Influence of Individual Emotional Intelligence Dimension on Employee Performance Working in Banks

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Keywords:

Emotional Intelligence,

Job stress,

Employee emotions,

Service performance,

 Banking Sector.

A B S T R A C T

Lack of emotional intelligence (EI) competence of the employees is adversely affecting their performance and success particularly in the service sector. The aim of this research is to study four dimensions of EI namely understanding emotions, using emotions, managing emotions and perceiving emotions. Additionally, to test empirically their influence on the performance of the employees working in the banks which is amongst largest service sector. This research is conducted with positivist stance and quantitative data is collected in a cross-sectional survey. The employees of the banking sector working in Azad Kashmir region participated in the survey. In total 222 completely filled questionnaire were received. Regression analysis is performed to find the relationship between dimensions of EI on employee performance. Results of the research showed the strong positive relation between all four dimensions of EI and employee performance. It is recommended to the management of the banks to focus on emotional intelligence competence during the hiring process. Furthermore, they should continuously train and develop EI competence in their employees. This will increase employee's performance which eventually leads to better performance of the banks.

INTRODUCTION

Emotional Intelligence is a process through which emotions combines with cognition which results in increased thinking and understanding according to different situations and demands. During modern era HR managers not only considered result oriented performance but also evaluate process based performance by accessing the behavior of employees towards colleagues and customers (Darvishmotevali el al 2018). Now in competing environment bank managers shouldn't only focus on task performance but they must design employee performance system. They must consider all other domains which can directly impact in boosting performance in spite of just giving attention to result oriented approach. These domains of performance include ethics, emotions and citizenship and by focusing on this area command and control system can be replaced by employee development system. For studying Emotional Intelligence, service sector is perfect area because of its structure and nature where continues interaction of employees and customers take place.

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According to a research study conducted by Davar and Singh in 2014, managers and leaders which are highly emotionally intelligent are always good in maintaining positive attitude of the employees. Currently attention to the significance of emotional intelligence to individual and corporate achievement is developing inside of driving edge organizations (Barone, F; Dyer, 2015). The Emotional Intelligence-Performance connect likewise appears to be sensible on the grounds that undeniably, the recruiters are considering the interviewees emotional intelligence amid the enlistment selection process (Cadman; Brewer, 2001). Organizations must incorporate EI as a part of recruitment process to get enhanced performance from the employees (Dhani et al. 2017).

In service sector, if the recruiters want to retain intellectual capital of their firms they must hire emotionally intelligent employees on continues basis who can serve and satisfy the variety of needs and demands of customers (*Aqqad, N, 2019*). Taking into account the Bank's ability of branch manager that must handle his branch appropriately all in all furthermore his subordinates as a team and the banking sector

Problem Statement:

Empirical observations of banking sector reveal that bank's employee are contending with numerous workplace problems like stressful workplace environment, pressures of work, anxiety, agitation, irritability and depression. These problems not only create a bad performance level for the employees but also decrease the performance of the banks. This study examines the contribution of individual emotional intelligence dimensions on the performance of the employees which eventually leads to enhanced performance of the banks.

Significance of the Study

The study empirically test the relationship of emotional intelligence dimensions with the performance of the employees in banking sector. The study provide guidance in the banking sector about importance to focus on individual emotional intelligence dimensions. The findings may be generalized on comparable service sectors as well. The significance to focus on emotional intelligence to gain better results in service sector is proved in advance countries (Dhani et al. 2017). However this research is an earnest attempt to fill the literature gap from the developing countries perspective and particularly in Pakistani banking sector. Through this study bank employees can be able to know about importance of

EI and it can help to increase their performance. This direction of research is of significance importance because of the reason that employees in a firm or company work for common purpose. They are interlinked with one another in social bonds and relationships at work place, emotional competencies of one employee may have a positive and progressive impact on entire social network of that firm (Vidyarthi et al. 2014).

Research Questions

- What is the effect of individual dimensions of Emotional Intelligence on the performance of the employees?
- What are the implications of Emotional Intelligence's dimensions in service sector (banks)?
- Which Emotional Intelligence's dimension has highest impact and which one has lowest impact on employee service performance.

