Socio-Demography and Emotional Intelligence in Nepalese Banks

Pradeep KC
Purbanchal University, Nepal

Abstract

The current paper results accumulate evidence that Emotional Intelligence (EI) is influenced by socio-demographic factors of employees. However, the research on Emotional Intelligence is majorly conducted in corporate sector and in western nations; since there is a lack of research on Emotional Intelligence in the context of banking sector in developing and least develop country, like Nepal. The objectives of this paper are to analyze the status of Emotional Intelligence among Nepalese bank employees and to measure the impact of demographic factors on Emotional Intelligence. The research approach is quantitative, research design is cross-sectional, descriptive, and inferential too, and population is total numbers of employees whereas sample is 393 employees from commercial and development Nepalese bank. The structured questionnaire was designed to collect primary data through convenience sampling technique with five-point Likert scale. SPSS was used to manage and analyze data. Frequency, Mean and Standard Deviations are used to assess the status of EI, F-test, P-value, post-hoc comparison of mean difference was used to measure the impact of demographic factors on EI, Chronbatch alpha to test reliability of constructs, The research is able to find out that EI is well present in the Nepalese banking. Furthermore, some of the dimensions of Socio-Demographic Variables have a significant relationship with Emotional Intelligence. Marital status, income level and job tenure have significant impact on Emotional Intelligence.

Introduction

From near about three decades before a great discourse has begun around the issue of emotional intelligence (EI). This issue was largely globalized by Goleman (1995), and specifically by the claim that EI defines a higher amount of variance in individual success than IQ (Gannon & Ranzjin, 2005). The initial conception and empirical model of EI was explored and revised by Salovey and Mayer (1990), who conceptualized EI as "the ability to monitor one's own and others' emotions, to discriminate among them, and to use the information to guide one's thinking and actions" (1990: 189). According to Zeidner et al. (2004), this may be the most widely renowned scientific definition of EI; hence it defines emotional information processing as an essential precursor to emotional regulation. The very fresh research findings say that EI persons are better performers than their counterparts (Law, Song & Wong, 2004). To continue a sustainable productive culture in the competitive business world, business has to be much emphasized on emotional intelligence of their people. The practical implication of emotional intelligence in business consist of areas such as selection, training and development of employees, teamwork, and organization. Today's corporations should coach their human capital in improving their interpersonal skills and coach them to perform smartly within a team in the modern organization (Bar-On et al., 2003). Nepalese banks as financial sector is identified as one of the most dynamic and vibrant areas of the whole economy. Banking has developed significant economic sectors of the Government and ushered in a new dawn of progress on the Nepalese horizon. The sector has translated the hopes and aspirations of millions of citizens into real life. Most of the literature expressed that there are very great crisis on this contemporary issue in Nepalese context as well as all over the globe. In addition to those empirical research studies also proved that emotional intelligence in organizational setting was ignored for a significant time period. Since, researcher had strongly committed to identify the nature of emotional intelligence and measure the influence of socio-demographic on EI in Nepalese bank employees.

Scholars of social sciences have conducted research work a lot on this same issue at the globe perspective, specifically in the western contexts. However, the developing and third world such as Nepal

there was a necessity to explore this issue. Since, the research article is accomplished to know the status of emotional intelligence in the banking sector of Nepal, especially in the areas of commercial and development banks. There are other variables too which have direct influence on the organizational performance of the employees working in different areas of the economy in various parts of the world, like Self-awareness, Self-management, Social-awareness, relationship management and so on.

Research Objectives
i)   To analyze the status of Emotional Intelligence among Nepalese bank employees.
ii)   To measure the impact of demographic factors on Emotional Intelligence.

Literature Review
A lot of studies have been focused to find out the relationship between Emotional intelligence and organizational performance. The scholars with this sector of emotional intelligence have developed concepts and theories to identify the conception of emotional intelligence and its relationship with work life dimensions.

The model of emotional intelligence is designed and conceptualized by four models' ability model, traits model, mixed model, and second-generation model. According to John Mayer and Peter Salovey (1993) emotional intelligence is the capacity to exactly understand one's own emotional patterns and those of others also. Further, Reuven Bar-On (2000) introduced emotional intelligence is connected with well to people and coping with the peripheries to be more productive in an interaction with environmental requirement.

Daniel Goleman (1995) developed emotional intelligence as a competency for understanding our own and others feeling for inspiring our self and for managing our emotions, both within ourselves and in our connectivity. The very new model of emotional intelligence is "trait emotional intelligence." It is a second-generation model that combines many of the individual natures identified in already developed models (Petrides et al., 2007).

