An Investigation of the Impact of Emotional Intelligence on Job Performance through the Mediating Effect of Organizational Commitment: An Empirical Study of Banking Sector of Pakistan

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Abstract
Emotional intelligence is one of the most imperative concepts introduced in psychology for the well-being of workplaces nowadays. The objective of this research was to explore the impact of emotional intelligence with its indicators on job performance and its indicators through the mediating effect of organizational commitment along with its established indicators of affective commitment, normative commitment and continuance commitment. The study was conducted in the banking sector of Pakistan and the data collected from 270 employees were analyzed through regression analysis. The outcomes demonstrate and underline the significant role of emotional intelligence and its effect on organizational commitment as well as job performance. 

Keywords: Emotional Intelligence, Organizational Commitment, Job Performance.

1. Introduction
Emotional intelligence, regarded twice as important as intelligence quotient and technical expertise, whereas four times as important in overall success, is the new mantra of organizations in order to create and maintain their competitive advantage (Brotheridge & Grandey, 2002). It is the ability of employees to recognize their own feelings and those of others and the ability to motivate their own selves and others, as well as to manage their own emotions and those of others. Organization’s success can be attributed to the intelligence, logical capabilities and rare skills of their employees (Dvir, Kass, & Shamir, 2004). But the fact which makes the study of emotional intelligence, an imperative factor is that it was believed only a minority of the decisions is based on emotions and the majority of them are the rational decisions. However the research indicates that all the decisions made by an employee are based on their emotions and then they spend a huge amount of time in underpinning these decisions with logical justifications (Carmeli, 2003).

Thus emotional intelligence plays an important role in almost every domain from effective leadership, teamwork, partnership and vision to efficient performance of an employee. An emotionally intelligent business, when founded on excellent practices and understanding of communications on all levels can consistently excel in all the relevant areas. Such organization becomes successful in retaining a staff that is motivated, productive, efficient, aligned with the business, and committed (Petrides & Furnham, 2006). Such staff can apply their emotional intelligence to almost every human interaction in business; from staff motivation to customer service, from brainstorming to company presentations. But the emotional intelligence has far deeper and wider advantages than these examples, and emotional intelligence of any organization must be able to understand and deal with how people assess problems, how relationships are developed, how beliefs generate their experience as well as resistance, power struggles, judgment, competition, vision, leadership and success. Consequently emotional intelligence is an essential factor for the excellence of various organizations especially in the service based industries (Cote & Miners, 2006).

In present era of competitiveness and technological advancements, service sector puts greater emphasis on providing such extraordinary services to their customers, in which employees should be able to hide their emotions and pay meticulous attention to what customer wants. Similar is the case with the banking sector, which is a highly human intensive sector and relies greatly on the provision of an excellent customer service (Abraham, 2000). In addition its has not been extensively studied, thus it is important to investigate the influence
of emotional intelligence in Pakistani banking sector to unleash the advantages this construct can provide in various organizations.

1.1 Organizational Commitment:
Organizational commitment on the other hand, is one of the most frequently studied concepts in industrial organizational psychology and organizational behavior (Mowday, Steers, & Porter, 1979). Organizational commitment is considered to be an important determinant of organizational effectiveness and performance. It represents the other half (with job satisfaction) of what some experts call overall job attitude (Brockner, Senior, & Welch, 2014). It has been shown by the studies that organizational commitment has the potential to predict a variety of organizational outcomes, such as increased job performance, reduced turnover and withdrawal cognitions, lower absenteeism rate, and increased organizational citizenship behavior (Brown, Hillman, & Okun, 2012).

Moreover, committed employees who are highly motivated to contribute their time and energy to the pursuit of organizational goals are increasingly acknowledged as the primary asset available to an organization (Gutierrez, Candela, & Carver, 2012). Numerous definitions of organizational commitment have been offered (Meyer & Allen, 1991; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002), but the common theme of all the definitions is that the organizational commitment is the emotional bond or attachment between the employees and their organizations. It is the relative strength of an individual’s identification with and involvement in a particular organization which can be characterized by three factors: a strong belief in and acceptance of the organization’s goals and values which is known as affective commitment, a willingness to exert considerable effort on behalf of the organization, which is widely known as normative commitment and finally a strong desire to maintain membership in the organization, represented as continuance commitment (Stazyk, Pandey, & Wright, 2011).

