more than one lakh living in 4 panchayats, depend on this hospital for their medical needs. ESAF

Health Care has taken over this hospital in April 2008 with a plan to develop it into a multi-speciality rural hospital.

iv. Primary Health Care Centres:

Currently ESAF Health Care manages three primary health care centres where poor patients get special discounts in consultation, lab fee and medicines. Each centre has a general clinic, speciality clinic, diagnostic lad and pharmacy. ESAF Health Care plans to open more primary health centres to provide better medical facilities to rural poor. ESAF Health Care is in discussion with the Health Ministry of Jharkhand regarding the take over of a newly built hospital building at Kathikund in Dumka district of Jharkhand. Other than the Government hospital, there is no other hospital in Dumka district which has a population of 11,06,521.

4. ESAF Retail (P) Ltd

Brand: ESAF Swasraya Bazar

I Operational Areas: Thrissur, Palakkad

Number of Stores: Six

Warehouse: One

ESAF retail aims at promoting locally produced food and consumables by 'sangam' members by linking them to markets through its supermarkets and other retailers. They ensure that all products are sourced from primary producers avoiding intermediaries and pass on the price benefit and value to the consumers.ESAF plans to open more supermarkets in the near future by raising equity and support from likeminded institutions and social investors.

ESAF has a team that inspects quality of the products that are sourced and also provides training where ever necessary in areas such as packing, branding, grading, cleaning etc and thus ensure locally sourced products are made valuable to be sold in main stream retail supermarkets.

ESAF Retail provides employment to the local community through its supermarkets and warehouse where sangam members are offered employment on contract basis for cleaning and packing the products mat are sourced locally.

The sangam members when linked to mainstream retail supermarkets get an opportunity to increase the production capacity resulting in increased business volume. Since the volume of production is comparatively high, they can keep the cost of production minimal (law of large numbers) which result in higher margin of profit of them.

5. ESAF Homes and Infrastructure (P) Ltd

Housing in rural areas, and particularly the availability of affordable housing is a critical issue. The main objects of the company are to engage in the business of building affordable homes and commercial complexes and to promote or setup infrastructure facilities in the rural area.

6. SHG Federation

The SHG Federation of ESAF is a network of several SHGs and a structure evplved by SHGs members consisting of representatives from different geographical settings with a motive of supporting members to attain the goals of economics and social empowerment of women members and their capacity building.

Vision: The vision of SHG Federation is to build Self-Help communities of love, concern and solidarity among the poor women irrespective of cast creed or colour, to empower themselves economically and socially whereby they can live with dignity.

Objectives of SHG Federation:

- To facilitate linkages between SHGs and banks/Govt.agendes / local institutions.
- To have better access to development information and marketing linkages
- To help in achieving sustainability of SHG
- To strengthen the capacity of member-SHGs through training, information dissemination, on-site support, etc in one or more of a variety of fields like bookkeeping, accounting, marketing, financial management, advocacy, bank- linkage, accessing government schemes, etc
- To provide credit, especially multiple credit lines.
- To provide savings facilities
- To undertake marketing of the produce of the members of the SHGs.
- To provide life/loan insurance services
- To create the political/ social space that women need to live their lives as fully as they desire to.

7. ESAF Staff Welfare Trust (ESWT)

ESWT was registered as a trust under the Indian trust act on 16th January 2008 with an intention of providing welfare activities for the advancement in the conditions and standard

of employees of ESAF and its affiliated group of companies and hence will lead to the organization in delivering services to the less privileged in the society.

Objectives:

- To encourage the thrift and credit activities among the staff members of ESAF to help and improve their economic and social conditions by promoting and executing social and financial services among its members and their families.

- Inculcate the habit of the thrift among the members

- Enable the members to access to insurance, credit, mutual fund and other financial activities for their betterment.

- Undertake income generation and other livelihood programs for the members. Conduct training programs at different levels

- Make investments in shares, stocks, other companies for the benefit of members

- Open and run hotels, schools and other institutions for the welfare of members in particular and nation at large. Act as network of institution that has similar vision and activities
Conduct social welfare activities for the underprivileged.

Future scope of ESAF

ESAF Microfinance, one of the 10 largest microfinance companies in India, has been granted in-principle license for 'small finance bank' by the Reserve Bank of India. ESAF is the only company based in Kerala to receive small finance bank licence. The licensing of small finance bank is to provide basic savings and deposit, payment and remittance services to people without access to the formal banking system.

ESAF is one among the 10 players chosen by Reserve Bank from among the 72 applicants, including two from Kerala. As instructed by the RBI, the primary focus will be given by ESAF on the supply of credit to small business units, small farmers, micro and small industries, and other unorganised sector entities, in their limited areas of operations, through high technology-low cost operations. It can also undertake other simple financial services with the prior approval of the RBI.

Emotional Intelligence –An Analysis

Chapter 5

EMOTIONAL INTELLIGENCE- AN ANALYSIS

Emotional intelligence is a positive combination of a deep insight into one's emotional and cognitive capacities and a charming flair of communication, empathy and motivation, leading to personal optimism, inter-personal confluence and organizational excellence. Emotions are learned habits, and therefore can be learned or unlearned. There is no gainsaying that an environment of distrust, manipulation, corruption, negative feelings and low morale can prove to be disastrous at the workplace. Emotional skills can be viewed as a coordinated bundle of habits of what you think, feel and do to complete a job. When such habits become dysfunctional, replacing them with more effective habits may require a lot of practice. Assessment of emotional intelligence among the employees will create an opportunity for improving the emotional intelligence which in future reflects on the organisational performance.

The study was conducted among 100 employees of ESAF Microfinance and Investment (P) Ltd., Thrissur. This study was an attempt to analyze the emotional intelligence of the employees. The study had two objectives: (a) To study the level of emotional intelligence among the employees of ESAF Microfinance and Investment (P) Ltd., Thrissur and (b) To give suggestions to improve the level of emotional intelligence among the employees. The collected data were analyzed using percentages and indices.

The data related to the emotional intelligence are analysed and presented in this chapter under the following heads:

5.1 Socio-economic profile of employees

5.2 Emotional intelligence of employees

5.3 Suggestions for improving the emotional intelligence of employees.

5.1 Socio-economic profile of Employees

This section contains the socio-economic background of sample respondents. The socio-economic factors which may influence the response of the sample respondents like age, gender, number of years of service in ESAF, number of years of service prior to ESAF, educational status are explained.

5.1.1 Age of sample respondents

The various age categories of sample respondents who are working in ESAF are depicted below. Age-wise respondents were categorised into four age groups, i.e., employees with less than 25 years, 26-35 years, 36-45 years and 46-60 years. Age is an important parameter to explain to which age class majority of the employees belonged.

Table 5.1 Age wise classification of employees

(n=100)

Age Limit (Years)	Percentage
Less than 25	17
26-35	58
36-45	23
46-60	2

Source: Primary data

Table 5.1 revealed that personnel in the age group of 26-35 years were higher (58%) in the organization. Also 17 per cent of the employees were in the age group of less than 25 years. This connotes that the younger generation of employees have long range vision and they are able to contribute their full potential for enhancing the productivity of the organization. There were 23 per cent of the employees in the category of 36-45 years who could provide support and share their experience to the young group of personnel.

5.1.2 Gender of sample respondents

Number of male and female respondents is shown in the following figure. Gender wise classification of sample respondents is helpful to identify the involvement of men and women employees in ESAF.
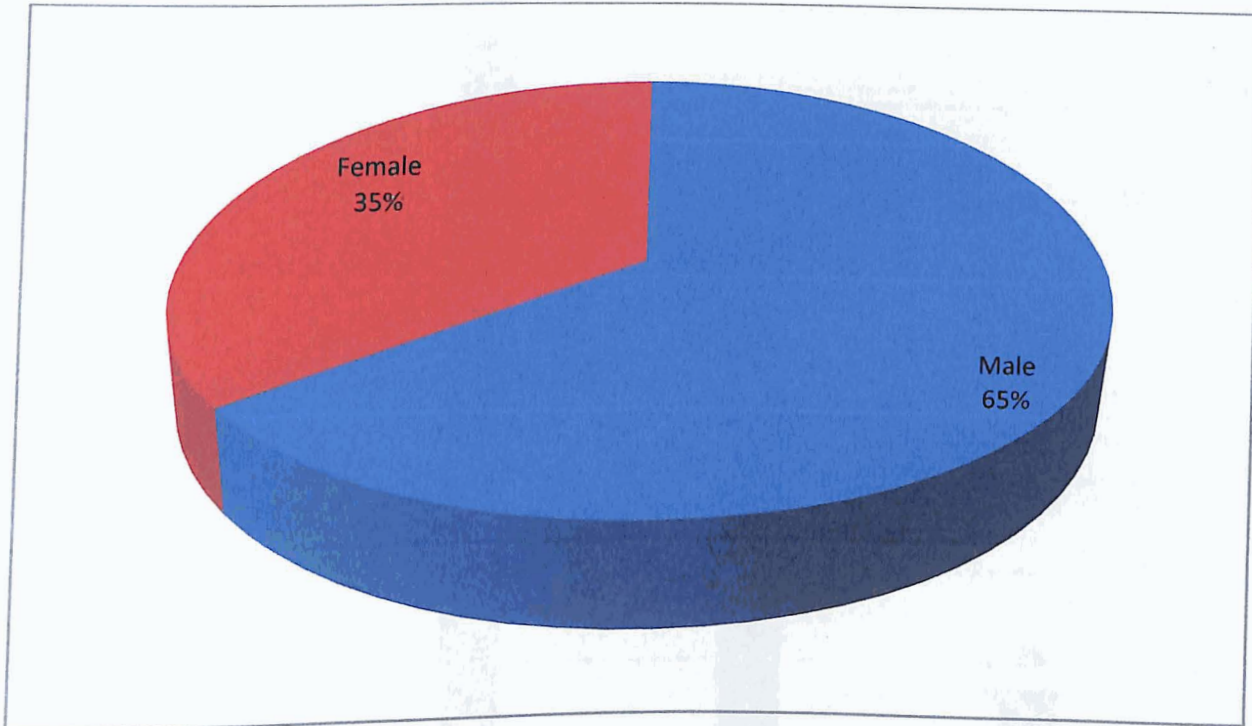
Fig 5.1 Classification of respondents according to their gender

From the above figure, it is clear that majority 65 % of the employees were male and female employees represented 35 percent of the total population. This showed that involvement of males in this organization was more than that of female employees. Even though female population outnumber male population in Kerala, generally males occupy major key posts in the organisations and ESAF is also not an exemption.