Research suggests that there is a positive relation between emotional intelligence and organizational performance (Rahman & Haleem, 2018; Thomas & Tram, 2006; Guleryuz et al., 2008; Mona fared et al., 2010; El Khouly,2011; Mousavi et al., 2012; Moradi et al., 2012). Rahman & Haleem (2018) conducted a survey on university employees and found strong and significant impact of emotional intelligence on job satisfaction. Similarly, Goleman (1995) stated that emotional intelligence is closely related to job satisfaction and job success. Emotional intelligence does expect job satisfaction and job performance. Likewise, Literature revealed mixed results of studies that age, gender, and educational level moderate the relationship between emotional intelligence and job satisfaction. Researchers have shown a relationship between age and job satisfaction, indicating that older workers are more satisfied with their jobs than younger workers.

Moreover, with the increase in the number of years overall job satisfaction of workers increases as well (Berns, 1989; Grady & Burnett, 2000). Furthermore, the level of emotional intelligence of older students was higher than younger students. In addition, the level of emotional intelligence is high among those over 40 years (Bar-on & Handley,1999; Ishak et al., 2011). Researchers also found that age does not increase other relationships such as emotional intelligence, mental health, and spiritual intelligence (Rahim & Malik, 2010).

Conceptual Framework

Independent Variable. Socio-Demographic Factors Gender, Age, Academic Level, Marital Status, Job Position, Income Level and Job Tenure	→	Dependent Variable. Emotional Intelligence Self-Awareness Self-Management Social- Awareness Relationship Management

Research Methodology

This study is based on a combination of cross-sectional, descriptive, and inferential research design. The population of this study is 47 banks of Nepal including total 27 commercial and 20 development banks among various commercial and development banks of province no. 1, 20 banks with minimum 10 years of experience. Four hundred eighty questionnaires were distributed, 393 were collected consist of 270 male and 123 female respondents and response rate is 78.6%. SPSS software package was used to manage and analyze collected data. Structured questionnaire was developed to collect data through convenience sampling technique with five-point Likert scales. Primary data and secondary data were collected from questionnaire and websites of banks, annual reports, journal articles, dissertations and so on, respectively. Frequency, Mean and Standard Deviations are used to assess the status of EI, F-test, P-value, post-hoc comparison of mean difference was used to measure the impact of demographic factors on EI, Chronbatch alpha to test reliability of constructs. Questionnaire was distributed to 6 branches of each bank including 4 respondents of each branch from various districts of Nepal. Data is collected from different branches of sample banks by using google form.

Findings

Based on the collected data, the following findings have been drawn.

Attribution	Description	No. of cases	Percentage
Age	20-29 years	227	57.8
	30 and Above	166	42.2
Gender	Male	270	68.7
	Female	123	31.3
Educational Level	Up to Bachelor	114	21
	Master and above	279	79
Marital Status	Married	221	56.2
	Unmarried	172	43.8
Job Position	Non-Officer	253	64.4
	Officer	113	28.8
	Manager	27	6.9
Income Level	Rs 15000-24000	45	11.5
	25000-34000	73	18.6
	35000-44000	96	24.4
	45000 and above	179	45.5
Job Tenure	0-4 years	211	53.7
	5-9	109	27.7
	10-14	48	12.2
	15 and above	25	6.4
Total		393	100

Table 1: Demographic characteristics of sample

A comparison is made between the data results obtained from the questionnaires in the selected banks in Nepal in terms of their age, gender, educational level, marital status, job position, income level, job tenure, and level of emotional intelligence and its characteristics using means and proportions.

Reliability of the constructs

All constructs are reliable and acceptable because all the values of Cronbach's Alpha are > 0.7000.

Cronbatch's Alpha	No. of Items
0.77925	4

Table 2: Reliability of the constructs in aggregate

Variable	Constructs	No. of Items	Cronbatch's Alpha
Dependent	Self-awareness	7	0.778
Dependent	Self–management	7	0.783
Dependent	Social awareness	7	0.780
Dependent	Relationship management	7	0.776

Table 3: Reliability of the constructs

Description	Score
Mean	112.34
Average Index Value	0.75 (SD0.11)
95% Confidence Interval For Mean	Lower Bound 111.11
	Upper Bound 113.58
Std. Deviation	12.44
Minimum	28.00
Maximum	140.00
Skewness	-1.68
Kurtosis	10.71

Table 4: Emotional Intelligence (Aggregate Score)