LITRATURE REVIEW

Emotional Intelligence

Emotional intelligence grasp qualities, capabilities and traits of an individual with respect to his own feelings or of other individuals (Emmerling & Goleman, 2003). These are core features of EI which help an individual throughout his life. (Maul, 2012). Competency in understanding emotions includes perceiving emotion of the facial expressions, voice signs of individuals and familiarity with personal particular physical and mental states linked with emotion. Competency in comprehension means to know the reasons and outcomes of distinctive emotions and also having the capacity to separate between fluctuating emotions (Schutte et al, 2013). People are not equal in terms of intelligence and nature, they vary in their data processing capability which is observable in different times during different practices (Bhaskaran, 2013).

Salovey and Mayer (1990) EI model and Thorndike's measure of social intelligence are interrelated in terms of perceiving emotions for achieving unique dimensions in this vast field. To create Emotional Intelligence like an unadulterated intelligence, Mayer and Salovey (1999) adopted three different standards which are formative theoretical and correlational. Adroitly, there must be a reflection of real mental execution in any intelligence despite of designs of favored conduct and regard of self (Carroll, 1993).

There are four sub branches of EI elaborated by Salovey and Mayer which are as: perceiving emotions which deals with emotion's expression and perception; emotional facilitation which deals with the skill require for critical thinking and problem solving; understanding of emotions which describes the relationship of emotions with different changing situations and lastly managing emotions deals with efficient management personal as well as peers emotions. This also include the skills how to retain positive thinking by eliminating negative emotions (Karaman, 2012). Mayer and Sitarenios (2001) explain that these four types of abilities continuously deals with human feelings during different situations with perceiving emotions is base and first ability and managing of emotions as last in the list.

Above mentioned four branches of EI can broadly divided into two main type's i.e. experimental and strategic emotional intelligence. First branch termed as experimental emotional intelligence because main function of it is to perception and manipulation of information without any logical and thoughtful action. Second branch which is termed as strategic EI, because this branch is related to personal ability of managing emotions strategically which results into proper self-management and planning.

Perceiving Emotions

This is also termed as principal dimension of EI. It is the capacity to unravel and recognize voices, faces and pictures etc. It likewise incorporates capacity of distinguishing between one's own emotions. This branch might epitomize the best fundamental part of EI because it is useful in conceiving all other emotional information (Peter Salovey & Daisy Grewal 2005). It can also explain as the ability of perceiving emotions in others not only this but it also forecast the best time for performing emotional labor and also predict suitable time to concentrate their emotional expression (Ernest H, O' Boyle 2011).

For instance, a seller which is emotionally perceptive, may read momentary expression of interest on the purchaser's face with help of which he gets information about purchaser thinking and his current emotional state, on the other hand the seller which is low perceptive cannot read these signs and unable to read the purchaser thinking (Kidwell et al. 2007). The implication of perceiving emotions between the employee and customer communication was verified by Kidwell and his colleagues (2007) which emphases the employee ability to perceive emotions for enhancing performance.

Using Emotions

It is the capability of a person through which he can generate such emotions which can help higher mental activities for example, problem solving and thinking (Grunes et al. 2014). These skills can be demonstrated through a proposed and imaginary situation. For example you are given a challenging and hard task to complete in a very short time in which you will have to use deductive type of reasoning. In this situation, what would you choose rather to be in a good or a bad mood to solve this task efficiently? Emotionally sad person will be careful in performing any task on the other hand emotionally happy person can perform this task with creativity and effectively. So it is concluded that a person can best in changing his mood according to situation can perform the task better than those who do not have any control over their emotions. (Peter Salovey and Daisy Grewal, 2005).

Understanding Emotions

Emotions can tell a lot about a person e.g. happiness makes a person more social; emotions of anger make a person harmful to others while fear makes a person escape from a given situation and so on. All emotions are carrying some information which indicate some set of actions related to those emotions for example when a person is not treated according to his intentions shows emotions of anger. In turn anger can provoke a person to perform certain actions related to it like revenge-seeking, retribution, attacking or peacemaking. According to Salovey 1997, understanding information related to emotions and responses related to them is main feature of this skill which is called "understanding emotions" (Salovey, 1997).

Managing Emotions

A person who has skill to manage his emotions has the ability to recover from emotional problems more rapidly and efficiently. He can channel his emotions to get out of every psychological situation better than others. After being happy or sad, such a person has more capacity to cope with critical situations and get himself to normal state of mind. He will not lose his temper in any situation and this will affect his job performance in a better way. Mentally strong person can manage his emotions during crucial times which help him to become socially acceptable (Kenneth S. Law & Chi-Sum Wong 2007).

