Emotionally intelligent leadership as a key determinant of strategic and effective management of human capital

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ABSTRACT

The purpose of this paper is to outline the strategic importance of Emotional Intelligence (EI) in contemporary approaches to management of Human Resources (HR). The aim of this study is to provide a conceptual theoretical insight of the relationship between EI and leadership. The paper also reflects the conditions within the present business environment in Slovakia with the emphasis on leadership in the context of EI (based on the research conducted in this field), while answering the following question: to what extent do Slovak organizations incorporate EI measures into the hiring process for managerial positions? The answer to this question would consequently disclose whether organizations in Slovakia consider Emotional Intelligence as a factor determining effective performance of managers – leaders.

1 INTRODUCTION

The post communist political, social and economic changes, followed by the rapid development of IT, fundamentally influenced the course of both everyday lives and of the work environment. Increasing demands on employees, the constant emphasis on productivity, the growing pressures of competitive business environment, inevitably resulted into overall changes within the structures and organizational cultures of business entities. This created an intense demand for redefinition of roles, relations, working procedures and communication approaches in organizations.

During the fourty-year period of communism human capital in Slovakia was in rather a passive situation, feeling absolutely secure, with no concern about losing jobs. However, after the fall of the regime everyone had to start defending its own work position. The post-revolution euphoric state of mind, together with the general excitement for new hi-tech goods (that were supposed to serve as a miraculous tool in making the working process and everyday life easier), were gradually exchanged for the feeling of stress, frustration and exhaustion.

The new situational context of a consumer society evolved in a state where people feel joy or happiness in shorter and shorter intervals. German psychiatrist Michal Weinterhoff (2014) in an interview for Tages Anseiger magazine stated that people are searching for the feeling of security, which, however, the society can no longer provide them with. David Goleman (FMET, 2014) claims that: "The criteria for success at work are changing and therefore it is not enough to demonstrate our expertise but we must also prove how mature we are in handling ourselves and each other" (p.16). According to Sulíková (2013), "The needs of employees are changing and there is a greater demand for the necessity to satisfy the higher intellectual demands" (p.62). Today, the words depression and burnout syndrome are used with greater and greater frequency and as a result, more and more people are becoming aware of the importance of finding the balance between professional and private life. Cultivating ones own Emotional Intelligence can be a great tool on the way to finding inner peace. An exhausted and a burned out employee cannot perform effectively (Ptáček, et al, 2013:22). Moreover, such employee will represent enormous cost for the organization.

In order to answer what is intelligence, what it means to be intelligent, and what are the features of intelligent behavior, it is inevitable to take into consideration what role emotions play in the thinking process? We must not omit the fact that emotions affect our attitudes, our opinions, our interpersonal relations, or the way we respond and

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react. Emotions form the way we perceive and evaluate the reality around us. As everything is interconnected the sphere of influence of emotions would thus even affect our performance. Many research studies have revealed that it is the Emotional Intelligence itself that plays the key role in leadership skills rather than the technical or intellectual capabilities (Rudy, et al., 2013:106).

2 EMOTIONAL INTELLIGENCE IN THE CONTEXT OF 20TH CENTURY

Before defining Emotional Intelligence it shall be explained how modern psychology describes and understands the concept of intelligence in general. The cognitive part of intelligence and its assessment through the Intelligent Quotient (IQ) is widely known. However, the cognitive part of intelligence is just one of its many components and therefore the IQ as an indicator of intelligence has rather a relative value. Various research studies have already proved that a high level if IQ does not necessarily have to predict the persons achievements. Goleman (2011:40) states that the level of IQ determines the person's success by only 20 percent. What is important though is the fact that the level of IQ stays approximately unchanged throughout life (Bradberry & Greaves, 2013).

A more holistic view of intelligence can be found in the comprehensive conceptualizations of Gardner and Sternberg. Gardner (Goleman, 2011:43) claims that the key feature of intelligence is its heterogeneity and that it is rather a spectrum of various abilities. Gardner (Fleskova & Dolinska, 2010:63) identified seven key types of intelligence: linguistic; spatial; musical; logical-mathematical; bodily- kinesthetic; interpersonal; and intrapersonal. Thus, if a person does not possess a linguistic intelligence he can still excell as a musician for example. Therefore a person can be succesfull in various fields as different fields require different types of intelligence.

