

THE INFLUENCE OF EMOTIONAL INTELLIGENCE ON LEADERSHIP IN MACEDONIAN ORGANIZATIONS

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Abstract: *Abstract: Today, more than ever the need for quality leadership is enhanced in the organization. The leader's goal is to develop a sense of belonging and loyalty towards the organization and the mutual values and ideas. Successful leadership includes both sides of the human experience, the rational and the emotional aspect and contributes for bigger motivation employees have, bigger productivity, managing stress situations and better organizational climate. The integration of rational and emotional styles is the key to successful leadership.*

Emotional intelligence is the capacity for recognizing own emotions, as well as others emotions, self-motivating and successfully managing own and others emotions. The real meaning of the emotional intelligence at work can be seen through the competency, called emotional competency. Emotionally intelligent leaders can create stability from chaos; they provide stability and direction that inspires the commitment and motivation crucial to organizational success.

This is a very inspiring theme, unexplored in Macedonia, and that's why it is the first step of understanding the different aspects of emotional intelligence and leadership on Macedonian leaders. The purpose of this paper is to answer the question: Which skills and competencies should the successful business leaders in Macedonia have?

Key words: *leadership, emotional intelligence, emotional intelligent leadership, organizational behavior.*

Introduction

We know effective leadership when we experience it. We feel the pull of leadership when we're working with someone we trust and we want to do things that please that person. We feel it when we meet someone who has a vision about what they want to achieve in the short and long term and who, at the same time, is also able to see other people's point of view.

Leadership is about a person having the power to influence others. Two types of power are particularly important. There is the power that derives from an assigned, formal position. And then there is the power that arises out of the relationship between two people. This personal power that comes from a relationship is a key factor in effective leadership. A leader's personal power is the power freely given to the leader by others. Effective leaders focus on their

personal power – their relationship power – more than their position power.

Emotionally intelligent leadership is about fully developing and applying our emotional and social skills to effectively influence constructive endeavors in others. It's the personal and "people skills" that are crucial ingredients to effective leadership.

Organizational structures are changing rapidly in all sectors: private, non-profit and government. The need for emotionally intelligent leadership in organizations is greater today than ever. The nature of work is shifting dramatically. Change now happens much more rapidly than it used to because of the impact of technology, globalization and new organizational structures such as flattening and de-centralizing.

1. Emotions and emotional intelligence

Emotions are important; they are relevant to our everyday lives. Sadly, they receive so little attention in our formal education that we are woefully inadequate when it comes to understanding and dealing with them. The term *emotional intelligence* seems like an oxymoron, because still emotions and intelligence are odd with one another to many people.

The chaotic nature of emotion means that it seems irrelevant, and perhaps even threatening, to the very way in which we think, decide, and work. The original work on emotional intelligence in the scientific literature was published in 1990 by Salovey and Mayer as a journal article in *Imagination, Cognition, and Personality*. [1] Their research was motivated by the gap between the importance of emotions and the level at which the average person understands them. It was also influenced by the work of people such as Howard Gardner, with his theory of multiple intelligences, as well as by Robert Sternberg's discussions of practical and successful intelligences. [2]

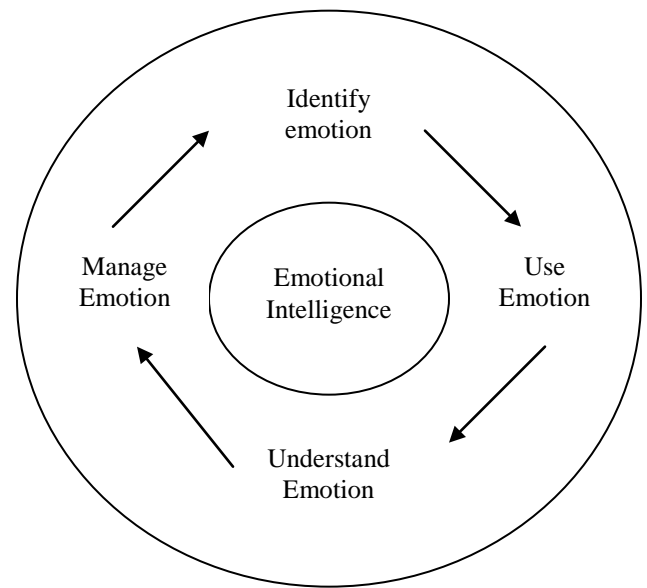
Our study of emotional intelligence begins with the six principles of emotional intelligence:

1. Emotion is information.
2. We can try to ignore emotion, but it doesn't work.
3. We can try to hide emotions, but we are not as good at it as we think.
4. Decisions must incorporate emotion to be effective.
5. Emotions follow logical patterns.
6. Emotional universals exist, but so do specifics.