In order to improve the commitment and performance of employees, it is imperative to explore the relationship of these constructs with emotional intelligence.

1.2 Job performance:
Job performance of an employee is the sum of all the work related activities expected of an employee and how well those activities are being executed. This performance of employees is generally assessed on an annual or quarterly basis. It is the attained result of skilled workers (Farh, Seo, & Tesluk, 2012). It is thought of as something which is somewhat the service being prepared, or products shaped and offered by a cluster of people (Lievens & Sackett, 2012).

It has been indicated that when employee feels happy about work related tasks then their performance is increased and they execute tasks in better way. Performance is the outcome of work in an efficient way with considerable obligation for organization without interrupting any law and organizational goals. Performance of employee is the consequence of an employee’s effort, if the performance results in excellence and the quantity as well as the quality that accomplished by an employee is increasing improving; the organization is thought to be an effective organization (Culbertson, Huffcutt, & Goeb, 2013).

The performance of employees has an enormous impact on the reputation of the organization on the whole, it’s not just what employees say, it’s what they do that customers remember. For consumers, the bottom line of satisfaction is whether they are served by a knowledgeable employee capable of performing all functions and duties of his job (Bakker, Tims, & Derks, 2012). The way an employee performs and behaves in the workplace can result in return business or disgruntled consumers. An effort to provide top-level service can have a significant impact on the employers as well as the careers of the employees (Tims, Bakker, & Derks, 2014).

Thus it is evident that factors that foster the commitment and performance of employees should be explored adequately and this study therefore, focuses on the relationship of emotional intelligence, job performance and organizational commitment. The objective of this research is to investigate the impact of emotional intelligence on the job performance of employees through the mediating effect of organizational commitment along with its established indicators of affective, normative and continuance commitment.

2. Literature review:
Emotional intelligence has been given ample attention over the past ten years (George, 2000). The initial definition of emotional intelligence is stated as a set of skills and abilities contributing to the appraisal of emotions, the regulation of emotions, and the use of emotions in reasoning (Mayer & Salovey, 1993). It was assessed as the link between emotional intelligence and leadership ability. There were five listed components of emotional intelligence that an effective leader exhibits: self-awareness, self-regulation, motivation, empathy and social skills (Boyatzis, Goleman, & Rhee, 2000). Prior research on emotions in the workplace suggests that emotions may drive productivity gains, innovations and accomplishments of individuals, teams, and organizations (Mayer, Caruso, & Salovey, 1999). Similarly, a study on the relationship between emotional
intelligence, personality and job performance found that several of the emotional intelligence subscales have a significant relationship with job performance after controlling personality feature anxiety (Petrides & Furnham, 2000). Then again in another study, the relationship between various dimensions of emotional intelligence and effectiveness of forty-four university managers was investigated and a significant difference between different dimensions of emotional intelligence and their effectiveness (Eskandarpour & Amiri, 2012). According to Abraham (2000) the social relation within the organizations increases organizational commitment and loyalty of the staff and since emotional intelligence highly correlates with individual's ability to cooperate with others, they seem to enjoy more commitment with their respective organization.

Studying 76 experts from different industries, the researcher came up with the idea that the staffs with high emotional intelligence were happier than others and held more commitment with their respective organizations (Cote & Miners, 2006). Another researcher studied the effect of emotional intelligence on organizational commitment and job satisfaction of staff in public and private sectors and represented a high significant correlation between the two main variables (Idris, Ahmad, & Ahmad, 2011).