5.1.3 Number of years of service in ESAF

Number of sample respondents based on their service in ESAF is shown below. The employees were divided into four categories like service less than 1 year, service between 1 to 5 years, 6 to 10 years and 11 to 15 years respectively.
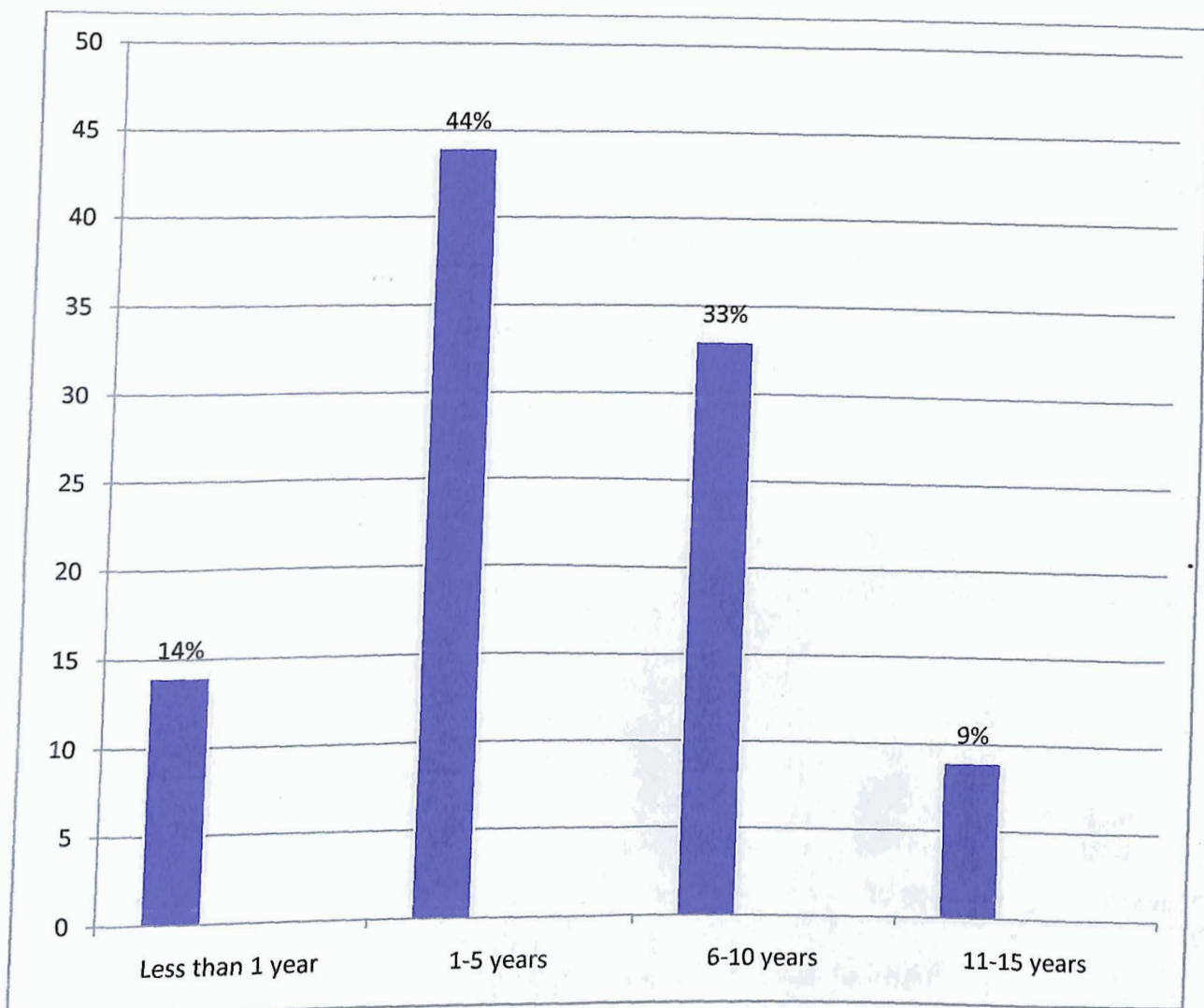
Fig 5.2 Classification of employees based on their service in ESAF

Figure 5.2 shows that 44 per cent of the respondents are with a service experience of between 1-5 years, and a reasonable per cent to employees (33%) having an experience of 6-10 years in ESAF. A good number of employees are in the category of experience less than 1 year. Also the figure 5.2 shows that employees with experience between 11-15 years are very few in numbers.

5.1.4 Number of years of service prior to ESAF

The sample respondents were classified into five categories based on their experience prior to ESAF such as no prior experience, 1-10 years, 11-20 years, 21-30 years and above 30.
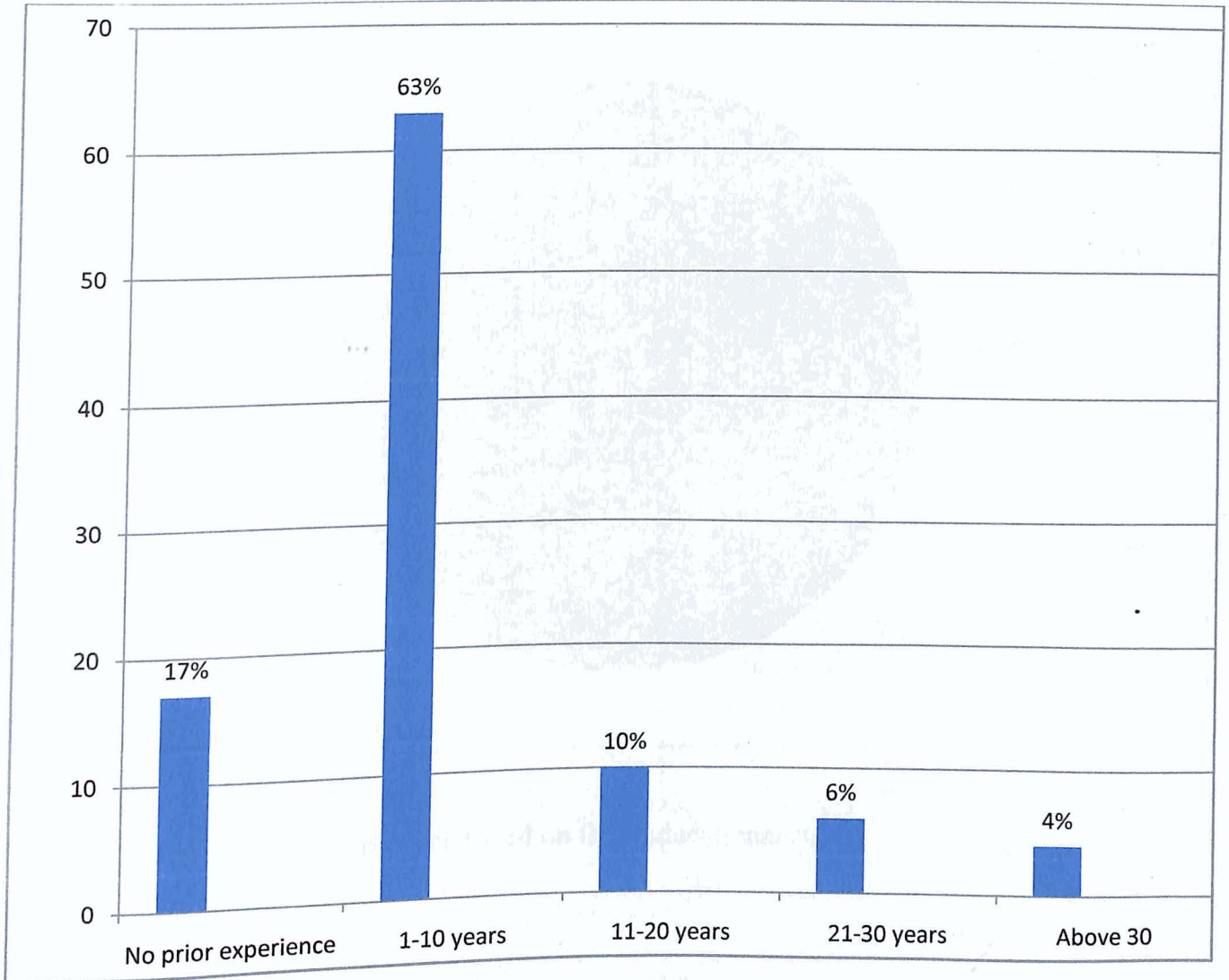
Fig 5.3 Classification of employees based on their service prior to ESAF

Figure 5.3 indicates that majority of the employees (63%) had experience between 1-10 years before joining ESAF. Among the sample respondents, 17% of the employees had no previous experience prior to joining ESAF. Only 10 % of the employees were experienced more than 11 years prior to ESAF. Very less percent of the employees (6% and 4%) possessed an experience more than 21 and 30 years.