Emotions occur due to some factor that is important to us, they help us motivate and guide us to success. At the most basic level we can say that emotions start automatically, they quickly generate physiological changes, prepare us for action, and help us cope, survive and thrive in the world. They are very important for every human being, but especially for people who are responsible for others, people who lead. It is very crucial for them to have developed emotional intelligent skills which will help them to be more efficient at the work place.

The intelligent approach to emotions developed by Mayer and Salovey [3] includes four different skills arranged in a hierarchical fashion (Picture 1).

Picture 1. Four skills of Emotional Intelligence



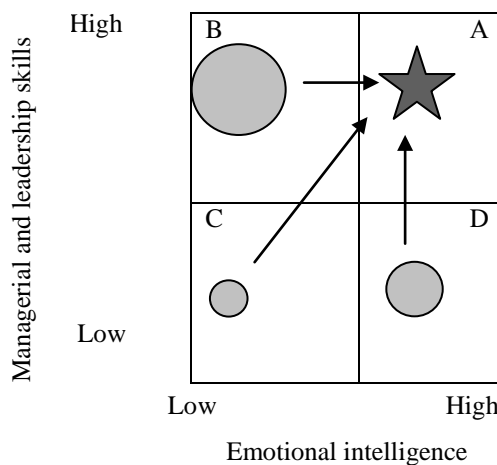
Source: Caruso, D., Salovey, P., *The emotionally intelligent manager*, Jossey-Bass, San Francisco, 2004, p. 3

1. *Identifying Emotions*: Emotions contain data; they are signals to us about important events going on in our world, whether it's our internal world, social world, or the natural environment. We must accurately identify emotions in others in order to communicate effectively.
2. *Using Emotions*: How we feel influences how we think and what we think about. Emotions direct our attention to important events; they ready us for certain action, and they help guide our thought processes as we solve problems.
3. *Understanding Emotions*: Emotions are not random events. They have underlying causes; they change according to a set of rules, and they can be understood. Knowledge of emotions is reflected by our emotion vocabulary and our ability to conduct what-if analyses.
4. *Managing Emotions*: Because emotions contain information and influence thinking, we need to incorporate emotions intelligently into our reasoning, problem solving, judging, and behaving. This requires us to stay open to emotions, whether they are welcome or not, and to choose strategies that include the wisdom of our feelings.

2. Emotional intelligence and leadership

There is no single, best way how to build an emotionally intelligent leader, because there are so many ways to achieve great results and success and that is why the most successful leaders may have different styles of leadership. Daniel Goleman [4] and his coworkers claim that effective leaders should have at least one excellent developed emotional intelligence skill. Emotionally intelligent leaders have highly developed managerial skills, as well as highly developed emotional intelligence skills (Picture 2).

Picture 2. Creating emotionally intelligent leader



Source: Caruso, D. R., Salovey, P., *The Emotionally Intelligent Manager*, Jossey-Bass, San Francisco, 2004, p. 195

Leaders who have highly developed managerial and leadership skills in order to become stars and achieve great successes, need to develop and use and emotional intelligent skills, becoming emotionally intelligent leaders.

Leadership gurus James Kouzes and Barry Posner [5] argue that there are five keys to success as a leader:

1. Modeling how you want others to act on your values,
2. Inspiring a shared vision,
3. Challenging the usual processes for getting things done by searching for opportunities to innovate,
4. Enabling others to act by fostering collaboration and sharing power, and
5. Encouraging the heart, by which they mean recognizing the contributions of others and creating a spirit of community.

It is difficult to imagine accomplishing these goals without using emotional intelligence skills.