Attribution	Description	N	Mean	Std. Deviation	F-statistics	Sig.
Age	20 to 29	227	111.742	13.169	1.037	0.309
	30 and above	166	113.056	11.445		
Gender	Male	270	113.092	12.701	3.383	0.067
	Female	123	110.579	11.825		
Educational level	Up to Bachelor	114	112.090	10.517	0.043	0.835
	Master and above	279	112.382	13.201		
Marital status	Married	221	113.809	11.683	7.322	0.007
	Unmarried	172	110.363	13.195		
Job position	Non-Officer	253	111.648	10.727	0.996	0.370
	Officer	113	113.315	16.143		
	Manager	27	114.200	12.470		
Income levels	Rs. 15000-24000	45	106.651	16.774	3.449	0.017
	25000-34000	73	112.403	10.442		
	35000-44000	96	113.138	10.719		
	45000 and above	179	113.195	12.626		
Job tenure	0-4 years	211	110.641	13.429	2.977	0.031
	5-9	109	114.238	11.589		
	10-14	48	113.208	10.030		
	15 and above	25	116.208	10.142		

Table5: Impact of demographic variables on emotional intelligence

The result of this table shows different patterns of effect of different demographic variables on the dependent variable.

The results showed that there was no significant difference between the mean EI scores of these two age groups (F = 1.037, p > 0.05) with a p value of 0.309. The above table clearly depicts that the mean EI consistently increased from the minimum age group (20 to 29 years) to 30 and above age group. It is clear that as the age increases the level of emotional intelligence also increases, it may be vice versa. Mature employees have a higher EI level, as compared to the younger ones due to the nature of the working environment of banks and their level of maturity. Because aged people are very experienced and inspired by more friendly and highly committed behavior in their job.

The mean value of EI for males was 113.09 and for females it was found to be 110.579. The results of F-test showed no significant difference between the mean EI of males and that of female managers implying that gender of the bank employees has no significant relationship with their emotional

intelligence (F = 1.01, p = 0.067). The gender has no relationship with the independent variable, the mean scores also shows that male employees are more emotionally intelligent than their female counterparts.

The relationship of educational background of bank employees with their EI was tested by applying ANOVA test but no significant difference between the mean EI of the employees belonging to these groups was found (F = 0.043, p = 0.835). Hence, there is no significant relationship between the educational qualifications of the employee and their emotional intelligence. The mean score of up-to bachelor is 112.090 and master and above is 112.382. The marital status has positive relationship (F = 7.322, p = 0.007) with the level of emotional intelligence, means to say that EI level is low with unmarried people and high with married people because married people are more careful to care, love and co-operate with their co-workers as they have strong bonding with their partner and children.

There is an insignificant relation of job position with emotional intelligence (F = 0.996, p = 0.370). The mean score of non-officer, officer and manager level employees are 111.648, 113.315 and 114.200 correspondingly. The EI is high with high level of job position and vice versa. There is a significant difference between income level and EI (F = 3.449, p = 0.017). The mean score of Rs. 15000-24000, 25000-34000, 35000-44000 and 45000 and above are 106.651, 112.40, 113.14, and 113.20 correspondingly. Here the result shows that EI is high with high income level.

The Post Hoc comparison was done in order to determine the level of significance of the mean differences in relation to different income level groups of bank employees as shown in the following table. There is significant difference in the mean EI score in different categories of income level (F =3.449, p = 0.017). Post-hoc analysis results that as compared to the bank employees having income Rs. 15000-24000, the mean EI score of employees having income Rs. 25000-34000 is significantly higher (Absolute mean difference = 5.754, p = 0.016) that of employees having income Rs. 35000-44000 is significantly higher (Absolute mean difference = 6.487, p=0.005), and that of employees having income Rs. 45000 And Above is significantly higher (Absolute mean difference = 6.5442, p = 0.002). And no significant difference is observed in the case of other income groups.

	Groups	Absolute Mean	Sig.
Income levels	Rs. 15000-24000 vs. 25000-34000	5.750	0.016
	15000-24000 vs. 35000-44000	6.471	0.005
	15000-24000 vs. 45000 and above	6.540	0.002
	25000-34000 vs. 35000-44000	0.736	0.704
	25000-34000 vs. 45000 and above	0.792	0.647
	35000-44000 vs. 45000 and above	0.057	0.971

Table 6: Post Hoc comparison of mean differences in relation to income level and EI

The relationship between the job tenure and EI of the bank employees was examined with ANOVA test and the results have shown significant differences between the mean EI scores of the employees belonging to different job tenure groups (F = 2.977, p < 0.05) with a p value of 0.031. It is clearly depicted from the results that the mean EI was consistently increasing from the minimum job tenure group (0 to 4 years) to the maximum job tenure group (15 and above years) except (10 to 14) years. Hence, job tenure has a significant relationship with EI.