In a research, the author studied the relationship between the emotional intelligence and organizational commitment of private club members and volunteer leaders of the committees in a case study (Nikolaou & Tsaousis, 2002). The result of their research revealed that there was a high significant difference between the individuals with low emotional intelligence and the one's with high emotional intelligence. Therefore, on the basis of above theoretical arguments, following hypothesis can be made:

**H1:** There is a positive impact of emotional intelligence (appraisal and expressions of emotions, revolution of emotions, and utilization of emotions) on Job performance.

2.1 Mediating effect of organizational commitment on job performance:

According to Porter, Steers, & Mowday (1982), organizational commitment has been defined as the relative strength of individual’s identification with and involvement in a particular organization. The types of organizational commitment have also been classified. Affective commitment is represented as the emotional attachment of employees, identification with, and involvement with the organization. Continuance commitment is represented as an awareness of the costs associated with leaving the organization. Whereas, normative commitment is represented as the feeling of obligation to continue employment in that particular organization. Employees with a high level of normative commitment believe that they ought to remain with the organization (Allen & Meyer, 1993).

Many researchers have studied organizational commitment because it represents a great impact on the attitudes and behaviors of employees at work. It affects the withdrawal cognition, absenteeism and burnout of the employees negatively. Whereas, provides a positive impact on the satisfaction, involvement and performance of the employees. The committed employees devote more than expected times and efforts on their jobs, stay with organization in all demanding situations and protect organizational assets as well as reputations (Mowday, 1981). Various meta-analysis of organizational commitment, elucidate that several researchers have theorized that organization commitment is related to positive work outcomes such as effective and enhanced job performance (Meyer et al., 2002). Therefore, the following hypothesis can be proposed on the basis of above theoretical arguments:

**H2:** The effect of emotional intelligence on job performance is mediated through organizational commitment.

Following theoretical framework is proposed on the basis of above hypotheses: (Figure 1: Theoretical framework)

4. Materials and Methods:

This research was conducted in banking sector of Pakistan. This sector was selected because of its tremendous growth in recent years and an ever increasing worth and the data were collected through questionnaire survey from managerial and non-managerial level of employees. The questionnaires were sent to 350 employees in different branches of banks operating in Gujranwala and Faisalabad, out of which 270 were received back (n = 270). Thus response rate was 77%.

4.1 Research Instruments:

4.1.1 Emotional Intelligence

Emotional intelligence was measure through the 33 items presented by the conceptual model of Salovey and Mayer (1990). In this set of 33 items, representation of different categories of the model was roughly proportionate to the model; 13 of the items came from those generated for the appraisal and expression of
emotion category of the model, ten of the objects came from the regulation of emotion category of the model and other 10 items came from among those items generated for the utilization of emotion category of the model. These were measured using a 5-point Likert scale. The Chronbach alpha coefficient was .723 for emotional intelligence.

4.1.2 Organizational Commitment
Organizational commitment was measured through Organization Commitment Questionnaire adapted from Allen and Meyer’s (1990). Three organizational commitment types; affective, continuance and normative commitment were measured using a 5-point Likert scale. The Chronbach alpha coefficient was .654 for organization commitment.

4.1.3 Job Performance
The job performance construct was measured in terms of task performance and Organizational citizenship behavior. Task performance was measured by seven items adapted from Williams and Anderson (1991). As for Organizational citizenship behavior, a total of 30 items were used to measure the dimensions. Five different questions were used to measure each of the following dimensions of Organizational citizenship behavior: sportsmanship, civic virtue, courtesy, and altruism. Four items were used to measure conscientiousness, while six items were used to measure innovative citizenship behavior. These were measured using a 5-point Likert scale. The Chronbach alpha coefficient was .834 for job performance.

4.2 Statistical Technique:
Correlation and Regression analysis was applied in order to analyze these variables.

5. Results and Discussions
5.1 Reliability Analysis
The reliability of emotional intelligence, organizational commitment, and job performance was calculated with the help of reliability scale and the values of Cronbach Alpha were 0.723, 0.654 and 0.834 respectively which are acceptable values suggested for research.