Sternberg (Flešková & Dolinská, 2010:63) understands intelligence as being composed of three major sub-parts: of analytical intelligence, of creative intelligence, and of practical intelligence. Practical (or impractical) approach to everyday problem solving reflects how effectively a person is able to respond to daily demands or unexpected situations and challenges. People with above average IQ could be extremely impractical which would prove that IQ as the only indicator of persons' intelligence does not provide a complex or complete evaluation.

Emotional Intelligence which can also be referred to as Emotional Quotient (EQ) is a relatively new concept as it came to be scientifically explored with greater emphasis only in 1990's. In order to understand the complexity of this construct, it is essential to understand how it gradually evolved over the past century. The following chart summarizes the major milestones in the evolution of Emotional Intelligence.

Table 1: Emotional Intelligence timeline

Period	Author	Description
1930s	**Thorndike**	Social intelligence – the ability to get along with other people
1940s	**Wechsler**	States that affective components of intelligence may be essential to success in life
1950s	**Humanistic psychologists, (eg. Maslow)**	Describe how people can build emotional strength
1975	**Gardner**	Introduces the concept of multiple intelligence in his book The Shattered Mind
1985	**Payne**	Introduces the term emotional intelligence in his doctoral dissertation entitled 'A study of Emotion: Developing Emotional Intelligence; Self – integration; Relating to Fear; Pain and Desire.'
1987	**Beasley Bar-On**	Use the term 'emotional quotient (EQ)' – Beasley in a Mensa Magazine article and Bar-On in the unpublished version of his graduate thesis.
1990	**Salovey, Mayer**	Publish their landmark article, 'Emotional Intelligence', in the journal *Imagination, Cognition, and Personality.*
1995	**Goleman**	Popularizes the concept of EI in his book *Emotional Intelligence: Why It Can Matter more Than IQ.*
1996	**Consortium for Research on EI in Organizations**	Conducts research to identify emotional and social factors that are important in job success.

Source: FMET (2014:19)

As the table shows, until the 1990's, there had not been conducted any extended scientific exploration on the subject of Emotional Intelligence. Two American psychologists John Mayer and Peter Salovey were among the first to actually define this term. According to Mayer and Salovey, (in Wharamová, 2013) Emotional Intelligence shall be understood as: "The ability to perceive emotions, to feel and to produce such emotions that enhance thinking, to understand emotions and emotional knowledge and to consciously regulate emotions in a way that they would boost emotional and intellectual development" (p.18).

In the same year when Mayer and Salovey published their landmark article, another psychologist Daniel Goleman, by mere coincidence became aware of their study. Salovey and Mayers' publication in fact inspired Goleman to start his own scientific inquiry into EI, findings of which he published five years later. Thanks to Goleman's book, the conceptualization of Emotional Intelligence became known among the scientists and general public all over the world. Goleman's (FMET, 2014) definition of EI states that it is: "The understanding of one's own feelings, empathy for the feelings of others and the regulation of emotions in a way that enhances living" (p.6).

2.1 The Concept of Emotional Intelligence

According to the Encyclopedia of Applied Psychology (Bar-On, 2013:par.1), there are three major models of Emotional Intelligence: the **Mayer-Salovey model** (defines EI as "the ability to perceive, understand, manage and use emotions to facilitate thinking"); the **Goleman model** (perceives EI as "an assortment of emotional and social competencies that contribute to managerial performance and leadership") and the **Bar-On model** (understands EI as an "array of interrelated emotional and social competencies, skills and behaviors that impact intelligent behavior").

