Emotional Intelligence and Occupational Stress in Romanian Organizations

Ramona - Diana LEON
National University of Political Studies and Public Administration
30A Expozitiei Blvd., Sector 1, 102104, Bucharest, RO
ramona.leon@facultateademanagement.ro

Ramona - Ioana TĂNĂSESCU
National University of Political Studies and Public Administration
30A Expozitiei Blvd., Sector 1, 102104, Bucharest, RO
tanasescuramona19@yahoo.com

Abstract. The research aims to analyze the relationship between emotional intelligence and occupational stress in the Romanian banking sector. Therefore, a case study strategy is developed and a quantitative approach is employed. Data are collected from a subsidiary of one of the most profitable banks from Romania and are processed using structural equation modelling – partial least square (SEM-PLS). The results prove that all four dimensions of emotional intelligence have a positive impact on reducing the stress experienced by employees. In other words, those who have a high level of emotional intelligence are less stressed at the workplace; due to the fact that they manage to understand and control their own emotions and the emotions of others, they (i) are more goal-oriented, (ii) focus on what they are doing, and (iii) use their emotions in a constructive way. These findings have both theoretical and practical implications. At the theoretical level, it extends the literature regarding the nexus between emotional intelligence and occupational stress by providing valuable insights from a Romanian banking institution. Furthermore, it helps the policy-makers understand why their employees perceive differently the occupational stress. Besides, it sheds light on how important it is for the managers to develop their ability to recognize their own emotions and using them appropriately in the decision-making processes.

Keywords: emotional intelligence; occupational stress; stressors; optimism; emotions.

Introduction

One of the problems that the organizations are facing today is represented by occupational stress (Belias, Kouvelis, Koutiva, & Zournazi, 2013; Wan, Downey, & Stough, 2014). This is often described as a psychological and physiological phenomenon, generated as a response to various external factors (Ganster & Rosen, 2013; Hellhammer & Hellhammer, 2008). If its main causes are difficult to identify, ranging from insufficiently developed decisions to the fear of losing the job, not the same can be stated about the effects it has on employees and the company for which they work. At individual level, stress tends to generate the appearance of poor concentration, impulsive behavior, and decreased attention (Burduș, Căprărescu, &
Zorlențan, 1996; Johns, 2011); going further, at the organizational level, it represents
the main cause of absenteeism (Johns, 2011), low productivity (Irawanto &
Primasari, 2015), and reduced organizational loyalty (Burduș et al., 1996). In order
to reduce the aforementioned negative effects, the causes of stress should be
addressed at both individual and organizational level. As Ashkanasy (2003) state, in
the current business world, managers should develop and maintain a constructive
emotional culture, capable of ensuring employees’ health and providing an efficient
working environment.

Within this framework, emotional intelligence (EI) becomes an essential business
tool for increasing company’s success and moderating the interaction between
managers and employees (Brackett & Salovey, 2006; Drozdowski, 2017). Thus, the
managers who have a high level of emotional intelligence are considered to be more
organized, competitive and able to use emotions in order to improve the decision-
making processes and to instill a sense of enthusiasm among employees (Abraham,
2000; Watkin, 2000). Last but not least, Extremera, Fernandez-Berrocal, and Ramos
(2007) and Belias et al. (2013) prove that EI helps employees cope with stress. Thus,
previous researchers (Hong & Lee, 2016; O’Connor, Nguyen, & Anglim, 2017)
demonstrate that the employees who have a high level of EI are more efficient at
work and can deal with stress effectively. In other words, due to a high level of
emotional self-control and adaptability, employees develop various psychological
mechanisms which facilitate their adaption to stress. On the other hand, those with
a low level of EI are less susceptible and prefer to avoid, as far as possible, stressful
situations; their vulnerability to stress can be a problem at the organizational level
since it may determine them to dismiss important projects.

Although at international level various scholars (Ioannis & Ioannis, 2002; Shukla &
Srivastava, 2016) emphasize the relationship between EI and occupational stress,
not the same can be claimed regarding the national situation. The Chinese managers
consider that EI is extremely important for individuals, groups, and organizations
due to its positive impact on employees’ well-being and organizational environment
(Cheung, Gong, & Huang, 2016; Li, Gupta, Loon, & Casimir, 2016), while for the
Romanian managers this is still an unexplored subject. Based on these
considerations, this research aims to analyze the relationship between EI and
occupational stress in the Romanian banks.