Employee performance

According to Mathis and Jackson, 2011, job performance is a person's ability to get his tasks done which are assigned to him by management while fulfilling expectations and requirements of employer. One

can know a lot about the employees through their performance which can be judged through these indicators: commitment for job, enthusiasm during work, absenteeism, slowness and job satisfaction (E.W. Anderson et al 1994). It can also defined as the outcomes of tasks that have been set to get desired goals base upon some specific standards which includes actions and nature of all mental capabilities that are not observable (Ali Al Kahtani 2013). According to Gryn (2010), employee service performance is observable behavior and accessible non observable behavior.

Emotional Intelligence and Employee Performance

Emotions play a vital role in determining the performance of an employee in an organization e.g. enthusiasm and excitement which are positive emotions, can induce such a behavior in employee through which he will be able to get his task done efficiently with good customer service (Eze, B et al. 2019). Emotionally intelligent employee will be more active in channeling and controlling his emotions while regulating emotions of other employees which will result in producing more positive communication which will in turn make the environment inside an organization more suitable for work and will increase employee performance (Thomas et al. 2007). For determining the role of emotional intelligence in employee performance, we will have to assume a team work context. In this context we will have to study this effect in two ways firstly, we will have to study the EI of every individual of a team and secondly we will have to study the emotional intelligence implied by team members while making interaction with each other (VU Druskat et al. 2013). Organizational performance of employees can be predicted through EI whose function is to make changes in effectiveness of management and organizational training in service sector organizations like banks (Shahhosseini et al. 2012). The role of EI on employee service performance was first conducted in Pakistan by Sehzad et al. 2010. They conducted the study in telecom sector and found the positive relationships. Based upon the review of literature this research model has been constructed.
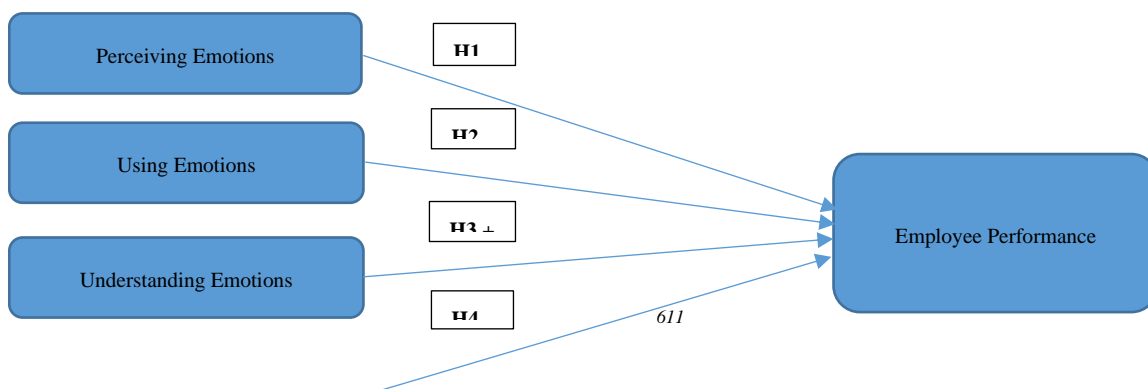
Research Model:

Figure 1: Research Model

Research Hypotheses:

The research hypotheses are framed as presented in the research model (see figure 1 above). All of the hypotheses are derived from the previous literature. According to a research conducted by Cary Cherniss (2000), the capacity to regulate feelings and control anxiety are aspects of emotional stability which are very important traits for getting success. In another research by Al Kahtani, A (2013), a theoretical frame work has been proposed in which direct relationship has been established between four abilities of emotional intelligence with employee service performance. Depending upon thorough literature review following four hypotheses have been deducted:

H1: Perceiving Emotions impacts employee service performance

H2: Using Emotion impacts employee service performance

H3: Understanding Emotion impacts employee service performance

H4: Managing Emotions impacts employee service performance

These hypotheses were made on the basis of studies conducted by Shamsuddin et al. (2013) and Ali Al Kahtani, (2013) and Shehzad et al. (2010). Furthermore the supporting literatures for individual hypothesis is also presented in the relevant sections above for hypothesis 1, 2, 3 and 4 respectively.

RESEARCH METHODOLOGY

According to Zikmund (2002), survey method is a technique used in conducting a research through which researcher can get primary data by providing questionnaires to a group of selected individual for developing a significant relation between different variables. In following steps Saunders's research strategy is used for answering further research questions.