Emotionally intelligent leaders use their emotional intelligence to effectively and efficiently accomplish these activities:

1. Building Effective Teams
2. Planning and Deciding Effectively
3. Motivating People
4. Communicating a Vision
5. Promoting Change
6. Creating Effective Interpersonal Relationships

As Steve Zaccaro [6] notes, an effective team manager builds trust between individuals and then leverages and generates the bonds of trust across a group of people to build a cohesive team. Before leaders can model desired actions, they must clarify their values and align their actions with these values. One way is by listening to feelings: What ideas inspire pride? What values (even undesirable ones) inspire guilt or shame instead?

Planning is a logical activity, but affective planning requires you to stay open to many forms of information and data-data that are factual and that are sometimes emotional. The leader who claims that "it doesn't matter how they feel about it, they just have to do it" can get away with this approach, but not too many times. Reasonable and realistic goals and schedules can only be created if you are open to, accurately perceive, and then integrate how your team will feel about the goals and schedules. The planning and decision-making process itself benefits from emotionality to help generate possible alternative scenarios and what-if analyses.

The most explicitly emotional aspect of leadership is to encourage the heart by showing appreciation for others' accomplishments and celebrating community. Leaders need to be able to understand complex feelings: How can we make sure that celebrations of coworkers' successes produce a basking in reflected glory rather than mere envy? What kinds of ceremonies feel genuine? How do we reward accomplishment without undermining intrinsic motivation? These are all challenges for the emotionally intelligent leader.

3. Emotionally intelligent leadership

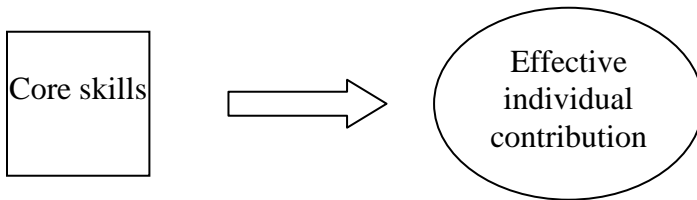
There are five core skills of emotional intelligence crucial to the success of any workplace endeavor, including effective leadership. These are:

- Knowing yourself

- Maintaining control
- Reading others
- Perceiving accurately
- Communicating with flexibility

These five skills are not static. They interact constantly to help us make sound decisions as we respond to the ongoing demands of the workplace (Picture 3).

Picture 3. Impact of the core skills



Source: Feldman, D. A., *The Handbook of Emotionally Intelligent Leadership*, Leadership Performance Solutions Press, Virginia, 1999, p. 6

First skill, *knowing yourself*, means being in touch with your emotions, being able to recognize and understand them, and knowing what causes those emotions. When we experience a particular emotion in a situation, the emotion is message and we can respond to that message.

Second skill, *maintaining control*, is about staying calm amidst the chaos. It is important for us to maintain control and stay composed even when there is a tight deadline and the pressure is enormous.

The third skill, *reading others*, is about relating others' experiences. When we read others we can engage them better in our vision. We can focus on the ways they can contribute to our vision. If the leaders want to lead others effectively they must be able to read others' emotions and understand them so they can magnify their impact.

The fourth skill, *perceiving accurately*, is tapping into the emotional information available to us in a detached way so that we are able to assess a situation objectively. Perceiving accurately requires us to scrutinize our biases and the filters through which we see our world.

The fifth skill, *communicating with flexibility*, is about having a full range of emotional expressions, being authentic and addressing our needs as well as the needs of others. Through our understanding of our emotions and those of others, we can be guided in

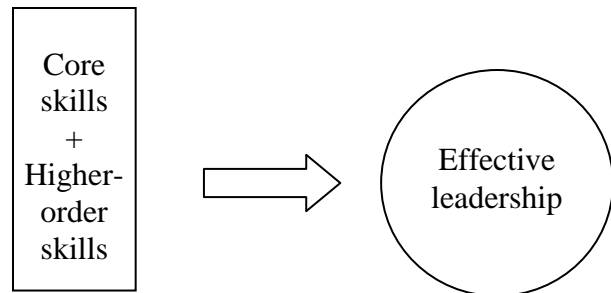
how we communicate. Effective leadership means getting others to do things because they want to do them. Leaders can achieve this by being flexible in what and how they say things.

Leaders who have great core skills have the capacity to improve their performance, on their and subordinates' pleasure.