This paper will examine more closely the Goleman model of Emotional Intelligence. Based on the works of Gardner and Salovey, Goleman (2011) summarized five major domains of Emotional Intelligence:

1. Know your emotions (self- awareness)
2. Manage your emotions (self- management)
3. Motivate yourself (self- management)
4. Recognize and understand other peoples' emotions (social management)
5. Manage relationships - others' emotions (relationship management)

The most fundamental and notable fact presented by Goleman (2011) is, that unlike IQ, the level of **EQ** can be **improved**. The cognition of this fact happened to be a key milestone in the perception of human intelligence. The premise that there is the possibility of personal growth and self'- development within the dimensions of Emotional Intelligence is immensely significant as it affects a broad spectrum of factors that determine both professional and personal success, including self- actualization and self-satisfaction. Hence, the interrelation of emotions of the thinking process, and of performance was disclosed and accepted. Based on the claim that the level of EQ can be improved, the development of a person's Emotional Intelligence can be devided into **personal competencies** (self-awareness, self management) and **social competencies** (social awareness, relationship management). The table below summarizes 19 personal and social competencies.

The influence of emotions on performance, productivity and profitability is nowadays widely known. Emotions distract a person's ability to see, to evaluate and to understand the reality in an unbiased way. The more the person is affected by the forces of his moods and emotions, the less he is able to think rationally and to judge objectively. It is known that emotions can spread from one person to another as infections. The best example can be seen among small children. When there are two infants in a room and one starts to cry, the other one will start crying within few minutes. In general, adults within the working environment would respond to such emotional stimulus in a quite similar way. For instance, when there is one employee with positive mood his coworker would be ultimately (to certain extent) positively influenced by his behavior. And vice versa, an irritated, anxious or depressed employee will negatively affect those who happen to work directly with him. The extent to which this person will be affected by such behavior depends on the level of his Emotional Intelligence. These appearances have ultimate impact on the effectiveness of employee's performance and simultaneously on the overall level of productivity. The influence on the person's private life and on ones' self - satisfaction is therefore obvious. As Sulíková (2013) indicates, "It is the high level of a manager's Emotional Intelligence that indirectly but positively determines the satisfaction and performance of his subordinates" (pp.62-63). A leader (and a manager) must be aware of his emotions, emotional expressions and of the impact of his mature (or immature) behavior on those who work directly with him, as it affects them the most.

Table 2: Personal and social competencies within the EI

Self-Awareness *Know your emotions*	Self -Management *Manage your emotions* *Motivate yourself*	Social Awareness *Recognize and understand* *other peoples' emotions*	Relationship Management *Manage relationships*
Emotional self-awareness: recognizing one's own emotions and understanding their impact	*Emotional self- control:* keeping disruptive emotions and impulses under control	*Empathy:* sensing others emotions, understanding their perspective	*Inspirational leadership:* guiding and motivating with a compelling vision
Accurate self- assessment: knowing one's strengths and limits	*Transparency:* displaying honesty and integrity, trustworthiness	*Organizational awareness:* reading the currents, decision networks, and politics at the organizational level	*Influence:* wielding a range of tactics for persuasion
Self- confidence: a sound sense of one's self-worth and capabilities	*Adaptability:* flexibility in adapting to change situations or overcoming obstacles	*Service:* recognizing and meeting follower, client or customer needs	*Developing others:* bolstering others' abilities through feedback and guidance
	Achievement: the drive to improve performance to meet inner standards of excellence		*Change catalyst:* initiating,managing, and leading in a new direction
	Initiative: readiness to act and seize opportunities		*Conflict management:* resolving disagreements
	Optimism: seeing the better side of events		*Building bonds:* cultivating and maintaining a web of relationships
			Teamwork and collaboration: cooperation and team building

Source: adjusted according to FMET (2014:16-17)

With regards to Emotional Intelligence, the term **"soft skills"** is used very often as a synonym or as another term for the EI competencies. There is a vast number of examples of soft skills, however, the ones that are most frequently required by employers are: communication skills, ability to work in a team, interpersonal skills, adaptability, flexibility, time management, stress management, conflict management, presentation skills, etc. All of the mentioned are part of the EI competencies.