Research Philosphy

It is the first step of rearch onion strategy which deals with the knowledge design and its nature (Saunders et al. 2011). This study follows the positivism philosophy since the research area is social sciences and it is concerned with the observation of facts in form of quantifiable measurements

Research Approach

Research approaches is adopted based on the objectives and nature of the study. The two options for the research are qualitative and quantitative (Creswell 2003). Aligned to the positivist philosophy to test the theory quantitative research approach is used. Consequently the data collection and analysis has been done in numeric format.

Research Strategy

Research strategy is the way of data collection which is purely based on research questions, objectives of research, literature of the topic, time constraint and other properties of the research area (Saunders, 2011). In this study survey strategy was used because of two reasons, firstly the nature of questions in the questionnaire and secondly due to cross sectional nature of research which was gathering quantitative data at one time and then analyzed it. According to Saunders et al. 2011 and Zikmund 2002, in business and management quantitative data is collected on large scale so survey strategy fits best in this research.

Choices of research

According to Saunders (2011), data gathering methods are of three types i.e. Mono, Multiple and mixture of multiple and quantitative techniques. During this research study only one technique was used for data collection which was through questionnaires distribution, this makes this research study as Mono research.

Time Horizon

Research can be divided into two types on the basis of dimension of time which are longitudinal and cross-sectional research. (Saunders et al. 2011). In current study cross-sectional data collection approach is applied. All of the study data is collected at once from the employees of the banking industry.

Data gathering techniques and analysis:

Questionnaire survey has been used for collecting primary data and questioners were prepared and distributed by the researcher himself. Some were distributed by friends and family members who were working in target banks and collected later from them. Number of questionnaires distributed was 350 out of which 247 filled questionnaires were returned out of which 25 were not filled properly so 222 questionnaires were filled properly which is response of 63%. So these 222 questionnaires were entered in spreadsheet.

According to Sekaran (2003), study sample can be obtained from population which is a group of persons, things or events. In this research the employee directly involved in banks operation and customer dealing in commercial banks of three divisions of Azad Kashmir i.e. Muzaffarabad, Rawalakot and Mirpur were taken as a target population. Individuals working in commercial banks are unit of analysis for this research study. Employees which were frequent in customer interaction were selected. Our population comprised of employees from branches of commercial banks.

To measure the four independent variables, Wong and Law (2002) Emotional Intelligence Scale was adopted and for dependent variable "employee service performance" instrument was used from the studies of Laio et al (2004). The details of the variables and corresponding adopted scale is provided in table 1 below. According to Lewis and Thornhill 2011, reliability and validity of data must be ensured before performing any analysis. Cronbach Alpha test was used to ensure reliability of instrument. Kafetsios et al. (2008) also used this scale to determine the link among EI and Job satisfaction which clearly shows the accuracy of this instrument in this area.

Table 1: Study variables and measurement scale

Independent Variables	Dépendent Variable	Measurement Scale
Perceiving Emotions		Wong and Law (2002)
Using Emotions		Wong and Law (2002)
Understanding Emotions		Wong and Law (2002)

Managing Emotions		Wong and Law (2002)
	Employee Performance	Laio et al (2004)

7: Data Analysis

For testing hypotheses of the study related to four independent variables of the dimensions of emotional intelligence and a dependent variable related to employee performance quantitative analysis is done through Statistical Package SPSS 20.0. In this phase data screening is done afterwards reliability analysis is performed to check the internal consistency. Correlation and regression analysis has been done to prove research hypotheses.

a) Correlation Analysis:

This analysis determines the strength and direction of the linear relationship between two variables. Correlation also determines the interrelationships between the variables under study. It also describes weather one variable decrease or increase by increasing or decreasing other variable and also explain to which extent it is increasing or decreasing. Analysis of correlation was executed on obtained data to investigate the relationship of variables under consideration.

b) Regression Analysis:

It is a method through which researcher elaborates the causal relation between independent and dependent variables. It shows the amount of change that occurs in dependent variable by small change in independent variable. The magnitude of impact can also be determined for variables under study. This analysis can measure the effect of more than one variable on single dependent variable and it can answer to different research questions associated with dependent and set of independent variables. In the present study, the researcher simply used multiple regression method.