5.1.5 Educational status of respondents

The sample respondents were divided into three categories based on their educational qualification like graduation, technical and post graduation.
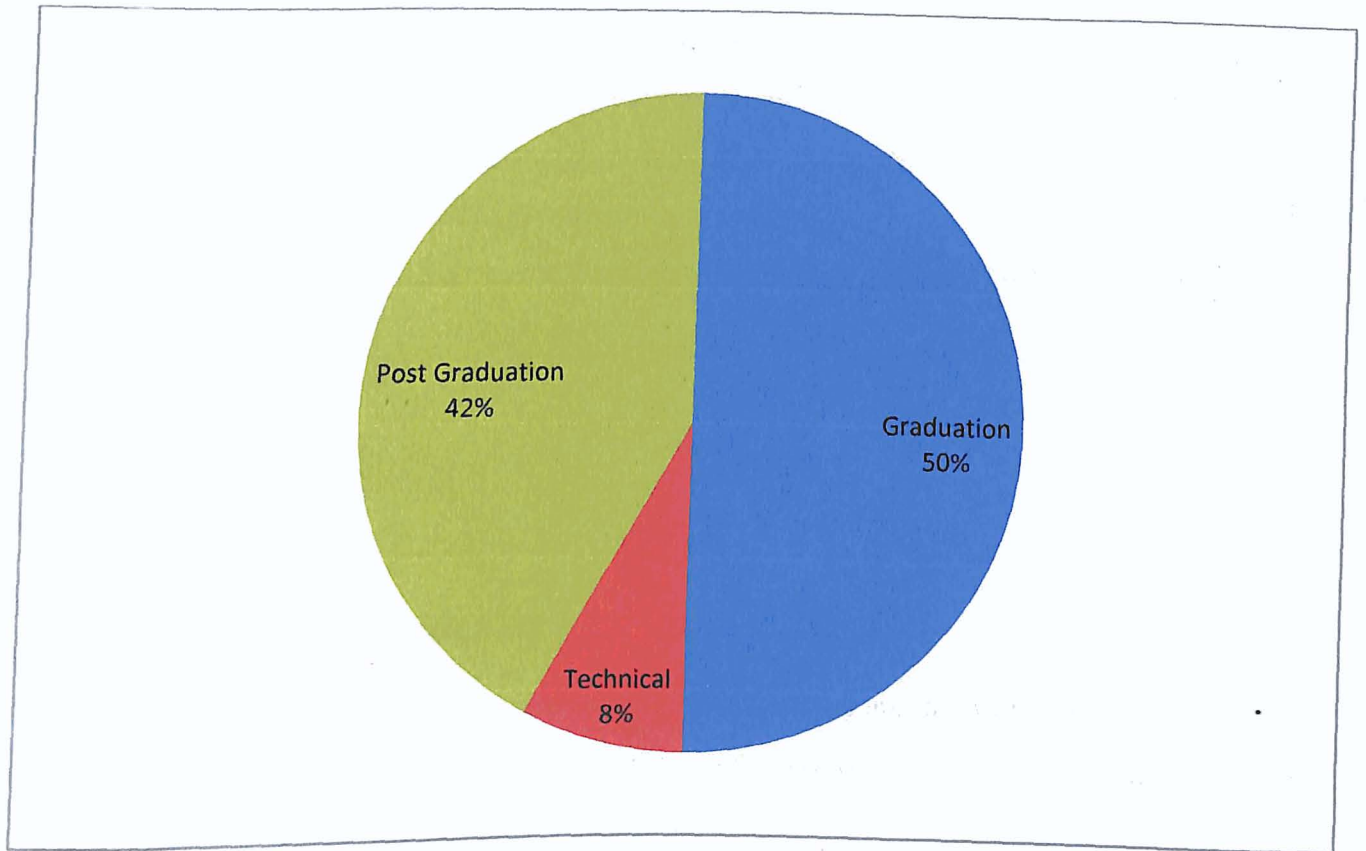
Fig 5.4 Classification of employees based on their educational status

Figure 5.4 showed that 50 % of the employees were graduates in different streams like B Com, B.A. English, LLB, B.A. Economics, BBA where as 42% of the employees were post graduates in MBA, MA Economics, MA English, M Com, Retail management, MSc Computer science, MSW etc and 8% of the employees were technically qualified as B Tech and BCA. It can be inferred that the highly qualified employees are occupying the managerial positions and hence there was every chance of leading the organisation in the right direction.

5.2 Emotional Intelligence of Employees

This part of the analysis is the core part of the study that shows the emotional intelligence exhibited by the selected employees of ESAF. In this study, dimensions that measure the emotional intelligence were selected by reviewing various research studies in this area. The dimensions which were selected include: emotional self-awareness, self-assessment, self confidence, work ethics, adaptability, achievement drive, initiative, empathy, service orientation, organizational awareness, communication, leadership and building bonds.

The responses of employees were given values as follows:

Continuum	Scores for Positive Statements	Scores for Negative Statements
Strongly Agree (SA)	5	1
Agree (A)	4	2
No opinion (NO)	3	3
Disagree (D)	2	4
Strongly Disagree (SD)	1	5

5.2.1 Emotional self-Awareness

Emotional self- awareness means recognizing ones emotions and their efforts. The emotional self-awareness of the sample employees was measured by obtaining their responses by administering four identified statements.

Table 5.2 Distribution of respondents according to their emotional self- awareness

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I am a strong person I don't easily get emotional.	23	53	15	9	0	390	78.00	High
b	I easily get upset and start crying when my superiors scold me.	2	7	16	39	36	400	80.00	High
c	I am careful about my speech. I never hurt anyone.	28	51	15	5	1	400	80.00	High
d	I lose my temper during work if things don't work.	7	24	27	37	5	309	61.80	Medium
Grand total score							1499		
Composite Index								74.95	HIGH

Source: Primary data

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The table 5.2 indicates that composite index for the emotional self- awareness of the employees of ESAF was 'High' with a value of 74.95. Here statements (a), (b), (c) shows 'High' category with values 78.00, 80.00 and 80.00 respectively reflecting the importance of recognizing one's own feelings and how they affect one's performance. Self-Awareness apparently helped them handle their own emotional reactions better. Statement (d) falls under the 'Medium' category with a value of 61.80. This shows that the employees at times lose their temper and becomes unaware of their emotions if things don't work as they expected.

5.2.2 Self-assessment

Self- assessment means knowing ones strengths and limits. The self-assessment of the sample employees was measured by obtaining their responses by administering four identified statements.

Table 5.3 Distribution of respondents according to their self-assessment

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I am aware of my strengths and areas of weaknesses.	35	52	11	1	1	419	83.80	High
b	I am not able to resolve any difficult situation.	2	5	19	41	33	398	79.60	High
c	I am ready to seek out opportunities to broaden my capabilities	23	59	15	3	0	402	80.40	High
d	My motivation depends on the monetary benefits I get from the company.	13	37	25	17	8	270	54.00	Medium
Grand total score							1489		
Composite index								74.45	**HIGH**

Source: Primary data

The table 5.3 indicates that composite index for self- assessment of the employees was 'High' with a value of 74.45.Statements (a), (b) and (c) indicated 'High' categories. This shows that the employees were aware of their abilities and limitations, seek out feedback and learn from their mistakes, and know where they need to improve and when to work with others who have complementary strengths. Statement (d) shows 'Medium' category with the value of 54.00. This indicated that the employees were motivated to work depending upon the monetary benefits received from the company.

5.2.3 Self confidence

Self-confidence means a strong sense of one's self-worth and capabilities. The self-assessment of the sample employees was measured by obtaining their responses by administering four identified statements.

Table 5.4 Distribution of respondents according to their self-confidence

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I feel confident to work without the need for direct supervision.	21	50	21	7	1	383	76.60	High
b	I always feel confused about my job responsibilities.	1	2	21	49	27	399	79.80	High
c	I am usually able to prioritise important activities at work and get on with them	32	51	15	2	0	413	82.60	High .
d	I am not able to motivate myself when I feel low	4	9	21	41	25	374	74.80	High
Grand total score							1569		
Composite Index								78.45	HIGH

Source: Primary data

The level of self-confidence was in fact a stronger predictor of performance among the employees of ESAF. Table 5.4 indicates that composite index for self-confidence among the employees was 'High' with a value of 78.45. All the statements fall under the category 'High' with the values 76.60, 79.80, 82.60 and 74.80 respectively. Statement (c) got the highest value of 82.60. This shows that the employees' self-assurance in one's own personal judgment, ability, power, were high.

The statements also indicated the employees' ability to prioritise important activities at work and did not spend more time on less relevant activities. They were decisive, able to make sound decisions despite uncertainties and pressures. They are also fully confident to carry out their work without the direct supervision of their superiors also they were very clear about their job responsibilities. The employees were also able to motivate themselves when they faced a difficult work situation.

5.2.4 Work ethics

Work ethics means a belief in the moral benefit and importance of work and its inherent ability to strengthen character. The work ethics of the sample employees was measured by obtaining their responses by administering four identified statements.