The current article is organized as follows: Section two presents the main insights
provided by articles and studies published, in the last 20 years, in national and
international journals regarding occupational stress and EI; Section three brings
forward the research approach and provides information about the methodology
design, while Section four highlights the relationship between EI and occupational
stress in a subsidiary of one of the most profitable banks from Romania. The article
closes by synthesizing the results and drawing out the theoretical and practical
implications, research limits and further research directions.
Stress and emotional intelligence

Stress: a coordinate of the workplace

In general, stress is described as a state of tension and strain which generates individuals’ incapacity of performing a task (Cooper, Sloan, & Williams, 1998). In particular, occupational stress is presented as a set of “physical and emotional responses which occur when job requirements do not match individual’s capabilities, and which may lead to health problems” (Tihan & Ghiza, 2002, p.25). Cazacu (2014) goes further and emphasizes the negative character of stress by describing it as an intense and unpleasant condition that, on the long run, has devastating effects on employees’ health and firm’s performance. Against this backdrop, it can be stated that occupational stress is a psychological condition perceived by employees whenever they have to meet several requests that exceed their abilities.

According to Craveț (2014), stress factors can be divided into three main groups:
- External factors that directly affect the organization and generate tense situations. This category includes macro-economic factors such as inflation, increasing unemployment, economic and political instability in society, etc.
- Organizational factors which take into account elements like type of activity (such as, tasks complexity, responsibility, working conditions etc.); tasks distribution; relationships established among the team members (like, lack of support, communication problems etc.); organizational structure and type of management.
- Psychological factors which focus on personal problems, as well as individual abilities and characteristics.

According to data presented in Table 1, the factors that stimulate the appearance of occupational stress can be found at both employees and management level. Stress-generating causes identified by Cooper and Marshall (1978) focus mostly on intrinsic factors that may affect the employee directly; due to these, an individual cannot perform his / her activity properly. A few years later, Johns (1998) makes the shift from the intrinsic to the extrinsic approach and outlines the impact that an inadequate work environment has on increasing occupational stress, work dissatisfaction, and employees’ decision to leave their job. Unlike the aforementioned authors, Tihan and Ghiza (2012) turn their attention on the employee – manager relationship and state that stress may appear whenever there is (i) an incompatibility between the employee and the manager, or (ii) an excessive delegation. In this context, stress appears as a result of the conflict between the one’s desire to remain employed, on the one hand, and the tendency to react to certain attitudes or behaviors perceived as being inadequate, on the other hand. At the management level, the factors that tend to generate stress are either connected with the management style or the organizational design.
Table 1. Factors that stimulate the appearance of occupational stress

<table>
<thead>
<tr>
<th>Author/-s</th>
<th>(Year)</th>
<th>Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooper and Marshall</td>
<td>(1978)</td>
<td>Career development; Employee’s role in the organization; Work relationships.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Organization structure and climate.</td>
</tr>
<tr>
<td>Johns</td>
<td>(1998)</td>
<td>Work conditions; Monotone tasks; Task overload.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Role overload; Increased responsibility.</td>
</tr>
<tr>
<td>Tihan and Ghiza</td>
<td>(2002)</td>
<td>Incompatibility with the manager; Fear of losing the job; Excessive delegation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>High responsibility assumed by the manager; Concern for the future of the organization; The existence of poorly prepared subordinates; Inadequate management style.</td>
</tr>
</tbody>
</table>

Given the variety of factors that may generate the appearance of occupational stress, several scholars (Halkos & Bousinakis, 2017; Irawanto & Primasari, 2015; Johns, 2011; Kang, Kim, Kim, & Kim, 2017; Tongchaiprasit & Ariyabuddhiphongs, 2016) concentrate on highlighting the effects that this may have at both individual and organizational level. Therefore, it is usually described as one of the most serious health risks and also a factor which generates work dissatisfaction (Halkos & Bousinakis, 2017; Tongchaiprasit & Ariyabuddhiphongs, 2016), absenteeism (Johns, 2011), low productivity (Irawanto & Primasari, 2015), turnover (Chung, Jung, & Sohn, 2017; Tongchaiprasit & Ariyabuddhiphongs, 2016), and work accidents (Kang et al., 2017).