3   THE LEADERSHIP PHENOMENON

With an attempt to provide a brief insight into the Leadership phenomenon, it is inevitable to enrich the reflections with the notion that it naturally evolved together with the history of mankind. In order to understand its meaning it is essential to take into consideration that it was determined and formed by interactions of social, political and psychological factors. The first written mentions can be found in ancient Greece in the works of Plato or Aristotle (Lukas & Smolik, 2008). The ancient philosophers were asking the same question as today's modern scientists – who is the **ideal leader**? What are his virtues? What does he do and how does he behave? Although Plato and Aristotle were thinking about a leader in a political context, the essence of this concept can also be applied in modern theories of management. Because no matter if it is in politics or in business environment, the moving forces of the interactions between the leader and those who are being lead stay the same. (For the sake of simplicity, this study will not make a distinction between a leader and a manager, since the author identifies with the idea that a manager should also be a leader, as leading is one of managerial competencies.)

Leadership (together with planning, organizing and control) is one of the four basic functions of management. Leadership is a dynamic process that affects motivation, interpersonal relations and a process of communication, while having a direct impact on both individual performance as well as performance of an organization (Cejthamr, Dedina, 2010:93). There is a vast number of definitions of leadership and each one offers a slightly modified interpretation of its meaning. The following table summarizes the most popular definitions that enable us to understand the phenomenon of leadership more closely.

Table 3: Definitions of Leadership

Period	Author	Description
1950	**Stogdill**	"Leadership may be considered as the process (act) of influencing the activities of an organized group in its efforts toward goal setting and goal achievement."
1988	**Hersey & Blenchard**	"Leadership is the process of influencing the activities of an individual or a group in efforts toward goal achievement in a given situation."
1990	**Bass**	"Leadership is an interaction between two or more members of a group that often involves a structuring or restructuring of the situation and the perceptions and expectations of members... Leadership occurs when one group member modifies the motivation or competencies of others in the group. Any member of the group can exhibit some amount of leadership."
1992	**Zaleznik**	"Leadership requires using power to influence the thoughts and actions of other people."

Source: adjusted according to University of Warwick (Leadership definitions.doc)

From the above table it can be seen that leadership involves a minimum of two participants (a leader and his follower) who inevitably influence each other within a context of a specific situation. This influence may not necessarily be one way directed. Although the leader is the one who officially influences his followers, people that are being lead also (in a conscious and unconscious way) influence their leader. It is the specific form of behavior of the subordinate that determines how the leader will act and react. Then there are the situational variables that also influence both the leaders and followers behavior. Hence, the interactions between these two parties are truly very complex and as such should be evaluated from various angles.

Remišová and Lašáková, (2013) propose another view in order to identify what leadership means. As they suggest, when defining leadership, we must ask these four questions:
1. "Who (the leader)"
2. "What? (influencing toward goal achievement)"
3. "Who? (group members)"
4. "How? (with certain specific leadership style)"

The above mentioned understanding of leadership process shows the form and the structure of this conceptualization, while pointing to its main determinants. When analyzing the leadership as a process, it needs to be mentioned that there are four primary **factors of leadership**: leader, follower, communication and situation (Steingauf, 2011:15). These factors are influenced by various forces such as interpersonal relations, expertise, personal competencies and capabilities, organizational structure, etc. (Steigauf, 2011:15). McGregor (Cejthamr & Dedina, 2010:96) argues that leadership is a dynamic form of behavior and identifies these main **variables**:
1. Leader's characteristics
2. Needs, attitudes and other characteristics of followers
3. The nature of organization (eg. mission, vision, structure, goals)
4. Social, economic and political environment

Another view of leadership is the one that examines and evaluates this process from the perspective of **needs**. According to Adair (Armstrong, 2012:255) when achieving the goal, the leader must satisfy the following needs: the need to perform the given task, the need to maintain the group and the needs of individuals. To be able to identify and to be capable of understanding the needs of individuals within a group requires one to dispose of a high level of Emotional Intelligence. These needs are interdependent because decisions in one sphere ultimately influence the other two – decisions oriented towards satisfying the group or individual needs must take into consideration the need to achieve the task (Armstrong, 2012:255).