Table 5.5 Distribution of respondents according to their work ethics

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I believe values like honesty, sincerity comes naturally and cannot be trained.	36	40	14	7	3	399	79.80	High
b	Punctuality and discipline should come from superiors first to be able to be followed by subordinates.	36	34	10	17	3	217	43.40	Medium
c	Good communication is important to deal with the customers.	36	33	14	13	4	384	76.80	High
d	Staff in the low cadre work more compared to the ones in the upper cadre	3	4	16	40	37	404	80.80	High
Grand total score							1474		
Composite Index								73.70	HIGH

Source: Primary data

Table 5.5 indicates that composite index for work ethics of the employees was 'High' with a value of 73.70. Statements (a), (c) and (d) came under the 'High' category with the values 79.80, 76.80 and 80.80 respectively. Statement (d) received the highest value of 80.80. This proved that the employees at the lower cadres worked more compared to the ones in the upper cadres. This might be due to the deadlines or fear to face the superior's behaviour in not completing the work on the given time period. Statement (b) showed 'Medium' category with the value index of 43.40. This statement revealed that employees believed that the superiors should act as a role model to them showing the importance of punctuality and discipline at work. So that the employees can follow their superiors and improve themselves.

5.2.5 Adaptability

Adaptability means flexibility in handling change. The adaptability of the sample employees was measured by obtaining their responses by administering four identified statements.

Table 5.6 Distribution of respondents according to their adaptability

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I can easily change myself to new positions.	30	53	15	2	0	411	82.20	High
b	I think change is not easy in a job; one has to undergo lot of struggle.	5	29	23	32	11	315	63.00	Medium
c	I am willing to work in any department and in any geography.	17	43	27	11	2	362	72.40	High
d	Usually I do not see the need to change	5	11	30	45	9	342	68.40	High
Grand total score							1430		
Composite Index								71.50	HIGH

Source: Primary data

Table 5.6 indicated that composite index for adaptability of the employees was 'High' with a value of 71.50. Here statements (a), (c) and (d) showed 'High' category with a value of 82.20, 72.40, and 68.40 respectively. These statements showed that the employees were open to new information and could let go of old assumptions and adapted easily to changes. Adaptability allowed an individual to remain comfortable with the anxiety that often accompanied uncertainty and to think "out of the box," displaying on-the-job creativity and applying new ideas to achieve results.

Statement (b) showed that the employees were in 'Medium' category. This statement indicated that the employees thought that change was not an easy task in a job. The change required lot of struggles and difficulties. They were not sure that they could easily change themselves and fit to new positions.

5.2.6 Achievement drive

Achievement drive means striving to improve or meet a standard of excellence. The achievement drive of the sample employees was measured by obtaining their responses by administering four identified statements

Table 5.7 Distribution of respondents according to their achievement drive

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I am totally results-oriented, with a high drive to meet their objectives and standard	25	54	19	2	0	402	80.40	High
b	I fear to do the difficult things first	1	17	24	43	15	354	70.80	High
c	I always set challenging goals and take risks	23	56	17	3	1	397	79.40	High
d	I find difficult to improve my performance	10	15	16	48	11	335	67.00	High -
Grand total score							1488		
Composite Index								74.40	**HIGH**

Source: Primary data

Table 5.7 indicated that composite index for achievement drive of the employees was 'High' with a value of 74.40. All the statements show 'High' category with the values 80.40, 70.80, 79.40 and 67.00 respectively. Statement (a) showed the highest value out of the four statements with a value of 80.40. This pointed out that the employees were optimistic and continually improving their performance. Also they took more calculated risks; they supported enterprising innovations and set challenging goals.

The high achievement drive among the employees proved that they were proactive and persistent, had an optimistic attitude toward setbacks, and operated from hope of success. Studies have shown that optimism can contribute significantly to sales gains, among other accomplishments.

5.2.7 Initiative

Initiative refers to readiness to act on opportunities. The initiatives of the sample employees were measured by obtaining their responses by administering four identified statements

Table 5.8 Distribution of respondents according to their Initiative

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I always act upon present opportunities	20	50	21	8	1	380	76.00	High
b	I fail to initiate actions to create possibilities for the future	1	11	29	44	15	361	72.20	High
c	I try to act rather than simply waiting to study actions of others	12	44	27	17	0	351	70.20	High
d	I go beyond what is required or expected	13	49	31	7	0	232	46.40	Medium
Grand total score							1324		
Composite Index								66.20	**MEDIUM**

Source: Primary data

Table 5.8 indicated that composite index for initiative among the employees was 'Medium' with a value of 66.20. Here statements (a), (b), (c) were categorized into 'High' with values 76.00, 72.20, 70.20 respectively. These statements implied that the employees took anticipatory action to avoid problems before they happened or taking advantage of opportunities before they were visible to anyone else also the employees were capable to act on the present opportunities without any difficulty.

Statement (d) was categorized by the employees to 'Medium' with a value of 46.40 which was comparatively the lowest among the four statements. This statement showed that the employees lacked the farsightedness that could make the critical difference between a wise decision and a poor one.

5.2.8 Empathy

Empathy means awareness of others feelings, needs and concerns. The empathy of the sample employees were measured by obtaining their responses by administering four identified statements.

Table 5.9 Distribution of respondents according to their Empathy

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I am always able to see things from the other person's viewpoint	21	57	17	5	0	394	78.80	High
b	Empathy does not have any relevance in our work.	5	26	24	37	8	317	63.40	Medium
c	I can easily say sorry if I am wrong and my actions have hurt others.	36	39	19	3	3	402	80.40	High
d	Reasons for disagreements are not clear to me	2	22	43	29	4	311	62.20	Medium
Grand total score							1424		
Composite Index								71.20	HIGH

Source: Primary data

Table 5.9 indicated that composite index for empathy of the employees was 'High' with a value of 71.20. Here statements (a) and (c) scored under the category 'High' with values 78.80 and 80.40 respectively. Statement (c) showed the highest value of 80.40 among the four statements. This denoted that the employees were aware of others' emotions, concerns, and needs, also ready to say sorry and apologise to others whenever they committed a mistake or their actions hurt others.

Statements (b) and (d) were categorized into 'Medium' by the employees showing that empathy did not have any relevance in their work situation also the reasons for disagreements among the co-workers were not clear to them.

5.2.9 Service Orientation

Service orientation refers to anticipating, recognizing and meeting customer needs. The service orientation of the sample employees were measured by obtaining their responses by administering four identified statements.

Table 5.10 Distribution of respondents according to their Service Orientation

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I always maintain clear communication of mutual expectations with customers	45	40	14	1	0	429	85.80	High
b	I fail to address the unexpected needs of the customers.	4	16	31	43	6	331	66.20	Medium
c	I take personal responsibility for resolving customer problems	24	54	17	4	1	396	79.20	High
d	I ignore to act as a trusted advisor to a customer over time	9	18	25	41	7	319	63.80	Medium
Grand total score							1475		
Composite Index								73.75	HIGH

Source: Primary data

Table 5.10 indicated that composite index for service orientation of the employees was 'High' with a value of 73.75. Here statements (a) and (c) were scored into 'High' category by the employees with the values 85.80 and 79.20 respectively. Statement (a) secured the highest value of 85.80 among the four statements. This indicated that the employees of ESAF maintained a clear communication with the customers as well as they took personal responsibilities for resolving customers' problems.

Statements (b) and (d) were scored to the 'Medium' category by the employees. This indicated that the employees were not able to identify clients or customer's unstated needs and concerns and then to match them to products or services. Hence the customers' needs were not fully identified and fulfilled by the employees. Also they ignored to act as a trusted advisor a customers over time.

5.2.10 Organizational Awareness

Organizational awareness means understanding and updating to know the different aspects and activities of the organization. The organizational awareness of the sample employees were measured by obtaining their responses by administering four identified statements.

Table 5.11 Distribution of respondents according to their Organizational Awareness

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I understand the organization's values and culture	50	37	12	1	0	436	87.20	High
b	I am not fully aware of my organization's norms and policies	7	9	19	46	19	361	72.20	High
c	My family also knows my organization as much as I know	27	45	19	8	1	389	77.80	High
d	I have an unpleasant opinion at times about my organization	3	12	36	40	9	340	68.00	High
Grand total score							1526		
Composite Index								76.30	HIGH

Source: Primary data

Table 5.11 indicated that composite index for organizational awareness of the employees was 'High' with a value of 76.30. All the statements were under the category 'High' with the values 87.20, 72.20, 77.80 and 68.00 respectively. Statement (a) received the highest value of 87.20. This implied that the employees were able to read the currents of emotions and political realities in groups also understanding and updating the different aspects and activities of the organization.

The statements also implied that the employees were fully aware about the rules and regulations of the organization. It did not mean that employee alone aware about the organization, but also his/ her family also knew about the organization as much as the employees knew. The employees were content and happy with the organization and the organization's values and culture.

5.2.11 Communication

Communication means listening openly and sending convincing messages to the fellow employees and customers. The communication of the sample employees were measured by obtaining their responses by administering four identified statements.

Table 5.12 Distribution of respondents according to their Communication

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I listen others carefully and make sure my ideas are clearly transferred to others	37	49	14	0	0	423	84.60	High
b	I am not able to recognize when I need help, then ask for a help or support	5	17	28	45	5	328	65.60	Medium
c	I can strongly protest against mistreatment	22	46	28	1	3	383	76.60	High
d	I cannot say 'no' without feeling guilty	13	21	32	26	8	295	59.00	Medium
Grand total of score							**1429**		
Composite index								**71.45**	**HIGH**

Source: Primary data

Table 5.12 indicated that composite index for communication of the employees was 'High' with a value of 71.45. Statements (a) and (c) came under the category 'High' with the values 84.60 and 65.60 respectively. Statement (a) showed the highest index value of 84.60 out of the four statements. This indicated that the employees of ESAF were effective in the give-and-take of emotional information, deal with difficult issues straightforwardly, listened well and welcomed sharing of information fully and foster open communication and stayed receptive to both bad as well as good news. The employees showed 'Medium' category for the statements (b) and (d) with index values 65.60 and 59.00 respectively. This implied that the employees strongly protested against mistreatment and they were not able to recognize when a need for help or suggestion was required.