**Emotional intelligence**

The term was coined by Wayne Leon Payne, in 1985, who used it in order to describe a “creative correlation among the states of fear, pain, and desire” (Roco, 2001, p.139). Five years later, Mayer and Salovey (1995) introduced it into the management area. They considered that EI is the ability to accurately and efficiently process emotional information and to recognize both your own emotions and others’ emotions. However, Goleman (2004, p.2) is the one who increases concept's visibility by admitting that “we are judged not according to our intelligence or professional competence, but based on our behavior towards us and others”. Although the perspective from which the concept is addressed (Table 2) varies from a situational to a complex level, and from a cognitive to a social approach, one element remains stable during the time, namely: the need of recognizing and understanding individuals’ emotions.
<table>
<thead>
<tr>
<th>Model</th>
<th>Perspective</th>
<th>Dimensions</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Traditiona</strong>&lt;br&gt;l model</td>
<td>• emotional intelligence reflects individuals’ ability to recognize and control their emotions.</td>
<td>• self-emotion appraisal</td>
<td>• it reflects individuals’ ability to understand their own emotions.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• other emotion appraisal</td>
<td>• it reflects individuals’ ability to understand and be sensitive to the feelings and emotions of others.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• regulation of emotion</td>
<td>• it highlights individuals’ ability to control their own emotions.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• use of emotion</td>
<td>• it emphasizes individuals’ ability to use their emotions to improve their performance and achieve personal goals.</td>
</tr>
<tr>
<td><strong>Trait model</strong></td>
<td>• emotional intelligence is a personal trait that reflects individuals emotion-related disposition and self-perception of emotional experience.</td>
<td>• well-being</td>
<td>• it reflects individuals’ generalized sense of being in peace with themselves, happy and fulfilled.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• self-control</td>
<td>• it emphasizes individuals’ capacity of regulating external pressure, stress and impulses.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• emotionality</td>
<td>• it describes individuals’ sense of perceiving and expressing their emotions in order to develop close relationships with others.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• sociability</td>
<td>• it reflects individuals’ capacity of listening and communicating clear and confident with people from diverse backgrounds.</td>
</tr>
<tr>
<td><strong>Mixed model</strong></td>
<td>• emotional intelligence combines personality traits, motivation and affects in order to recognize and regulate emotions in</td>
<td>• self-awareness</td>
<td>• it describes individuals’ ability to identify emotions in one’s physical states, feelings, and thoughts.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• self-regulation</td>
<td>• it reflects individuals’ ability to control and redirect impulses and moods, to prioritize thinking by focusing on important information that explains why feelings are being experienced.</td>
</tr>
</tbody>
</table>
Given the fact that most scholars (Goleman, 2004; Mayer & Salovey, 1995) describe EI as a function of individuals’ capacity: (i) to recognize, understand, and manage their own emotions, and (ii) to recognize, understand, and influence the emotions of others, it can be argued that the development of EI is related to individuals’ communication skills and their need to establish good relations with others. Therefore, it becomes a key success factor at the workplace; first of all, its components facilitate employees’ involvement in the teamwork activities and also in the decision-making processes, and secondly, they help them understand who they are and how could they become better.

During the time, several models were developed, highlighting different views and measurements. So, the Mayer-Salovey-Caruso model (Mayer & Salovey, 1997) defines the construct as the ability to perceive, understand, manage and use emotions in order to facilitate thinking while the Bar-On model (Bar-On, 2006) describes EI as a series of emotional dependence, social competencies, skills, and behavior. Furthermore, Goleman’s (2004) model presents EI as an assortment of emotional and social competence which contributes to managerial performance.
Starting from the concept of personal intelligence proposed by Gardner (1983), Mayer and Salovey (1995) state that the development of EI depends on four abilities, namely: (i) to perceive emotions in oneself and others accurately; (ii) to use emotions in order to facilitate thinking; (iii) to understand emotions, signals, and emotional language; and (iv) to manage emotions in order to achieve specific goals. On the other hand, Goleman (1998) claims that the roots of EI can be found in (i) self-awareness (knowledge of self-impulses); (ii) self-control (self-impulses management); (iii) motivation (self-motivation); (iv) empathy (awareness and understanding the emotions of others), and (v) social skills (interpersonal relationships). After analyzing the aforementioned approaches, it can be argued that they provide similar insights; EI depends on perception, motivation, and management, and emphasize the need for understanding and managing the emotions in oneself and others.