Different methodical approaches to leadership (such as the trait, behavioral or situational theories) had attempts to explain all these hidden forces of the leadership phenomenon. The enormous range of perspectives, and explanations only prove how complex this concept is. Each group of scientists was trying to answer different questions as they were examining the leadership – its factors and variables from their own specific point of view. The key points of leadership theories are briefly summarized in a table below.

Table 4: Theories of Leadership

Approach/Period	Theory name	Author	Description
Trait Theories (1920s-1940s/50s) *Who is effective leader?*	Trait Theory (Great Man Theory)	e.g. STODGILL, MANN	Searching for the typical characteristics of a successful leader (height; intelligence; extroversion; etc.)
Behavioral Theories (1940s-1960s) *How does the effective leader behave?*	Theory X-Y	Mc GREGOR	Autocratic vs. democratic leadership
	Classical Theories of Leadership	LEWIN/ University of Iowa	Autocratic, democratic and liberal style
	Two Dimensional Theory	OHIO State University	Two independent dimensions: consideration (good interpersonal relations) and initiating structure (goal achievement)
	Managerial Grid	BLAKE & MOUTON	5 types of leadership styles based on two dimensions: concern for people and concern for production
Functional Approach (from 1960s) *Leadership can be taught and does not depend on traits.*	Action – Centered Leadership Model	ADAIR	3 groups of needs that overlap: task needs, team's needs, individual's needs
Situational Contingency Theories (1960s-1990s) *When and under what circumstances is the leader effective? (The best leadership style is contingent to the situation.)*	Theory of Effective Leadership (LPC Contingency model)	FIEDLER	3 dimensions that influence the effectiveness of a leader: leader – member relations; task structure; position power
	Model of Participative Leadership	VROOM & YETTON	There are certain factors that the leader should take into consideration when making decisions.
	Situational Leadership Theories	HERSEY & BLANCHARD	Emphasizes the importance of a situational variable – the so called "maturity" of subordinates
	Path - Goal Theory	HOUSE	4 styles of leadership dependent on the situation variables (directive; achievement – oriented; participative; supportive leader behavior)
New Leadership Theories (from 1980s) *People can choose and learn to become leaders.*	Transactional & Transformational Behaviors	BASS	Meeting the higher needs of employees

Source: adjusted and supplemented according to Bláha, (2013:163)

   As Rudy (1997) emphasizes, there is a "very significant finding, that the managers do not fully realize", such as, that their "managerial work is ultimately linked with a specific leadership style" (p.132). As he later continues to point out, a universal leadership style that could be applied in all situations does not exist (Rudy, 1997:132). The ability to identify the need for a modification of a leadership approach, together with ability of perceiving and understanding the needs of individuals within a group requires one to possess solid EI competencies.

   Hence, the level of Emotional Intelligence also determines the leadership style, its form and its appropriate or inappropriate usage. The classification of leadership styles itself may to great extent disclose the leader's EI competencies. Autocratic, democratic and liberal leadership style; transformational or transactional leadership. There are many categorizations of leadership styles and the daily reality proves that it is often very difficult to identify the prevailing style, if there is one. Nonetheless, the descriptive naming of the mentioned styles may suggest the nature of interactions between leader and his followers. Barták (2011) claims that the most successful leaders are altruists who apply democratic and coaching leadership style (p.145). On the other hand, Kubalák (2013) argues that in standard conditions the most effective leadership style might be the participative one (based on a democratic

principle), however, as he later continues, in nonstandard conditions it is more effective to apply the autocratic leadership style (484). Sulíková (2013) concludes, that todays' managers must manifest new differentiated approaches as they are required to be able to adopt their leadership style with regards to specific employee(s) and with concern to a specific situation (p.62).

4   THE STRATEGIC DIMENSION OF EMOTIONALLY INTELLIGENT LEADERSHIP

Emotionally Intelligent Leadership is a widely used collocation with regards to EI and leadership. In an effort to provide its definition or explication, it shall be understood as such leadership that encompasses all of the already discussed EI competencies. Thus, Emotionally Intelligent Leadership is leadership based on the attributes and qualities that the concept of EI emphasizes and considers as determining in contemporary approaches to management of human resources including the leadership.