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5.2.12 Leadership

Leadership refers to inspiring and guiding individuals and groups. The leadership of the sample employees was measured by obtaining their responses by administering four identified statements.

Table 5.13 Distribution of respondents according to their Leadership quality

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I stimulate enthusiasm and make work exciting	27	55	17	1	0	408	81.60	High
b	I ignore to step forward to lead as needed at times	5	14	22	50	9	344	68.80	High
c	I look for ways to make things better for the people I lead	28	58	13	1	0	413	82.60	High
d	I cannot take any leadership roles with confidence that is offered to me.	6	5	20	48	21	373	74.60	High
Grand total of score							1538		
Composite Index								76.90	HIGH

Source: Primary data

Table 5.13 indicated that composite index for the leadership quality of the employees was 'High' with a value of 76.90. Here all the statements showing the leadership quality were rated as 'High' with the values 81.60, 68.80, 82.60 and 74.60 respectively. This indicated that the leadership skills were more among the employees of ESAF. They were able to inspire others to work together towards common goals as well as articulated and arouse enthusiasm for a shared vision and mission, to step forward as needed, to guide the performance of others while holding them accountable, and to lead by example. The more positive style of an employee as a leader, confident, helpful, and cooperative were those among the selected group of employees.

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5.2.13 Building bonds

Building bonds refers to nurturing instrumental relationships with fellow members. The building bonds of the sample employees were measured by obtaining their responses through administering four identified statements.

Table 5.14 Distribution of respondents according to their Building bonds

(n=100)

Sl. No	Statements	No. of respondents					Total score	Index	Category
		SA	A	NO	D	SD			
a	I am good at cultivating and maintaining good relationship with our customers and their families	36	50	13	1	0	421	84.20	High
b	I am not interested in personal relationship when I am at work.	12	33	18	31	6	286	57.20	Medium
c	I always make and maintain personal friendships among work associates	14	52	21	12	1	366	73.20	High
d	I find difficulty in building solid relationships with those I work with	5	20	31	36	8	322	64.40	Medium
Grand total score							1395		
Composite Index								69.75	**HIGH**

Source: Primary data

Table 5.14 indicated that composite index for building bonds with fellow members and customers among the employees were 'High' with a value of 69.75. Here statements (a) and (c) showed the 'High' category with the value 84.20 and 73.20. This proved that the employees balanced their own work and building accounts of goodwill with people who may become crucial resources down the line. One of the virtues of building such relationships was the reservoir of trust and goodwill that they established. Highly effective employees are adopted at cultivating these relationships, whereas less effective employees generally failed to build bonds. Statements (b) and (d) showed that the employees were in 'Medium' category with values 57.20 and 64.40 indicating that the employees were not interested in personal relationship when they were at work also found difficulty in building solid relationships with those they worked with.

Table 5.15 Emotional intelligence among the employees of ESAF

Emotional Intelligence	Index	Rank
Self confidence	78.45	1
Leadership	76.90	2
Organizational Awareness	76.30	3
Emotional self- awareness	74.95	4
Self-assessment	74.45	5
Achievement drive	74.40	6
Service orientation	73.75	7
Adaptability	71.50	8
Communication	71.45	9
Empathy	71.20	10
Work ethics	70.20	11
Building Bonds	69.75	12
Initiative	66.20	13
Composite Index	**73.03**	
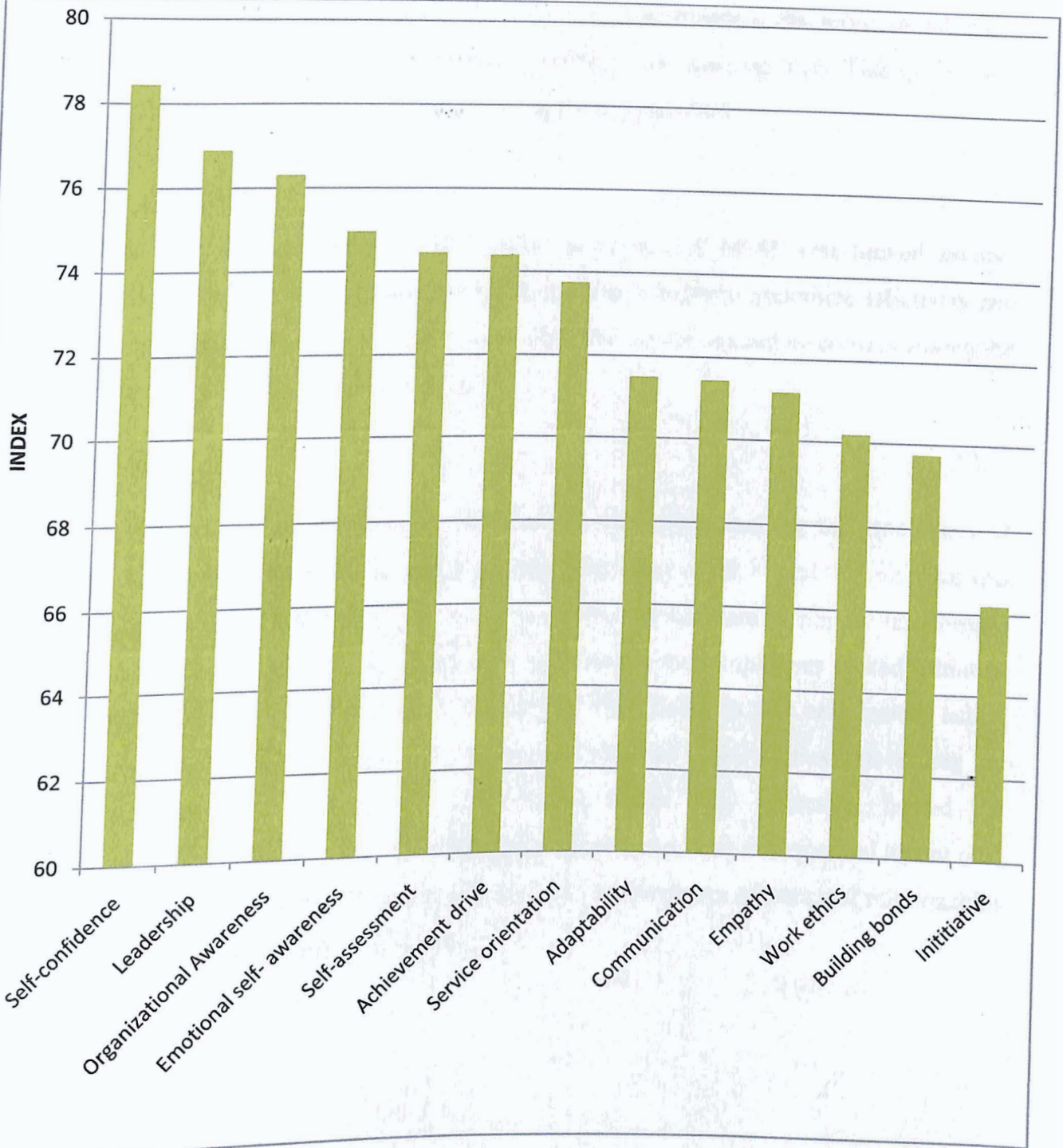
Fig 5.5 Emotional intelligence among the employees of ESAF

Fig 5.5 indicates the overall picture of emotional intelligence among the employees of ESAF. The emotional intelligence among the employees of ESAF was assessed with a composite index of 73.03. It indicated that the employees had high level of emotional intelligence which is a sign of matured human resources. Among the listed 13 variables the composite index for self-confidence was ranked the highest (78.45). Self-confidence is a vital component one should have in his both personal and professional life. The more self-confidence one have,

the more one value themselves and their capabilities, which means the more valuable one feel; this is what creates the effect of naturally holding ones head up high. This quality will help the employees to freely express their ideas in the organization,

It was found that the leadership quality of the employees of ESAF was ranked second. Leadership is an important function of management which helps to maximize efficiency and to achieve organizational goals. The composite index for organizational awareness among the employees was in the third position (76.30).

Building bonds and initiative were the least ranked dimensions among the employees of ESAF. Building bonds was assessed with the composite index of 69.75 and the initiative was 66.20.This indicated that the employees failed to create and maintain a friendly relationship among their co-workers, clients etc. It was also understood that employees lacked initiative skill in undertaking the activities of the organisation. They failed to take anticipatory action to avoid problems before they happen or taking advantage of opportunities before they are visible to anyone else. Employees were reactive rather than proactive, lacked the farsightedness that could make the critical difference between a wise decision and a poor one. Initiative is key to outstanding performance and to the development of personal relationships with clients, as is critical in such businesses.

5.16 Cadre wise emotional intelligence of employees

Sl. No	Dimensions	INDEX		
		Cadre B	Cadre C	Cadre D
1	Emotional self-awareness	70.00	76.08	78.77
2	Self-assessment	81.04	76.91	65.40
3	Self confidence	84.93	79.00	71.42
4	Work ethics	72.10	77.08	61.42
5	Adaptability	74.12	77.05	63.33
6	Achievement drive	83.42	77.25	62.53
7	Initiative	70.71	65.75	62.53
8	Empathy	73.25	70.83	69.52
9	Service Orientation	75.00	78.40	67.85
10	Organizational Awareness	82.85	78.91	67.14
11	Communication	76.31	74.83	63.21
12	Leadership	80.52	82.42	64.76
13	Building bonds	61.30	77.75	70.20
	Composite Index	**75.81**	**82.27**	**66.74**

Cadre B employees of ESAF included the managerial level with job titles Regional Manager, Manager, Senior Manager, Deputy Chief Manager and Chief Managers.