The relationship between emotional intelligence and occupational stress

As Lazarus (1999) mentioned, emotions and stress are interdependent; where there is stress, there is an emotion. Thus, an individual with a high level of EI has the ability to transform negative emotions into positive emotions and he/she feels motivated to work in stressful situations. Given the fact that he/she is aware of what he/she feels, he/she can control himself/herself better and can control the way in which he/she copes with job requirements, deadlines, and other stressful situations. As a consequence, it can be stated the following:

H1: Awareness of self-emotions influences stress levels.

Nevertheless, it is assumed that EI is facilitating positive interpersonal relations (Nowack, 2017) and develops individuals’ ability to solve problems and to find appropriate strategies to cope with stress (Brackett & Salovey, 2006; Newton, Teo, Pick, Ho, & Thomas, 2016). Since an individual becomes aware of what his/her coworkers feel and how they react under stressful circumstances, it can be argued that:

H2: Awareness of the emotions felt by others impacts the level of stress that the employee feels.

It is stated that an employee who is smart in emotional terms, is more optimistic and has the power to change, adapt and manage stressful situations of the organization without being affected, acting actively with the stress (Carmeli, 2003). Thus, it can be claimed that:

H3: An employee’s optimism influences the level of occupational stress that he/she feels.

Furthermore, according to Jung and Yoon (2016), EI is designed to facilitate stress management. Under stressful circumstances, the individual must have the ability to control the situations he/she faces. Due to EI, he/she knows how to react and how to diminish the potential tension. Therefore, the following assumption can be made:

H4: The use of emotions influences the level of perceived occupational stress.
Methodology design

The research purpose is to analyze the relationship between EI and occupational stress in the Romanian banking sector.

In order to achieve the goal, the following objectives are considered:
- to analyze the articles and studies that have been published, in the last 20 years, in international journals regarding EI and occupational stress;
- to emphasize the relationships established among the dimensions of EI and occupational stress;
- to determine the influence that each dimension of EI has on occupational stress in a Romanian bank.

Within this framework, a case study strategy is employed due to the fact that the research focuses on investigating a phenomenon which is frequently encountered in the real context of today’s organizations (Järvensivu & Törnroos, 2010; Yin, 2014). On the other hand, a single-case study analysis is used since (i) the purpose is exploratory (Antai & Olson, 2013) and (ii) it aims to highlight what is possible rather than what is common (Mook, 1983).

A subsidiary of the company which holds the leading position among the savings and lending banks from Romania is selected as a unit of analysis. Therefore, the research population is represented by the 52 employees, and their distribution based on the socio-demographic characteristics are presented in Figure 1.

The approach is quantitative, and data are collected using a survey based on the questionnaire. The questionnaire includes 44 items which focus on (i) measuring employees’ EI (24 items), (ii) identifying the causes and effects of occupational stress (14 items), and (iii) determining the socio-demographic characteristics (6 items).
The items regarding EI are developed based on Schutte et al. (1998) model while the stress-related items are constructed starting from the Stress Scale developed by Cohen, Kamarck, and Mermelstein (1983). The questionnaire is pretested and based on the results, some minor changes are made. Subsequently, the questionnaire is distributed among the selected employees.

Data are processed using SmartPLS. Structural modeling equations are applied as a result of the fact that they describe a versatile technique that allows the analysis of causal relationships (Hajli, Shanmugam, Powell, & Love, 2015; Marcoulides, Chin, & Saunders, 2009). Last but not least, techniques such as systematization, graphic representation and tabulation have been applied.

Results

As it can be observed from Figure 2, 63.1% of stress variation is determined by the variation of EI and its dimensions, while 98% of EI variation is caused by the variation of the four dimensions, namely: emotions of oneself, emotions of others, optimism and the use of emotions. If EI varies with one unit, then the occupational stress varies by 2,455 units, in the opposite direction. In other words, if the EI increases with one unit, the occupational stress reduces by 2,455 units. The model is valid and reliable since both Alfa Cronbach coefficient and the Reliability Index are higher than 0.7, and the average variance extracted (AVE) is higher than 0.5.

Figure 2. Correlations between the dimensions of emotional intelligence and stress
According to data presented in Table 3, there is a strong relationship between occupational stress and (i) individuals’ capacity to perceive emotions in oneself, (ii) individuals’ ability to recognize and understand the emotions of others, (iii) employees’ optimism, and (iv) employees’ capacity of using emotions in order to facilitate thinking and goal achievement. Therefore, the research hypotheses are validated.