The **character of interactions** between the leader and those who are willing to follow him is considered to be the most fundamental determinant of leadership (Tureckiova, 2009:60). All of the leadership factors and variables that were mentioned in the previous section has its significance and impact but the nature of interpersonal relations is the key predictor of effectiveness and success. Only a motivated employee is able to perform in an effective way (Bajzíková et al, 2013:13). Creating a motivating environment, being a motivating boss, manager, or a leader requires one to dispose of strong EI competencies. Positive emotions and attitudes (as an expression of high Emotional Intelligence) are themselves a motivating factor. According to Hroník (Schwarz, 2012:51), the question of motivation is more important than what the person knows to do or is capable of doing – because if the person **wants**, he can always learn what is needed from him.

A similar conjunction also outlines Plamínek. With regards to effectiveness of leadership, Plamínek (2011:62) states that it is indispensable to know what the employees *can* do but also whether they *want* to perform what is expected from them (as those **capabilities** and **attitudes** can be influenced and developed). The evaluation of human capital from the perspective of capabilities and attitudes, distinguishes four types of personalities, of which each require a different managerial approach and leadership style. The following table describes the influence of attitudes and capabilities on human behavior.

Table 5: Influence of attitudes and capabilities on human behavior

sufficient	CAPABLE but NOT WILLING	CAPABLE and WILLING
CAPABILITIES	INCAPABLE and NOT WILLING	INCAPABLE and WILLING
insufficient	negative	positive
	ATTITUDES	

Source: adjusted according to Plamínek (2011:63)

As it can be seen from the table, although the person disposes of sufficient capabilities, if he/she has negative attitudes, this person will not be willing to perform what is required of him. The performance is thus determined not only by the general predispositions and capabilities but also by the willingness to perform the given task in a first place. In fact, the table illustrates how the level of Emotional Intelligence affects the person's behavior and consequently the performance. Hence, to have a negative attitude towards something is a demonstration of low EI competencies. On the other hand a positive attitude is a promise of the persons' willingness to show the effort even though he/she does not possess the required capabilities (which could be with a positive approach learned and acquired). The manager's and leader's role in this process is to positively influence the employee so that his attitudes will change accordingly. To be able to manage such shift in employee's behavior , the leader (and the manager) must have high EQ and advanced soft- skills. Also according to Sulíková (2013), "The form of leadership can be more effective only when managers are motivated to such behavior, and when they dispose of a sufficient level of Emotional Intelligence" (p.62).

A recent study of Glowan Consulting Group (Barták, 2011) named: *"Applying Emotional Intelligence – Why Successful Leaders Need This Critical Skill"* showed that the "EI has through soft skills a direct impact on the organization's overall economic outcome" (143). There are many concrete examples of the impact of EI on occupational performance (including the impact of EI on leadership) from the business environment. For instance,

an extremely high fluctuation in one company was the reason why the top management asked a psychologist Martin Seligman to perform a research study that would explain this phenomenon (Märtinová & Boecková, 1998:84). During this study, a group of 15 000 new workers took two tests – an old entrance test and a Seligman's test of optimism. Two thirds of employees that quit after the first year were pessimists, whereas the optimists managed to sell 37% more of the company's product during the first two years than the pessimists (Märtinová & Boecková, 1998:84).

The Hay Group states (Poskey, 2005) that a study of 44 companies (from the Fortune 500) showed that salespeople with high EQ produced twice the revenue of those with average or below average scores. Poskey (2005) mentions another similar case of a Fortune 500 company based in Texas. This company had utilized personality assessments for candidate selection with few results in term of reducing fluctuation. However, after turning to EI- based selection assessment and EI training, the company managed to increase retention by 67% (Poskey, 2005).