The Post Hoc comparison was done in order to determine the level of significance of the mean differences in relation to different job tenure groups of bank employees as shown in the following table. There is significant difference in the mean EI score in different categories of job tenure (F=2.977, p=0.031). Post-hoc analysis results that as compared to the bank employees having tenure 0-4 years, the mean EI score of employees having tenure 5-9 years is significantly higher (Absolute mean difference = 3.5973, p=0.016) that of employees having tenure 10-14 years is significantly higher (Absolute mean difference=5.567, p=0.038), and no significant difference is observed in the case of other job tenure groups.

Groups	Absolute Mean	Sig.

Job tenures	0-4 years vs. 5-9	3.597	0.016
	0-4 vs. 15 and above	5.568	0.038
	0-4 vs. 10-14	2.568	0.196
	5-9 vs. 10-14	1.030	0.633
	5-9 vs. 15 and above	1.970	0.482
	10-14 vs. 15 and above	3	0.333

Table 7: Post Hoc comparison of mean differences in relation to job tenure and EI

Discussion and Conclusion

This paper is able to assess the present status of emotional intelligence in the Nepalese banks. It is also identified from this article that emotional intelligence is well present in Nepalese banking. This paper clarifies that some of the dimensions of Socio-Demographic Variables have a significant relationship with Emotional Intelligence. Marital status, income level and job tenure have significant impact on Emotional Intelligence. The higher the income and experience of the bank employees, the higher is the level of their emotional intelligence. And married employees are emotionally smarter than unmarried ones. Emotional intelligence, as precious area of social sciences requires a lot of research in the developing and least developed nations like Nepal.

The paper did not find a significant relationship between age and emotional intelligence among bankers. The finding is consistent with earlier research by Bar-On (1997), who found small but consistent increases in emotional intelligence with advancing age, peaking in the 40s age group. According to this present paper, the emotional intelligence of bank employees increases with work experience. This result is consistent with Adeyemo's (2008) study on 215 workers in Nigeria, which found that work experience significantly predicted emotional intelligence. The present research found no significant relationship between emotional intelligence and gender. This is consistent with some previous research, although other papers have reported gender differences in emotional intelligence. Such as, Goleman (1998) found that there were more similarities than differences in emotional skills between male and female groups. There is significant relationship between marital status and income level with EI, the findings of a research paper conducted among 414 information technology (IT) professionals in five major IT cities in India established a link between EI and marital status of the IT professionals (Verma, 2002).

This paper suggests that institutions should not only emphasize candidates' knowledge, skill and capacity when selecting, but also focus on demographic data such as age, marital status, education, job tenure, job position etc. Furthermore, once human resources are selected, institutions should design policies to retain them forever, such as inspiring further academy and providing platforms for individual development. Similarly, training and development programs can be conducted to enhance emotional intelligence in financial institutions, leading to better productivity. Such programs can help to improve emotional maturity, increase knowledge, enhance reasoning and understanding of others, develop decision-making power, and boost socialization skills.

Limitations and Direction for Future Research

This study is concerned only with employees working in various branches of banks, that is, commercial and development banks in Nepal. It excludes those banks that have less than ten years of experience. The primary data is gathered using structured questionnaires. The data was based on the respondent's individual interpretation. Respondents can provide wrong information due to factors such as loss of consciousness, hesitation, misinterpretations, and others. This study was prepared via data from a Google Form; therefore, the researcher did not get enough opportunities to visit physically with respondents at their workplace to observe and understand their facial, behavioral, and emotional expressions. This research work is conducted with a research design, that is, a descriptive and analytical research design with a common research approach, i.e., a deductive research approach.

There is also a requirement to conduct research works concerning intrinsic and extrinsic dimensions which have influence on human behavior and their emotional intelligence. Sector-wise research may also be carried out to see the emotional intelligence level of human capital in various sectors of the nation, to

make the economy prosper by having intellect human capital within the country. On the other hand, further research studies with respect to impact of Emotional Intelligence on Organizational Performance by differing research methodology and organization dimensions, are required in this sector especially in the Nepal whether it's manufacturing or service industry. This research paper is based on only the study of employees of commercial and development banks and conducted with only four constructs of dependent variables.

Reference List

Adeyemo, D. A. (2007), 'Emotional Intelligence and the Relationship Between Job Satisfaction and Organisational Commitment of Employee in Public Parastatals in Oyo State, Nigeria', *Pakistan Journal of Social Sciences*, 4.1, pp. 324–330.