The composite Index of emotional intelligence of cadre B was 75.81, which belonged to the 'High' category. The number of respondent employees studied under cadre B was 20. It was found out that employees of cadre B had high degree of self- confidence with an index of 84.93. This indicated that the amount of assurance of employees of cadre B had on them to perform their activities more perfectly in the given time. Achievement drive was ranked second among the cadre B employees with an index value of 83.42. The high achievement drive among the employees proved that they always strived for accomplishments, had an

optimistic attitude toward setbacks and operate from hope of success. Studies had shown that optimism could contribute significantly to sales gains, among other accomplishments.

Organizational awareness was ranked third highest index value of 82.85. This implied that the employees were fully aware about the rules and regulations of the organization. And they contributed their maximum for the betterment and progress of their organization.

Emotional self- awareness and building bonds were ranked the least indices with values 70 and 61.30 respectively. This indicated that the employees of cadre B were unaware of recognizing one's own feelings and how they affected one's performance. They also lacked a guiding awareness of their values and goals.

Low index of building bonds among the employees showed that the employees were not effective at cultivating and maintaining extensive informal networks and relationships that were mutually beneficial. Also the employees were found to be reserved in making and maintaining personal relationship and friendships among work associates.

Cadre C employees of ESAF included the field level posts like Branch Manager, Senior Branch Manager, Area Branch Manager and Senior Area Manager.

The composite Index of emotional intelligence of cadre C is 82.27, which belonged to the 'High' category. The number of respondent employees studied under cadre C was 60. The study revealed that C cadre employees scored the highest value of index for the leadership dimension. This indicated that the C cadre employees were able to inspire others to work together towards common goals as well as articulate and arouse enthusiasm for a shared vision and mission, to step forward as needed, to guide the performance of others while holding them accountable, and to lead the fellow employees by example. They ranked second and third for the dimensions of self- confidence and organizational awareness with index values of 79.00 and 78.91 respectively.

Communication, empathy and initiative were the least indices with the values 74.83, 70.83 and 65.75 respectively. This indicated that the employees of C cadre were not able to give-and-take information, share their ideas and suggestions to their colleagues much effectively also unable to listen well, seek mutual understanding, welcome sharing of information fully also foster open communication and stay receptive to bad and good news. They also found

difficult in understanding the feelings, needs and concerns of other persons. The level of initiative also lacking with the cadre C employees. They are unable to take anticipatory action or take advantage of opportunities before they are visible to anyone else.

Cadre D employees consisted the posts of Juniors Officer, Assistant Officer, Officer and Assistant Branch Managers.

The composite Index of emotional intelligence of cadre D was 66.74, which belonged to the 'Medium' category. The number of respondent employees studied under cadre D was 20. From the study, it was understood that the employees of D cadre had more of emotional self-awareness and self- confidence with the composite index values 78.77 and 71.42 respectively. This implied that the employees were aware of their emotions and feelings and tried to control them.

Dimensions like achievement drive, initiative and work ethics were found less among the employees of D cadre showing index values of 62.53, 62.14, and 61.42 respectively. This indicated that employees were not optimistic in improving their performance. Also they were not interested to take more calculated risks and support, enterprising innovations and set challenging goals. Cadre D employees also lacked initiative and work ethics. Future training programmes may be aimed to improve their achievement drive, initiative and work ethics among the D cadre employees of ESAF so that these different dimensions can be overcome.
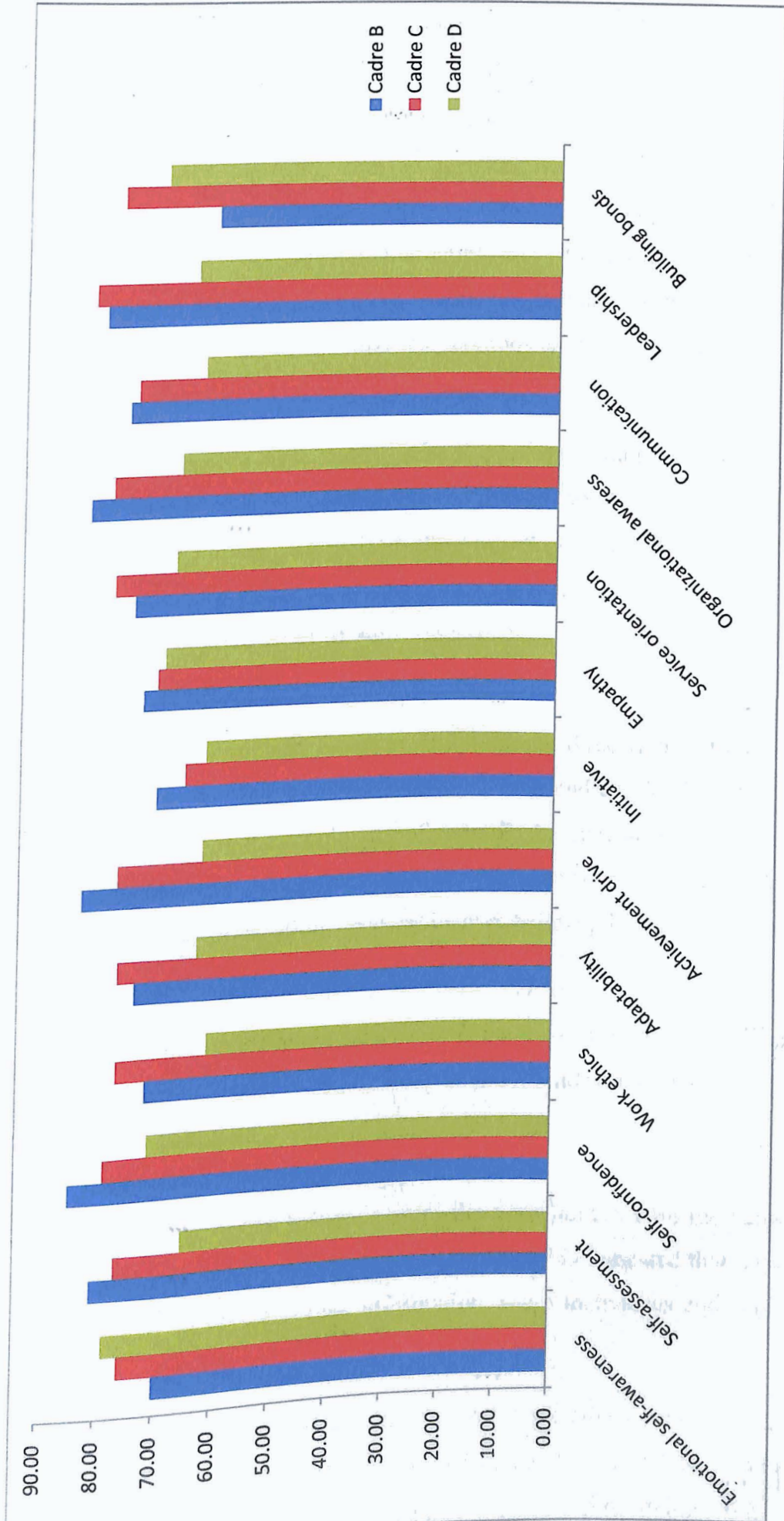
Fig 5.6 Cadre wise classification of emotional intelligence among the employees of ESAF

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The theory of emotional intelligence promises to predict and improve the life skills of individuals. The proponents of the theory believe that in understanding, analyzing and managing emotions in themselves and others, lies the key to an improved quality of life.

It was understood that emotional self-awareness was comparatively high among the employees of cadre D. This indicated that employees of this cadre were extremely aware of their own emotions and recognizing one's own feelings as well as how they affected one's performance. Cadre B employees had less composite index in emotional self- awareness while comparing to cadre C and cadre D employees.

Self- assessment was seen high among cadre B employees than the other two cadres. A high level of self- assessment indicated that employees were aware of their abilities and limitations, sought feedback, learnt from their mistakes; knew where they need to improve and when to work with others who had complementary strengths. Employees of cadre C showed a reasonably good level of self- assessment whereas cadre D indicated a low self-assessment.

Self-confidence was the highest for cadre B among the three cadres. Employees of cadre B were more confident in their work than the other two cadres. Work ethics and adaptability were found higher among the employees of cadre B. Achievement drive, initiative, empathy, organizational awareness and communication were seen more with the cadre B employees. Variables like service orientation, leadership and building blocks were higher among the cadre C employees of ESAF.

Low index of building bonds among the cadre B employees showed that the employees were not effective at cultivating and maintaining extensive informal networks and relationships that were mutually beneficial.

Communication, empathy and initiative were the least indices with the values 74.83, 70.83 and 65.75 respectively among the cadre C employees. This indicated that the employees of C cadre were not able to give-and-take information, share their ideas and suggestions to their colleagues much effectively.

Dimensions like achievement drive, initiative and work ethics were found less among the employees of D cadre showing index values of 62.53, 62.14, and 61.42 respectively. This indicated that employees were not optimistic in improving their performance.

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5.3 Suggestions for improving the emotional intelligence of employees

Based on the responses provided by the respondents and the detailed analysis of review of literature, following suggestions are provided for improving the emotional intelligence of the employees of ESAF Microfinance & Investment (P) Ltd., Thrissur.