The core skills of emotional intelligence are necessary but not sufficient for effective leadership. All the higher-order skills about making an emotional connection with others. To make that emotional connection and to lead, we need to inspire others by:

- Taking responsibility
- Generating choices
- Embracing a vision
- Having courage
- Demonstrating resolve

Picture 4. Influence of the higher-order skills



Source: Feldman, D. A., *The Handbook of Emotionally Intelligent Leadership*, Leadership Performance Solutions Press, Virginia, 1999, p. 6

Emotionally intelligent leaders take responsibility for their actions, accepting success and failure as well. Margaret Wheatly [6] claims that when a situation calls for a response from the leader, the best way is reaching towards inner values, which maintain leaders' integrity and self-renewal. Leaders should be open for many possibilities in the decision process, to be aware of them, acknowledge them and help their subordinates to recognize them too.

Leaders who are turned toward the future can see a vision, and fully commit themselves to it, because vision creates clarity and direction, builds energy and provides a clear path for all to commit to.

Emotionally intelligent leadership means having courage to find the best possible outcome to every situation. It may mean challenging the status quo or going against what is popular. It takes courage to say

“I don’t know” and to be willing to learn from failures.

3.1. Emotionally intelligent leadership skills among Macedonian leaders

The purpose of this paper is to explore the research questions: How well are Macedonian leaders using emotionally intelligent leadership skills? How well are developed their core skills? How well are developed their higher order skills? Are they using these skills effectively?

Based on the research problem and theory the following *hypothesis* is formulated: Effective Macedonian leaders have highly developed emotionally intelligent leadership skills, which contribute to their individual behavior and effective leadership at the workplace.

Methods

Sample

The sample group consisted 80 leaders working in different organizations in Macedonia. Because of incomplete data 4 leaders were not included in the final analyzes of the results, which induced the sample to 76 leaders. The sample group consisted 44 males (57,9 percent) and 32 females (42,1 percent). Their age was between 26 and 63 years, and the average age was 42 for all leaders. Their working experience was from 1 to 39 years of work experience. The average work experience was 17 years.

Data collection

An introductory email was sent to the sample population, explaining the study and inviting their participation. Following this introduction, we emailed the population to explain the study in greater detail and the method of participation. Three reminder email notices were subsequently sent to those who had not previously responded.

Measurement of variable

Variable: Emotionally intelligent leadership skills. According to Daniel Feldman [8] there are two sets of emotionally intelligent leadership skills. The first set includes the core skills of emotional intelligence, crucial to each individual in any workplace endeavor. These are:

- Knowing Yourself
- Maintaining Control

- Reading Others
- Perceiving Accurately
- Communicating with Flexibility

The second level of skills is necessary when leading others. When the leaders employ these skills he inspires others. These higher-order skills are:

- Taking Responsibility
- Generating Choices
- Embracing a Vision
- Having Courage
- Demonstrating Resolve

People who demonstrate emotionally intelligent leadership are sensitive to the needs of others and vary their responses according to the situation at hand. They are highly adaptable. Emotionally intelligent leaders can create stability from chaos-in the face of the confusion in many of today’s organizations, emotionally intelligent leaders provide the direction and stability that inspires the commitment and motivation crucial to organizational success.

The emotionally intelligent leadership skills were assessed through the Emotionally Intelligent Leadership Skills Inventory, designed by Feldman. The inventory is composed of series of behavioral indicators based on his theory. Respondents were asked to complete each item on a frequency scale ranging from “very rarely” to “very often”. The scores described the person by two sets of skills: core and higher order skills.

We’ve chosen a questionnaire because it structured and we wanted all the respondents to be treated equally, answered the same questions, so that we can easily assess the answers later. Also this questionnaire was developed and used in lot of other research studies before; it has a good validity and reliability. Here are some questions that we ask the entrepreneurs to find out which personality type they are:

1. It is easy for me to recognize what emotions I am experiencing in a particular situation.
2. When I commit to a plan, I carry it out.
3. I spend time thinking about the broad perspective of a work situation.
4. I communicate my vision for the future to those with whom I work.
5. I examine the feelings, thoughts, and actions of others.
6. When I speak or act I do so positively.
7. I am able to be flexible in dealing with others.

8. I take my “emotional temperature” before I make important decisions.
9. I watch how others react to me to better understand my own behavior.