IV: RESULTS

This part of paper consists of results of different tests which were applied after data collection. Brief summary of test results is as follows:

Table 2: Descriptive Analysis

1) Descriptive Statistics:

	Mean	Std. Deviation	N
Employee Service Performance	3.73	.710	222
Perceiving Emotions	3.25	1.037	222
Understanding Emotions	3.29	.929	222
Using Emotions	3.69	.684	222
Managing Emotions	3.56	.766	222

The table 2 consist of computed Mean of 4 independent and 1 dependent variables under study. The overall average of the questions are shown by the Mean values. In second column Standard Deviation is presented. In last column total number of responses are mentioned which were collected back in useable form.

Reliability Analysis

Table 3: Reliability Analysis

➤ Variables	➤ Cronbach α	➤ No of Items
➤ Perceiving Emotions	➤ 0.939	➤ 4
➤ Understanding Emotions	➤ 0.857	➤ 4
➤ Using Emotions	➤ 0.647	➤ 4
➤ Managing Emotions	➤ 0.868	➤ 4
➤ Employee Service Performance	➤ 0.857	➤ 7

Table 3 present the reliability analysis of all variables, first 4 out of total 5 variables are independent while the last one is a dependent variable. Cronbach alpha values are presented in second column of table 3. The reliability of questions presented in each group is shown by the values of. Cronbach alpha which is a measure of internal consistency (Nunnally, J. C. 1978). So in this study measures were developed from different sources and before performing tests, values were analyzed to check internal consistency of all the items. According to Sekran, 2003, it also shows that how much positive interrelation is present in overall variables. Values of Cronbach Alpha are slightly greater than the required standard value of 0.70 (Nunnally, J. C. 1978) which indicates that these are adequate.

Table 4: Correlation matrix

	PE	UE	USE	ME	ESP
Perceiving emotions	1				
	222				
Understanding Emotions	.792**	1			
	.000				
	222	222			
Average Using Emotions	.586**	.590**	1		
	.000	.000			
	222	222	222		
Managing Emotions	.401**	.385**	.557**	1	
	.000	.000	.000		
	222	222	222	222	
Employee Service Performance	.621**	.649**	.698**	.505**	1
	.000	.000	.000	.000	
	222	222	222	222	222

**. Significant Correlation at the 0.01 level (2-tailed)

Relationship between the independent and the dependent variable can be indicated by Co-efficient of Pearson Correlation whose value ranges from -1 to +1. Negative correlation is indicated by -1 and values close to it while +1 shows positive correlation. Between these two extremes there is 0 value which means no correlation. The table 4 above provide correlation figures of the variables.

The correlation between the PE and UE is 0.792, PE and USE is 0.586, PE and ME is 0.401which is a high to moderate correlations. The relation between the PE and ESP is 0.621, which shows high correlation. A previous research conducted in Pakistani context by Chughtai, M. W., & Lateef, K. (2015), found no correlation between these two variables but in banking industry this correlation is strong due to environment of the banking job. Another study conducted by Greenidge et al. (2014) found high correlation between perceiving emotions and employee performance.

The value of correlation among the UE and USE is 0.590, which shows that it is a moderate correlation while value of correlation amid the UE and ME is 0.385, which shows that low moderate correlation assessment amongst these two variables.

The values of correlation between the UE and EP is 0.649, which shows that correlation between these two is moderate high. In previous studies understanding emotions is highly correlated with employee performance. This outcome validates the finding of the study conducted by Carmeli & Josman in 2006. The value of correlation among USE and ME is 0.557, which shows moderate correlation while value of USE and ESP is 0.698 which shows that it is a high moderate correlation. The value of correlation between the ME and EP is 0.505, which is also a moderate correlation. Study conducted by Lopes et al. 2006 found same results and investigated the moderate correlation between managing emotions and employee service performance.

Regression Analysis

For estimating Regression this model has been adopted for the four independent and one dependent variables.

$$Ŷ = A + B1(X1) + B2(X2) + B3(X3) + B4(X4)$$

In above mentioned model, Y^ denotes projected value of employee performance which is a dependent variable. A represents constant while the B characterizes the slope of relevant independent variable and X denotes chosen value of variable.

Table 5: R Square Value

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.769[a]	.592	.585	.457

Predictors: (Constant), Average ME, average UE, Average USE, average PE

In the table 5 above R Square denotes the co-efficient of determination and symbolized by r^2 or R^2. Its value represents the extent to which the data is compatible with statistical model. It is basically a curve and if its value is 0% then it will show that variability of single data response is not identified around mean.