5.2 Descriptive Statistics
Descriptive statistics are presented in Table 1. This table reports means and standard deviations of variables. Pearson correlation coefficients between the variable pairs are also reported. The correlation coefficients show that emotional intelligence has positive and significant correlations with organizational commitment as well as with job performance (.528 and .549 respectively, p < .01).

5.3 Mediating effect of Organizational Commitment on Job Performance
Hierarchical linear regression was used for estimation of the mediating effect. In model 1, independent variable (emotional intelligence) was regressed on dependent variable (job performance). In model 2, both independent (emotional intelligence) as well as mediating variables (organizational commitment) were regressed on dependent variable (job performance). The results are reported in table 2.

The results show a significant positive effect of emotional intelligence on job performance (β = .55, p<.01). In model 2 emotional intelligence as well as organizational commitment (mediating variable) are regressed on job performance. The results show significant positive impact of both variables on job performance. The value of R square for model 1 and model 2 is 0.30 and 0.54 respectively. There is, therefore, a rise of 0.24 in R square when mediating variable is included in the model. This indicates the existence of mediating effect. The existence of mediating effect is further corroborated by the significant coefficient of mediating variable (β = .57, p<.01). We, however, use Sobel test to establish the significance of indirect effect (Sobel, 1982). The results regarding Sobel test are reported in table 3. The indirect effect is significant (.74, p <.01). Bootstrap results also show that the indirect effect is significant at .01 level. These results show that emotional intelligence has a positive impact on job performance and this effect is mediated through organizational commitment. Hypothesis 1 and hypothesis 2 are supported.

6. Discussion
The main purpose of this research was to explore the impact of emotional intelligence on job performance through the mediating effect of organizational commitment. The results of the research showed that there is a positive and significant impact of emotional intelligence on organizational commitment and job performance. The outcomes of these research findings are coherent with the results of many studies (Skinner & Spurgeon, 2005; Sy, Tram, & O’hara, 2006; Wong & Law, 2002).

Emotional intelligence is described as the ability to examine one’s (personal) own and other’s feelings and sentiments, to make distinction among those sentiments, and to utilize the information to direct one’s thoughts and actions. Such type of capability contains relations among emotions and gratitude that affect people
to accept life with all its challenging situations (Nikolaou & Tsaousis, 2002). The outcomes of the research describes a considerable and important relationship among emotional intelligence, organizational commitment and job performance, thus workers with higher level of emotional intelligence have the capabilities to control their feelings and sentiments, such type of workers have higher level of organizational commitment and desirable job performance. Since they are more adaptive to evaluate and regulating their own feelings, sentiments and have full knowledge about their own activities and outcomes which influence their feelings and sentiments (Suliman & Al-Shaikh, 2007).

These outcomes indicate that emotional intelligence considerably predicts organizational commitment and job performance because employees with high level of emotional intelligence exhibit a high degree of organizational commitment and job performance. Probable cause for this relation may be that workers who have high degree of emotional intelligence are better at appraising, expressing, controlling and utilizing their emotions and as a result of this, they become more confident and have a perfect control over the duties which they perform (Rozell, Pettijohn, & Parker, 2002). More over, the employees with high level of emotional intelligence are more responsive towards their work, abilities and limitations.

These findings have some particular Implications too. For research indicates that workers who have high degree of emotional intelligence can perform better (Yang & Chang, 2008). As Goleman (1995) stated that the emotional intelligence is going to become worthy at work places in future. It is the main concern for most of the organizations now a day, to hire most talented, knowledgeable and loyal workers. The end results of this research elucidated that emotionally intelligent workers show high degree of efficiency, effectiveness and commitment to the work place (Williams & Anderson, 1991). The emotionally intelligent employees are the most critical assets of a firm, and it is assumed that hiring the workers with high emotional intelligence may become a competitive edge for the organizations (Vakola & Nikolaou, 2005). Especially, in service sector organizations, the emotionally intelligent workers maintain an emotional attachment with their work place and perform well in terms of better relations within internal customers and better services towards external customers (Tischler, Ribberman, & McKeage, 2002).