All these questions are very well chosen to clearly define the skills that Macedonian leaders use in everyday life. For example, leaders with highly developed core skills know themselves very well, maintain control in different situations, they can read others and perceive accurately, and also communicate with flexibility.

Data analysis

The hypothesis was tested using descriptive statistics (means, standard deviations) and Spearman's rank correlation coefficient or Spearman's rho.

Results

The descriptive statistics are reported in following tables. In Table1 are reported means and standard deviations of all variables.

Table 1. Emotionally intelligent leadership skills among Macedonian leaders

Variable	Min	Max	M	σ
Knowing Yourself	12,00	21,00	16,18	2,044
Maintaining Control	9,00	23,00	16,26	2,890
Reading others	11,00	23,00	17,52	2,241
Perceiving Accurately	11,00	22,00	16,11	2,780
Communicating with Flexibility	11,00	21,00	17,30	2,529
Taking Responsibility	11,00	20,00	16,96	2,229
Generating Choices	17,00	25,00	20,40	1,926
Embracing a Vision	14,00	25,00	21,53	2,835
Having Courage	12,00	22,00	16,71	2,331
Demonstrating Resolve	13,00	25,00	22,48	2,645

According from the results that we had we can say that there are three variables that are most developed among Macedonian leaders: generating choices, embracing a vision and demonstrating resolve. From the set of core skills the most developed skill is reading others (17,5263), and the least developed skill is perceiving accurately (16,1184).

The results showed that higher-order skills are better developed, which is good news for people who are responsible for others and have influence over others. The highest score on the higher-order skills is demonstrating resolve (22,4868), and the lowest score is having courage (16,7105). It is expected for someone who is working at the top of the organizations as these leaders to have well developed higher-order skills. Still, the result on the skill: Having courage would be expected to be much higher. This results show that the respondents are very careful when they take new actions, start new solutions, taking risks and bravely embracing innovative ideas.

We calculated the total results for the core skills and the higher-order skills (Table 2).

Table 2. Core and higher-order skills among Macedonian leaders

Variable	Min	Max	M	σ
Core skills	64,00	97,00	83,6579	8,11181
Higher-order skills	76,00	112,00	98,0789	8,33429

If we compare the results that we have with the theoretical results (75,00) we can conclude that both variables are developed above the average at these respondents. They have good core skills for basic emotional intelligence skills as well as skills for leading others. The result of the higher-order skills (98,0789) is expected knowing the nature of the work of the respondents. In their daily activities they in constant contact with their subordinates and stakeholders. These skills enable the respondents to be effective and efficient in their work duties.

4. Conclusions

The results of this survey showed that Macedonian leaders have well developed emotionally intelligent leadership skills. Macedonian leaders are very good when it comes to reading others and perceiving accurately information, which is very important for their job and their success. They also have the skill of communicating with flexibility with others which is crucial in their work.

They have high scores for: generating choices, embracing a vision and demonstrating resolve. These skills truly describe every leader and the work activities that he accomplishes every day. Crucial skills for every leader is embracing a vision, ability to

see the bigger picture of the organization and wider, to be inventive and to initiate changes.

Demonstrating resolve, initiating changes and generating choices are a necessity for every successful leader. In the part of higher-order skills, Macedonian leaders have less developed skill: having courage, which is maybe due to not taking high stake risks and playing safe more often. However, in the turbulent world that we live and the economic conditions in Macedonia is most likely the reason for the Macedonian leaders to be very careful when deciding something.

Implications for future theory and research

This research provided an initial examination of the relationship between emotional intelligence and leadership. This research has sparked numerous additional questions to be addressed by future research. Research like this is rare in Macedonia, and it would be the best to replicate the same study on other managers to provide more data about Macedonian leaders and their emotional intelligent leadership skills. Further surveys will probably enhance the organizations and the educational system to take bigger steps in educating the managers in these topics and create greater awareness of the skills they use and methods for improving them.

Implications for practice

The implications of the findings presented in this study are also important for practice. Information that will help organizations improve performance and have better leaders is always desired. This research provides implications for practice in several areas: Development and sustainment of leaders with excellent emotionally intelligent skills and development and sustainment of leaders with excellent leadership skills.

Literature

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