According to the latest survey conducted by the Society for Human Resource Management "72% of employees rank: *Respectful treatment of all employees at all levels* to be the most important factor in job satisfaction. The other factors in the top five are trust between employees and senior management (64%), benefits (63%), compensation (61%), and job security (59%), while the work itself was ranked as number eleven" (Sahady, 2015, par.1). The result of this study shows how much people value and appreciate an equal, respectful and trustworthy working environment. To show respect regardless of the organizational hierarchy shapes the maturity of organizational culture and enhances the positive and motivating working atmosphere. To show respect and to act in a way that people have trust in you is a demonstration of strong social competencies.

The premises of Barták (2011) are grounded on similar bases as could have been observed on the previously mentioned study. He concludes that: "The success of a leader's influence depends: on his ability to create an atmosphere of trustworthiness and cooperation; on how he is able to eliminate concerns, fears, and feelings of uncertainty; on how he is able to create bonds and manage conflicts" (Barták, 2011:145). All of the mentioned qualities belong to the spectrum of soft- skills and other EI competencies which can be learned and cultivated.

With regards to the strategic importance of emotionally intelligent leadership it is essential to emphasize two fundamental facts. The first one is that leadership skills (as well as the soft skills, or the level of EQ) can be improved and mastered, and the other one is that the best leaders enhance in others their abilities (Kouzes & Posner, 2014). If the leader is through the social competencies and soft skills able to build up positive interpersonal relations, and if he manages to create pleasant and motivating working atmosphere, then the employees will not only be willing to work, but they will enjoy working and their performance will be effective. As a result, this effective performance will ultimately and automatically affect the overall profitability of an organization.

4.1 Emotionally Intelligent Leadership in Slovak Conditions

The impact of Emotional Intelligence on the economic outcome of an organization is still a relatively new concept in Slovakia and many organizations do not realize its significance (Rudy, et al, 2001:109). Despite the fact that various research conducted abroad (in the field of EI), already proved that there exists a strong correlation between the organizational productivity and profitability, and the level of employees EQ (regardless of the position held), there is still little attention paid to this reality. A major research inquiry that would explore and analyze the impact of Emotional Intelligence on leadership and on performance in Slovak organizations has not yet been conducted. Nevertheless, there have been done some partial studies analyzing for instance the methods used within the recruiting process for managerial posts. (As it was mentioned previously leading is one of managerial competencies.) Thus, this information could show whether and to what extent Slovak organizations incorporate EI measures into the hiring process. Subsequently it would also suggest whether or not the Emotional Intelligence considered (by Slovak organizations) to be one of the key determinants of the candidate's (in this case manager-leader) success.

The following is a summary of a study conducted among Slovak organizations from major regions in Slovakia within the years 2010 and 2013 on a total number of 239 respondents for the year 2010 and of 340 respondents for the year 2011 and 2012 (Kachaňáková, et al., 2013:13). The majority had organizations with the number of employees ranging from 50 – 300. These organizations represented a total of 62% in 2010; 70% in 2011; and 72% in 2012 (Kachaňáková, et al., 2013:13). For illustrations, the distribution of organizations from different parts of Slovakia was for the year 2010: Bratislava: 24% of organizations; western region: 30%; middle region: 21%; eastern region: 8%; whole Slovakia: 17% (Kachaňáková, et al., 2013:13). There was no significant shift in the figures for the other two years. The following table summarizes the list of methods that were used when recruiting for a position of a manager during the years 2010 and 2013.

Table 6: Recruiting methods for selection of managers

Method used	Share of organizations (in%)		
	2010	2011	2013
References	62	45	36
Combined interview	54	31	37
Structured interview	-	39	30
Unstructured interview	59	18	22
Interview with a case study	-	29	25
Questionnaire	36	24	21
Test of technical competencies	39	21	16
Psychological tests	23	12	8
Stress interview	-	17	11
Assessment center	20	13	8
IQ tests	-	11	8
Interview with a psychologist	-	6	4
Graphological tests	5	5	1
Physical tests	1	1	3

Source: Kachaňáková, et al., (2013:50)

From the presented research data it can be seen that when recruiting for the position of a manager the Slovak organizations preferred mostly personal references together with various forms of interview (for all three years respectively). However, the percentage of the utilization of psychological tests, assessment centers or of an interview with a psychologist is very low – there is the assumption that when deciding for this type of interviews, the employer (or the person in charge of the recruiting process, which might be an HR specialist or the employer himself – this was not specified) would seek for the information regarding the competencies within the frame of Emotional Intelligence. As it can be seen there is not included any type of interview method that would measure exclusively the EQ.