Bar-On, R. & Handley, R. (1999). *Optimizing people*. PRO-Philes Press. New Braunfels, Texas.

BarOn, R. (2000) 'Emotional and social Intelligence: Insights from the emotional quotient inventory', in R. Bar-On & J. D. A. Parker (Eds.) (2000) *The Handbook of emotional intelligence: Theory, development, assessment, and application at home, school, and in the workplace*, (pp. 363-388). San Francisco, CA: Jossey-Bass.

Bar-On, R., Tranel, D., Denburg, N. L., & Bechara, A. (2003). 'Exploring the neurological substrate of emotional and social intelligence.' *Brain*, 126(8), 1790-1800.

Berns, R. G. (1989). 'Job satisfaction of vocational education teachers in northwest Ohio.' Bowling Green, OH: Bowling Green State University, Northwest Ohio Vocational Education Personnel Development Regional Center.

El Khouly, S., Ghoniem, A., Ghadami, M., & Ibrahim, M. (2011). 'Impact of emotional intelligence and gender on job satisfaction among Egyptian government sector employees.' *Current Research Journal of Social Sciences*, 3(1), 22-27.

Gannon, N., & Ranzijn, R. (2005). 'Does emotional intelligence predict unique variance in life satisfaction beyond IQ and personality?' *Personality and individual Differences*, 38(6), 1353-1364.

Goleman, D. (1995). *Emotional intelligence: Why it can matter more than IQ.* Bloomsbury, London.

Grady, T. L., & Burnett, M. F. (1985). 'The Relationship between Job Satisfaction and Performance of Vocational Agriculture Teachers.' *Journal of Vocational Education Research*, 10(3), 53-69.

Guleryuz, G., Guney, S., Aydin, E. M., & Asan, O. (2008). 'The mediating effect of job satisfaction between emotional intelligence and organizational commitment of nurses.' *International Journal of Nursing Studies*, 45(11), 1625–1635.

Ishak, N. A., Jdaitawi, M., Ibrahim, Y. S., & Mustafa, F. (2011). 'Moderating effect of gender and age on the relationship between emotional intelligence with social and academic adjustment among first-year university students.' *International Journal of Psychological Studies*, 3(1), 78-89.

Law, K.S., Wong C.S., & Song, L.J. (2004). 'The construct and criterion validity of emotional intelligence and its potential utility for management studies.' *Journal of Applied Psychology*, 89, 483-496.

Mayer, J. D., & Salovey, P. (1993). 'The intelligence of emotional intelligence.' *Intelligence*, 17(4), 433-442.

Mousavi, S. H., Yarmohammadi, S., Nosrat, A. B., & Tarasi, Z. (2012). 'The relationship between emotional intelligence and job satisfaction of physical education teachers.' *Annals of Biological Research*, 3(2), 780-788.

Moradi, M., Honari, H., Naghshbandi, S., Jabari, N., & Azarpira, G. (2012). 'The relationship between emotional intelligence and job satisfaction among coaches in the premier under-20 football league.' *International Journal of Academic Research in Business and Social Sciences*, 2(6), 73.

Monfared, Y. S., Hematinejad, M. & Ramazaninejad, R. (2010). 'The relationship between emotional intelligence and job satisfaction among physical education teachers.' *Movement*, 6(4), 47-65.

Petrides, K. V., Pita, R., & Kokkinaki, F. (2007). 'The location of trait emotional intelligence in personality factor space.' *British Journal of Psychology*, 98(2), 273-289.

Rahman, M.K.U., & Haleem, F. (2018). 'On the relationship between emotional intelligence and job satisfaction.' *Middle East Journal of Business*, 13(2), 13-17.

Rahim S. H. & Malik, M. I. (2010). 'Emotional intelligence and organizational performance: (a case study of Banking Sector in Pakistan).' *International Journal of Business and Management*, 5(10), 191-197.

Salovey, P., & Mayer, J. D. (1990). 'Emotional intelligence.' *Imagination, Cognition and Personality*, 9(3), 185-211.

Thomas, S. Y., Tram, S. (2006). 'Relation of employee and manager emotional intelligence to job satisfaction and performance.' *Journal of vocational behavior*, 68, 461-473.

Varma, R. R. (2002). *The Bhagwat Gita: Symphony of the spirit.* New Delhi: Prakash publications.

Zeidner, M., Matthews, G., & Roberts, R. D. (2004). 'Emotional intelligence in the workplace: A critical review.' *Applied Psychology*, 53(3), 371-399