7. Conclusion:
The main purpose of this research was to explore the impact of emotional intelligence and its indicators, on job performance and its indicators, through the mediating effect of organizational commitment along with its indicators. The results of the research showed that there is a positive and significant impact of emotional intelligence on organizational commitment and job performance. The outcomes of these research findings are coherent with the results of some previous researches.

8. Managerial Implications:
This research emphasizes the importance of emotionally intelligent workers. Thus necessary actions can be taken on the workplace by keeping in mind the importance of these variables to increase the productivity and efficiency of the workers. It helps the employers to get committed employees and get maximum performance from their workers. With the help of this study one can increase the productivity of the employees, maximize the level of their commitment with their organizations and can ultimately increase job performance as well as retention period of those employees.

9. Limitations and Recommendations for Future Research:
Like every empirical research based on survey techniques, the present study is not void of limitations. The surveying of the population in itself is subject to criticism. The survey is based on self-reported information that is further exposed to response-bias and the study lacks the methods of controlling this so we suggest that caution should be exercised in generalizing the result. Since the study is based on some particular banks so again any attempt in generalizing the results should be made carefully. Short period of time and lack of resources might have served as the limitations of this study. In addition, the results of this study are bound by the context of the research, we also recommend that future research endeavors be focused on this aspect and replication of this study into different work-settings especially cross-cultural and cross industry will further improve the study results within different perspectives. In the academic perspective future studies should focus on the role of these variables in addition to other organizational variables to predict the academic performance of institutions of higher learning.

References


**Figure 1: Theoretical framework:**

![Theoretical framework diagram]

**Table 1: Descriptive Statistics**

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
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<th>2</th>
<th>3</th>
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<tbody>
<tr>
<td>1 Organizational Commitment</td>
<td>4.207</td>
<td>0.328</td>
<td>(.654)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Job Performance</td>
<td>3.690</td>
<td>0.454</td>
<td>.701**</td>
<td>.834**</td>
<td></td>
</tr>
<tr>
<td>3 Emotional Intelligence</td>
<td>4.357</td>
<td>0.184</td>
<td>.528**</td>
<td>.549**</td>
<td>.723</td>
</tr>
</tbody>
</table>

**p < .01 **   * p < .05

*Values at diagonals in parenthesis show cronbach alpha
### Table 2: Regression

<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predictor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emotional Intelligence</td>
<td>0.55** (0.15)</td>
<td>0.25** (0.14)</td>
</tr>
<tr>
<td>Mediator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>0.57** (0.08)</td>
<td></td>
</tr>
<tr>
<td>Overall R</td>
<td>0.55</td>
<td>0.73</td>
</tr>
<tr>
<td>Overall R²</td>
<td>0.30</td>
<td>0.54</td>
</tr>
<tr>
<td>Overall Model F</td>
<td>85.46**</td>
<td>113.63**</td>
</tr>
<tr>
<td>ΔR²</td>
<td></td>
<td>0.24</td>
</tr>
</tbody>
</table>

Dependent variable: Job performance  
Model 1: Predictors: (Constant), Emotional Intelligence  
Model 2: Predictors: (Constant), Emotional Intelligence, Organizational Commitment

** p < .01  * p < .05

*a Entries are standardized coefficients, and values in parentheses are standard errors.

### Table 3: Sobel Test

<table>
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<tr>
<th>Effect</th>
<th>SE</th>
<th>LL95CI</th>
<th>UL95CI</th>
<th>Z</th>
<th>Sig (two)</th>
</tr>
</thead>
<tbody>
<tr>
<td>.7419</td>
<td>.1131</td>
<td>.5202</td>
<td>.9636</td>
<td>6.5584</td>
<td>.0000</td>
</tr>
</tbody>
</table>

** Dependent: Job Performance; Independent: Emotional Intelligence; Mediating: Organizational Commitment
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