Equally interesting is the question of education in Slovak organizations. Since the level of EQ can be improved, organizations could offer or provide training that would help employees improve their EI competencies. Nonetheless, the reality is quite different and not very promising. The following table shows the fields of education that are considered by organizations as being the most perspective in the following three years. The employers were asked to present their personal opinion while naming three respective fields (Kachaňáková, et al., 2013:66 – 67).

Table 7: Fields of education considered by organizations as being perspective

Which fields of education do you consider to be perspective?	Share of organizations (in%)		
	2010	2011	2012
Managerial skills	42	35	40
Improving qualification (the degree of education)	21	15	15
Economics and marketing	15	20	20
Technical and technological fields	15	20	25
Foreign languages	14	44	50
PC skills	14	20	22
Legislation	8	4	4
Utilization of euro- funds	2	4	7

Source: Kachaňáková, et al (2013:67)

According to the findings of this research study, Slovak organizations consider managerial skills together with the knowledge of foreign languages to be the most perspective field of education. Yet, the term 'managerial skills' is very broad and comprises diverse areas such as human skills, technical skills and conceptual skills. Thus, even if we considered the EI competencies, to lie somewhere within the "human" area of managerial skills, the percentage would still be very low as it was for all three examined years only around 40%. The organizations that were examined stated that the method of education they utilize the most is the self-education of employees or education via seminars and presentations, while assessment centers were assigned to be the least used educating method (Kachaňáková, et al., 2013:64). This research also revealed that organizations do not reward employees for gaining knowledge and improving their skills. Around 60% of organizations do not reward in any way (financially or non financially) the knowledge of employees (Kachaňáková, et al., 2013:65).

5   DISCUSSION AND CONCLUSION

To be aware of how your words and behavior affect others means to be emotionally intelligent. Many research studies have disclosed that a high level of Emotional Intelligence is an essential prerequisite of effective leadership. Employees can be lead in a positive, enriching way, but on the other hand, the leading approach or the leadership style might also be very demotivating and destructive. According to Bradberry & Greaves (2013:33), the EQ is so fundamental for success because it determines performance by 58%. Sulíková (2013) argues that it is the "Form of leadership itself that might be the cause of insufficient performance, dissatisfaction, low loyalty and high fluctuation" (p.62). This means that it is the leadership style, the form of communication, the interpersonal relations that arise from a certain specific approach to great extent influence the performance, overall effectiveness, productivity and profitability. Thus, the presence of Emotional Intelligence in leadership is absolutely vital. Especially nowadays, when the society is so exhausted and tired, the need for the implementation of mature – emotionally intelligent leadership approach becomes more and more urgent. And this especially applies for the contemporary Slovak business environment.

The impact of the leadership style on the employees' performance is undoubted. Because as Sulíková (2013) concludes, "The closer the interaction with human capital, the higher the need for Emotional Intelligence" (p.64). However, as the analysis of the available research data presented in this paper showes, there is still a prevailing tendency among Slovak organizations to underestimate its immense significance. This proves the fact that the vast majority of Slovak organization do not take into consideration the level of EQ when recruiting for a position of a manager. The reality that less than half of examined organizations consider "managerial skills" as perspective suggest the extent to which these business entities consider soft skills (which should be part of managerial skills) as important (or perspective). The research data that was used for the purposes of this study had its limitations and the conclusions that arose from the analysis presented in this paper might be considered as mere assumptions. Nonetheless, in order to fully answer to what extent Emotional Intelligence determins leadership and effective performance (with regards to Slovak organizations) it would be necessary to conduct an extended research focused primarily on this subject matter.

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