Table 5.17 Suggestions for improving self-awareness and self-assessment

Self- awareness	Self- assessment
1.Ask for regular feedbacks at work	1. Be mindful of our own strengths and weaknesses
2. Noticing the behavioral patterns and habits so that adjustments can be made to change the negative ones	2. Own for our shortcomings
3. Stay focused	3. Stay positive
4. Accepting that we are responsible for our actions	4. Support each other at workplace
5. Practice self- discipline	5.Know how well we are performing ourselves
6. Recognizing our destructive thought patterns so that we can redirect them	6. Prepare better action plans

Table 5.18 Suggestions for improving self-confidence and work ethics

Self- confidence	Work ethics
1.Be positive	1. Practice punctuality
2.Friendly and noble supervision	2. Use time wisely
3. Don't compare yourself to others	3. Stay balanced
4. Focus on the things you can change	4. Develop professionalism
5. Don't strive for perfection	5. Cultivate self-discipline
6. Accept the compliments	6. Make instruction clearly matters

Table 5.19 Suggestions for improving adaptability and achievement drive

Adaptability	Achievement drive
1. Learn to cope with change	1. Make expectations clear
2. Anticipate and respond positively to changing environment	2. Provide continuous feedbacks
3. Show willingness to learn new methods, procedures, or techniques and take on new tasks	3. Make rewards achievable
4. Be resourceful with a positive, 'can do' attitude to change	4. Encourage, motivate, reward and recognize
5. Adjust your methods to deal with a changing situation or emergency	5. Demand realistic target
6. Bounce back from setbacks and maintain a positive attitude	6. Ensure that people enjoy their work

Table 5.20 Suggestions for improving initiative and empathy

Initiative	Empathy
1. Authorize employees to make decisions	1. Realize the emotions of fellow members
2. Provide a positive, encouraging environment	2. Practice listening without interrupting others
3. Recognize efforts even if they fail	3. Avoid being defensive
4. Managers should welcome suggestions from the employees	4. Allow enough time for people to express their opinions and ideas without judgments
5. Encourage open communication	5. Practice balance of focus, goal-orientation and empathetic listening
6. Encourage innovations	6. Be an active listener

Table 5.21 Suggestions for improving service orientation and organisational awareness

Service orientation	Organizational awareness
1. Make a commitment	1. Understand the organizational agenda
2. Track mistakes	2. Develop collaborative relationships
3. Organize quality circles	3. Be aware about the organizational norms and policies
4. Having the right attitude is important for the better service orientation	4. Organization should communicate with the employees about their new ideas, products and services
5. Provide opportunity communication skills	5. Organization should conduct periodical meetings with the employees
6. Enhance ability to read customers	6. Employees should learn about their organization deeply

Table 5.22 Suggestions for improving communication, leadership and building bonds

Communication	Leadership	Building bonds
1. Make it easy for customers to communicate with the staffs	1. Get inspired	1. Active listening and give positive strokes
2. Keep customers informed with text messages	2. Push away the negatives	2. Interact with co-workers more often
3. Train employees on the new communication methods	3. Celebrate small achievements	3. Greet your colleagues on their birthdays or anniversaries
4. Follow up on the issues to verify the communication gaps have been resolved	4. Finish what you start	4. Individuals should be motivated to work in teams
5. Identify if any communication problem	5. Don't give up	5. Avoid being jealous
6. Communication should to clear and precise	6. Don't be afraid	6. Stand by colleagues when needed

Chapter - 6

Summary of Findings and Suggestions

Chapter 6

SUMMARY OF FINDINGS AND CONCLUSION

Emotions originate from exposure to specific situations. Emotions, when combined with the thinking process, result in the experience of feelings; they are human being' waning systems to alert them to what is really going on around them. Emotions are also like an internal gyroscope that help and keep us on the right track by ensuring that we are guided more by EQ and less by IQ.

It is increasingly being recognised that emotional intelligence can be applied to the organisation's unique needs. Employees can learn the principles of EQ to become better team players, be more creative in their work and increase overall productivity. This can be achieved by learning powerful techniques to integrate and utilise the principles of applied emotional intelligence at the workplace. Emotional intelligence can be instrumental in achieving success in many areas of professional life and also achieve organisational development. It is found that leaders in organization must have control over their emotions and feelings for effective decision-making and problem solving. EQ can help in increasing productivity, speeding up adaptation to change, developing leadership skills, stimulating creativity and cooperation, responding effectively to competition, encouraging innovative thinking and improving retention of key employees. It can also help create an enthusiastic work environment, improve the way employees feel about themselves and how they relate to others, reduce stress levels and resolve emotional issues, improve health and well-being, improve relationships, heighten success, and enable employees to experience greater fulfilment.

This study was an attempt to analyze the emotional intelligence of the employees of ESAF Microfinance and Investment (P) Ltd. The sample size of the study was 100 employees from three cadres at the middle level. The sample respondents were selected randomly from the three cadres of employees at ESAF. The data were collected by administrating a structured and pre- tested mailed questionnaire.

The results of the study were summarized under the following heads:

6.1 Socio-economic profile of Employees

6.2 Emotional intelligence of Employees

6.3 Suggestions for improving the emotional intelligence of employees.

6.1 Socio-economic profile of employees

This section contains the socio-economic background of sample respondents. The socio-economic factors which may influence the response of the sample respondents like age, gender, educational status, number of years of service in ESAF and number of years of service prior to ESAF are explained.

a) Majority of the employees (58%) belonged to the age group of 26-35 years .Seventeen per cent of the employees were in the age group of less than 25 years. There were 23 per cent of the employees in the category of 36-45 years who could provide support to the young group of personnel.

b) Majority (65 per cent) of the employees were male and female employees represented 35 per cent of the total population.

c) Little less than half the per cent of the respondents (44%) had an experience between 1-5 years, and a reasonable per cent of the employees (33%) possessed an experience of 6-10 years in ESAF. A good number of employees were in the category of experience less than 1 years.

d) Majority of the employees (63%) had experience between 1-10 years before joining ESAF. Among the sample respondents, 17% of the employees were having no previous experience prior to ESAF. Only 10 % of the employees were experienced more than 11 years prior to ESAF.

e) Half the per cent of the employees were graduates in different streams like B Com, B.A. English, LLB, B.A. Economics, BBA where as 42% of the employees were post graduates in

MBA, MA Economics, MA English, M Com, Retail management, MSc Computer science, MSW etc and 8% of the employees were technically qualified as B Tech.

6.2 Emotional Intelligence of Employees

a) Composite index for the emotional self- awareness of the employees of ESAF was 'High' with a value of 74.95. Self-Awareness apparently helped them handle their own emotional reactions better.

b) Composite index for self- assessment of the employees was 'High' with a value of 74.45. This shows that the employees were aware of their abilities and limitations, sought feedback and learn from their mistakes, and knew where they needed improvement and when to work with others who had complementary strengths.

c) Composite index for self- confidence among the employees was 'High' with a value of 78.45. This showed that the employees' self- assurance in one's own personal judgment, ability, power, etc was high.

d) Composite index for work ethics of the employees was 'High' with an index value of 73.70.

e) Composite index for adaptability of the employees was 'High' with a value of 71.50. This showed that the employees were open to new information and could let go of old assumptions and adapt easily to the changes.

f) Composite index for achievement drive of the employees was 'High' with a value of 74.40. This pointed out that the employees were optimistic and continuously improving their performance.

g) Composite index for initiative among the employees was 'Medium' with a value of 66.20. This implied that the employees did not take anticipatory action to avoid problems before they happened or not sportive enough to take advantage of opportunities before they were visible to anyone else.

h) Composite index for empathy of the employees was 'High' with a value of 71.20. This denoted that the employees were aware of others' emotions, concerns, and needs also ready to say sorry and apologise to others whenever they committed a mistake or their actions hurt others.

i) Composite index for service orientation of the employees was 'High' with a value of 73.75. This indicated that the employees of ESAF maintained a clear communication with the customers as well as they took personal responsibilities for resolving customers' problems.

j) Composite index for organizational awareness of the employees was 'High' with a value of 76.30. This implied that the employees were able to read the currents of emotions and political realities in groups also understanding different aspects of the organization.

k) Composite index for communication of the employees was 'High' with a value of 71.45. This indicates that the employees of ESAF were effective in the give and receive information, deal with difficult issues straightforwardly, listen well and welcome sharing of information fully and foster open communication and stay receptive to bad news as well as good.

l) Composite index for leadership quality of the employees was 'High' with a value of 76.90. This indicated that the leadership skills were more among the employees of ESAF. They were able to inspire others to work together toward common goals as well as articulate and arouse enthusiasm for a shared vision and mission, to step forward as needed, to guide fellow employees while holding them accountable and to lead by example.

m) Composite index for building bonds with fellow members and customers among the employees was 'High' with a value of 69.75. This proved that the employees balanced their own work and building accounts of goodwill with people who may become crucial resources down the line.

n) The emotional intelligence among the employees of ESAF was assessed with a composite index of 73.03. It indicated that the employees had high level of emotional intelligence which was a sign of empowered and matured human resources.

6.3 Conclusion

The emotional intelligence of the employees was measured with 13 dimensions: emotional self-awareness, self-assessment, self confidence, work ethics, adaptability, achievement drive, initiative, empathy, service orientation, organizational awareness, communication, leadership and building bonds. The emotional intelligence among the employees of ESAF was assessed with a composite index of 73.03. It indicated that the employees had high level of emotional intelligence which was a sign of empowered and matured human resources.

Self-confidence and leadership quality of the employees were found to be the highest with index values of 78.45 and 76.90 respectively. Building bonds and initiative were the least ranked dimensions among the employees of ESAF. Building bonds was assessed with the composite index of 69.75 and the initiative was 66.20. Employees were reactive rather than proactive, lacking the farsightedness that could make the critical difference between a wise decision and a poor one. Foresight towards the projects and enterprising nature of the employees are to be improved to take up the challenging tasks of the organisation.

Emotional self-awareness was comparatively high among the employees of cadre D. This indicated that employees of this cadre were extremely aware of their own emotions and able to recognize one's own feelings as well as how they affected one's performance. Cadre B employees had less composite index for emotional self- awareness while comparing the employees of cadres C and D.