The value of R^2 is 0.592 which shows that 59.2% change in dependent variable is brought about by four independent variables and remaining 40.8% changes are done by other variables which are not taken into account. Chughtai et al. (2015) studied the impact of four dimensions of EI from Goleman model (1998) on employee performance in telecommunication sector and found the R square 0.582 which mean according to that research 58.2% change on employee performance was due to EI four dimensions. So current R square 0.592 is according to previous literature.

Table 6: ANOVA Analysis

Model		Sum of Squares	Df	Mean Square	F	Sig.
				ANOVA[a]		
1	Regression	65.902	4	16.475	78.742	.000[b]
	Residual	45.403	217	.209		
	Total	111.305	221			

a. Dependent Variable: Average ESP

b. Predictors: (Constant), Average ME, average UE, Average USE, average PE

By running ANOVA test, a value is obtained which is designated as F and is called F Statistics. The mean between two different populations can be find out by F Statistics, which will indicates that weather the independent variables are significant or not. For the independent variables to be significant the value of significance must be smaller than 0.5. In this research study value of significance comes out to be 0.000 which indicates that independent variable are jointly significant.

Table 7: Beta values

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		Coefficients				
		B	Std. Error	Beta		
1	(Constant)	.842	.181		4.661	.000
	average PE	.089	.050	.130	1.776	.077
	average UE	.201	.056	.263	3.582	.000
	Average USE	.407	.063	.392	6.430	.000
	Average ME	.123	.049	.133	2.530	.012

The value of Beta Coefficient is 0.130 which is smaller than 0.77, the value at which it is significant. This shows that the dependent variable EP will be changed by 0.130 units by making one unit change in independent variable which is PE while avoiding any change in other variables

It also depicts that PE individually doesn't have significant influence individually but with combination of other three dimensions of EI it impacts on employee service performance.

The value of Beta Coefficient is 0.263 which is slightly larger than 0.00, the value at which the UE's beta coefficient is significant. The dependent variable EP will be changed by 0.263 units by making a unit change in UE.

The value of Beta coefficient USE is 0.392 which is larger than standard value 0.00 at which it is significant. This shows the change of 0.392 units in dependent variable ESP will be brought about by making a unit change in USE, keeping all other variables same.

The value of ME beta coefficient is 0.133 which is slightly larger than 0.12, the value at which it is significant. This indicates that a change of 0.133 units will be brought about in EP by making one unit change in ME, keeping other variables constant.

These findings are also supported by Chughtai et al. (2015), Greenidge et al. (2014) and Carmeli & Josman in 2006 which investigated similar results.

DISSCUSSION

According to Boytzis, (2009) competencies of EI can increase employee's performance. Mayer and Salovey (1990) investigated the impact of different EI dimensions on employee performance.

H1: The matrix of correlation shows that perceiving emotions and employee service performance is significantly and strongly correlated (0.621^{**}, $p < 0.05$). According to regression analysis in this research PE is strong predictor of employee's service performance ($t = 1.776$). It is because majority of employees in banking sector joined banks because they would be like to be a part of well reputed bank so in initial stage of their career they are only interested in pay rather than to improve their competencies.

The ability perceiving emotions is week because lacking of practical experience in newly hired employees which is essential to increase performance. So hypotheses 1 is consistent with the previous studies which "perceived emotions is directly related with employee service performance". In Pakistani context these result is supported by MW Chughtai et al. (2015), investigated the positive relationship of perceiving emotions with employee service performance.

H2: Hypothesis 2 was drawn from previous research that employee ability to use his emotions is positive influence on employee service performance and those who have high degree of this capacity in this regard can perk themselves as other people and they realize that a decent state of mind will help them to enhance the performance of employees (Kenneth S. Law 2008). Using emotions and employee service performance is strongly correlated as per regression analysis (0.698^{**} , $p < 0.05$), and it is a strong predictor of employee performance (t = 6.430) in banking sector. This is due to in Azad Kashmir individual's emphasis on self-development and bends more towards old-fashioned studies rather than harmonizing deep abilities with study patterns. A new employee is already filled with numerous thoughts to resolve down during job. These types of employees when go in banking sector, they need to settle in working environment. So Hypothesis 2 has been proved in current research that using emotions have positively related with employee performance

H3: According to (Kenneth S. Law 2008) understanding emotions is necessary for employee service performance in dynamic environment, especially when employees are exceeding works in teams. In current study matrix of correlation indicates the strong relationship between understanding emotions and employee service performance (0.649^{**} , $p < 0.05$) and regression analysis shows that it is strong predictor of employee performance (t = 3.582). Banking sector has larger share in service sector of Azad Kashmir. Keeping view this thing most of youngsters always tried to be a part of banking sector. Keeping in view the status of banking sector employees tried their level best to inherit the values of banking sector so by using their ability to understanding emotions they tried to please their seniors and managers which consequences in better performance. Hence hypothesis 3 also proved during this study because results shows that understanding emotions is positively related with employee service performance. A research study done by Shahzad et al. (2011) and established positive relation among understandings emotions and employee performance which also strengthened our hypothesis.

H4: In literature of this current study we investigated that managing emotions has positive relation with employee service performance. This hypothesis is associated with previous research in this area. Managing emotions is art of an employee to keep away the workplace environment from undesired and negative emotional effects. These type of employees can transcend now and then inevitable undesirable effects of emotions (discourteous practices from clients, unnecessary and unpleasant requests from the supervisor, and disobliging practices from associates, and so on.) rapidly and consequently their service performance would experience the low effects of the adverse circumstance (Kenneth S. Law & Chi-Sum Wong 2007). In this research study managing emotions and employee service performance is strongly correlated with each other (0.505^{**}, $p < 0.05$) and according to regression analysis Managing emotions is strong predictor of employee performance ($t = 2.530$). Apart from some week points in young employees they are expert in managing their emotions according to the situation because of their cultural background. So hypothesis 4 has been proved in the light of previous studies done in this area.

CONCLUSION

This research study was done to examine the role of four abilities of EI in predicting employee service performance. Key goal of this research was to know influence of EI in service sector i.e. banks. Operational employees which are directly involved in operations of bank branches were carefully chosen as target population because of nature and structure of bank job, emotional labor and interpersonal dealings.

Some of studies also check this relationship via mediating role of other variables and some studies investigated this relationship via moderating role of gender. This study assumed that abilities of EI are significant predictors of employee service performance. Hence results from this study indicate that relationship of these four abilities of EI with employee service performance. It is also revealed that not only emotional intelligence influence employee performance but abilities of EI also have significant impact on performance which resembles the results from the previous studies.

Recommendations:

This study shows that perceiving emotions (PE), managing emotions (ME), understanding emotions (UE) and using emotions are significant predictors of employee service performance. These predictors can also be considered as important factors in human resource practices during hiring and requirement processes. These results can help in banking sector and banks can arrange EI training to improve the EI

abilities in the employees, not only this it will be helpful for graduates to demonstrate on job and make their career progress easily. This course has been taught in many American institutions since 1990 to improve the EI abilities in students. This research is also helpful to those who conducted EI training in other countries, sectors and departments. From this study it is predicted that lack of EI abilities in employee can cause bad performance so service sector of any country can arrange EI training to improve the EI capabilities in employees.

Research Limitations

To get better results from research it is suitable to take large population and sample size, but due to time and cost constraint only commercial banks from three major divisions of Azad Kashmir were taken as a sample so these results can be applicable to all commercial banks of country.

As employee service performance is a wide range construct and it cannot be predicted by abilities of EI alone there are many other variables which can predict service performance of employees. According to Boyatzis (2008) there are many organizational and job factors which can predict performance of employees but in this study we use only EI related factors. Another significant limitation in this research is using of self-report measure for measuring independent and dependent variables because according to research scholars in social sciences these measures are not always the best ways to measure impacts. In baking sector due to continues job and busy schedule employees may be not able to give accurate answers asked in the questionnaire. Lack of resources was also a big constraint in this study which restricts the researcher to take sample from only three divisional headquarters of country.

Future Research Directions

For further research in this direction it is strongly recommended to check the mediating and moderating effect of other variables like culture, age and gender so that more reliable results can be extracted. Banking sector was selected in this study which is largest service sector in country. This research study can be expanded in other service sectors in near future, like Insurance, IT, Consultants and many other sectors where researcher can get different results with different population and sample. It is also recommended the comparison of this research with other service sectors so that it can be measured that how much contribution EI is making in influencing employee service performance of other sectors. This study can also be conducted in project environment and it can be helpful in projects which are related to

service. It need to be investigated in projects because of the fact that time, cost and scope creates a lot of stress on employees in management of complex projects.

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