Self- assessment was seen high among the cadre B employees compared to other two cadres. A high level of self- assessment indicated that employees were aware of their abilities and limitations, sought feedback and learnt from their mistakes, and knew where they needed to improve and when to work with others who had complementary strengths. Employees of cadre C showed a reasonably good level of self- assessment whereas cadre D indicated a low self- assessment.

Self-confidence was considered as the highest for cadre B with an index value of 84.93 among the three cadres. Employees of cadre B were more confident in their work than the other two cadres. This showed that the employees of cadre B had high self-assurance in their own personal judgment, ability, power, etc.

Work ethics and adaptability were found higher among the cadre C employees followed by cadre B and D. This indicated that the cadre C employees acted as a role model to the lower cadre employees showing the importance of punctuality and discipline at work. And adaptability dimension proved that employees of cadre C were open to new information and could let go of old habits and ready to accept changes.

Achievement drive, initiative and empathy were high among the employees of cadre B followed by cadre C and D. The high achievement drive among the employees of cadre B proved that they strived for excellence, persistent, an optimistic attitude toward setbacks, and operated from the hope of success. The quality of initiative implied that the employees of cadre B took anticipatory action to avoid problems before they happen or taking advantage of opportunities before they were visible to anyone else also the employees are capable to act on the present opportunities without any difficulty. Empathy is seen high among the cadre B employees showing that they are aware of others feelings, needs and concerns whereas it was comparatively low among the cadre D employees.

Service orientation, leadership and building bonds were high among the employees of cadre C compared to cadre B and D. This indicated that cadre C employees maintained a clear communication with the customers as well as they took personal responsibilities for resolving their customers' problems also good at inspiring others to work together toward common goals as well as articulated and arouse enthusiasm for a shared vision and mission, to step forward as needed, to guide the performance of others while holding them accountable. Cadre C employees were found to cultivate and maintain relationships among their co-workers.

Organizational awareness and communication were found high in the cadre B employees followed by cadre C and D. This indicated that employees of cadre B were efficient in dealing with difficult issues straightforwardly, listening carefully, sharing information fully, fostering communication and staying receptive to bad as well as good news.

6.4 Suggestions

The emotional intelligence among the employees of ESAF was assessed with a composite index of 73.03. It is easy for the organisation to tap the potential of the employees with high level of emotional intelligence and to have a pleasant working environment. Still there is a scope for improving the emotional intelligence of the employees by creating opportunities for self-introspection and self-correction by organising a series of well structured capacity building programmes. Detail suggestions for improving the thirteen dimensions of emotional intelligence of the employees are presented in the previous chapter.

It was found that the variable initiative was comparatively low among the employees of ESAF. Initiative is acting before being forced to do so by external events. This often means that taking anticipatory action to avoid problems before they happen, or taking advantage of opportunities before they are visible to anyone else. Initiative qualities among employees were found very low. This have to be improved by giving the employees more authority and power, so that they need not depend on superiors at all times for taking an action. This will improve the employees by taking timely and quick decisions in order to avoid problems before they happen.

It is possible for people of all ages to become more socially and emotionally competent. However, the principles for developing the type of competence differ greatly from those that have guided much training and development practice in the past. Developing emotional competence requires that we unlearn old habits of thought, feeling, and action that are deeply ingrained, and grow new ones. Such a process takes motivation, effort, time, support, and sustained practice. Authorities of ESAF may consider "emotional competence" as an important component in the syllabus of training and development programmes. The syllabus on emotional competence should be included as an important component of all the management and executive development efforts as well as training in honing supervisory skills, building relationships, teamwork, leadership, conflict management, stress management, marketing, customer relations, etc.

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KERALA AGRICULTURAL UNIVERSITY
COLLEGE OF CO-OPERATION, BANKING & MANAGEMENT
MBA IN AGRI-BUSINESS MANAGEMENT

Emotional Intelligence among the Employees of ESAF Microfinance and Investment (P) Ltd., Thrissur

QUESTIONNAIRE

(FOR ACADEMIC PURPOSE ONLY)

Section A

Profile of the employee

...

1. Age ....years

2. Gender ....

3. No. of years of service with ESAF..........................years

4. No. of years of service prior to ESAF..........................years

5. Present Cadre ....

6. Educational qualification ....

Put a tick mark (√) the degree of your feeling is closer to the statements given below:

1. Emotional self-Awareness

Emotional self- awareness means recognizing ones emotions and their efforts

Sl. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I am a strong person I don't easily get emotional.					
b.	I easily get upset and start crying when my superiors scold me.					
c.	I am careful about my speech. I never hurt anyone.					
d.	I lose my temper during work if things don't work.					

Please list out at least 3 suggestions to improve your emotional self-awareness at work situation:

1.
2.
3.

2. Self-assessment

Self- assessment means knowing ones strength and limitations

Sl. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I am aware of my strengths and areas of weaknesses.					
b.	I am not able to resolve any difficult situation.					
c.	I am ready to seek out opportunities to broaden my capabilities					
d.	My motivation depends on the monetary benefits I get from the company.					

Please list out at least 3 suggestions to improve your strengths and overcome limitations at work situation:

1.
2.
3.

3. Self confidence

Self-confidence means a strong sense of one's self-worth and capabilities

Sl. No	Statement	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I feel confident to work without the need for direct supervision.					
b.	I always feel confused about my job responsibilities.					
c.	I am usually able to prioritise important activities at work and get on with them					
d.	I am not able to motivate myself when I feel low					

Please list out at least 3 suggestions to improve your self-confidence at work situation:

1.
2.
3.

4. Work ethics

Work ethics means a belief in the moral benefit and importance of work and its inherent ability to strengthen character.

Sl. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I believe values like honesty, sincerity comes naturally and cannot be trained.					
b.	Punctuality and discipline should come from superiors first to be able to be followed by subordinates.					
c.	Good communication is important to deal with the customers.					
d.	Staff in the low cadre work more compared to the ones in the upper cadre					

Please list out at least 3 suggestions to improve your work ethics at work situation:

1.
2.
3.

5. Adaptability

Adaptability means flexibility in handling change

SL. no	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I can easily change myself to new positions.					
b.	I think change is not easy in a job, one has to undergo lot of struggle.					
c.	I am willing to work in any department and in any geography.					
d.	Usually I do not see the need to change					

Please list out at least 3 suggestions to improve your flexibility in handling changes at work situation:

1.
2.
3.   ...

6. Achievement drive

Achievement drive means striving to improve or meet a standard of excellence

Sl. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I am totally results-oriented, with a high drive to meet their objectives and standard					
b.	I fear to do the difficult things first					
c.	I always set challenging goals and take risks					
d.	I find difficult to improve my performance					

Please list out at least 3 suggestions to improve your standard of excellence at work situation:

1.
2.
3.

7. Initiative

Initiative refers to readiness to act on opportunities

Sl. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I always act upon present opportunities					
b.	I fail to initiate actions to create possibilities for the future					
c.	I try to act rather than simply waiting to study actions of others					
d.	I go beyond what is required or expected					

Please list out at least 3 suggestions to improve your readiness to act on opportunities at work situation:

1.
2.
3.

8. Empathy

...

Empathy means awareness of others feelings, needs and concerns

SL. no	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I am always able to see things from the other person's viewpoint					
b.	Empathy does not have any relevance in our work.					
c.	I can easily say sorry if I am wrong and my actions have hurt others.					
d.	Reasons for disagreements are not clear to me					

Please list out at least 3 suggestions to improve your awareness of others feelings, needs and concerns at work situation:

1.
2.
3

9. Service orientation

Service orientation refers to anticipating, Recognizing and meeting customer needs

Sl. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I always maintain clear communication of mutual expectations with customers					
b.	I fail to address the unexpected needs of the customers.					
c.	I take personal responsibility for resolving customer problems					
d.	I ignore to act as a trusted advisor to a customer over time					

Please list out at least 3 suggestions to improve your skill at recognizing and meeting customer needs at work situation:

1.
2.
3.

10. Organizational Awareness

Organizational Awareness means understanding different aspects of the organization

SL. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I understand the organization's values and culture					
b.	I am not fully aware of my organization's norms and policies					
c.	My family also knows my organization as much as I know					
d.	I have an unpleasant opinion at times about my organization					

Please list out at least 3 suggestions to improve your awareness about the organization:

1.
2.
3
.

11.Communication

Communication means listening openly and sending convincing messages

Sl. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I listen others carefully and make sure my ideas are clearly transferred to others					
b.	I am not able to recognize when I need help, then ask for a help or support					
c.	I can strongly protest against mistreatment					
d.	I cannot say 'no' without feeling guilty					

Please list out at least 3 suggestions to improve your communication at work situation:

1.
2.
3.

12.Leadership

Leadership refers to inspiring and guiding individuals and groups.

Sl. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I stimulate enthusiasm and make work exciting					
b.	I ignore to step forward to lead as needed at times					
c.	I look for ways to make things better for the people I lead					
d.	I cannot take any leadership roles with confidence that is offered to me.					

Please list out at least 3 suggestions to improve your leadership skills at work situation:

1.
2.
3.

13.Building Bonds

Building bonds refers to nurturing instrumental relationships.

SL. No	Statements	Strongly agree	Agree	No opinion	Disagree	Strongly Disagree
a.	I am good at cultivating and maintaining good relationship with our customers and their families					
b.	I am not interested in personal relationship when I am at work.					
c.	I always make and maintain personal friendships among work associates					
d.	I find difficulty in building solid relationships with those I work with					

Please list out at least 3 suggestions to build good relationships at work situation:

1.

2.

3.