<table>
<thead>
<tr>
<th>Valid hypothesis?</th>
<th>H1: Awareness of self-emotions influences stress levels.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>There is a positive relationship between individuals’ capacity to perceive emotions in oneself and occupational stress. Apparently, if individuals’ capacity to perceive emotions in oneself varies with one unit, the level of occupational stress varies by 0.821 units, in the same direction. Still, the cumulative effect of ones’ awareness of his/her emotions on occupational stress is 0.051; the cumulative effect appears as a result of the global EI mediation. Therefore, if individuals’ capacity to perceive emotions in oneself varies with one unit, the level of occupational stress varies by 0.051 units (t = 2.537; p = 0.011).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Valid hypothesis?</th>
<th>H2: Awareness of the emotions felt by others impacts the level of stress that the employee feels.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>If an individual’s awareness of the emotions felt by others boosts with one unit, the occupational stress increases directly by 0.992 units; however, the cumulative effect is 0.076 (t = 3.117; p = 0.002). Thus, the hypothesis is validated and it can be stated that the awareness of the emotions felt by others impacts the level of stress that the employee feels. When an employee realizes and understands the emotions of others, he/she is able to help others, to establish good relationships, and to facilitate the development of a proper work environment. On the other hand, he/she relates to what others are feeling and tends to absorb their problems; he/she tends to treat others’ problems as if they are his/hers. As a consequence, the level of occupational stress tends to increase.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Valid hypothesis?</th>
<th>H3: An employee’s optimism influences the level of occupational stress that he/she feels.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Although optimism generates an increase of occupational stress by 1.074 units, the cumulative effect equals is 0.207 (t = 2.772; p = 0.006). Since the hypothesis is validated, it can be guaranteed with 95% probability that there is a strong relationship between the level of occupational stress experienced by an employee and his/her willingness to adopt a positive thinking, and goal orientation.</td>
</tr>
</tbody>
</table>
**H4**: *The use of emotions influences the level of perceived occupational stress.*

Regarding an individual's ability to use emotions in order to facilitate thinking and goal achievement, it can be observed that they generate an increase of 0.708 units of occupational stress. Nevertheless, the cumulative effect equals 0.081 (t = 2.777; p = 0.006). In other words, if an individual's ability to use emotions in order to facilitate thinking and goal achievement varies with a unit then the occupational stress varies by 0.081 units.

**Conclusions and future directions of research**

The current research proves that EI has a positive impact on reducing the stress experienced by employees from the banking sector. In other words, those who have a high level of EI are less stressed at the workplace; due to the fact that they manage to understand and control their own emotions and the emotions of others, they (i) are more goal-oriented, (ii) focus on what they are doing, and (iii) use their emotions in a constructive way.

Nevertheless, it emphasizes the connections that exist among the four dimensions of EI. If the global concept of EI reduces the occupational stress perceived by an employee, not the same can be claimed about its dimensions. As the research results emphasized, each of the four dimensions tends to increase the stress felt by an employee; in other words, the occupational stress increases with: (i) 0.821 units if individuals' capacity to perceive emotions in oneself boosts by one unit (t = 2.537; p = 0.011); (ii) 0.992 units if individual's awareness of the emotions felt by others increases with unity (t = 3.117; p = 0.002); (iii) 1.074 units is the level of optimism escalates with one unit (t = 2.772; p = 0.006); and (iv) 0.708 units if individual's ability to use emotions in order to facilitate thinking and goal achievement boosts by one unit (t = 2.777; p = 0.006).

These findings have both theoretical and practical implications. At the theoretical level, it extends the literature regarding the nexus between EI and occupational stress by providing valuable insights from a Romanian banking institution. Furthermore, it brings forward the fact that all four dimensions of EI must be developed in order to produce the desired outcome; given the impact that each and every one of them has on the occupational stress, it can be stated that optimism and individual's awareness of the emotions felt by others is the most important. At the practical, it helps the policy-makers understand why their employees perceive differently the occupational stress. Besides, it sheds light on how important it is for the managers to develop their ability to recognize their own emotions and using them appropriately in the decision-making processes.

Although these findings have significant implications, they are limited. First of all, employees' experience within the company should be taken into consideration. The fact that most of the respondents work for the company for more than 5 years may have influenced their perspectives and reactions to occupational stress; since they already know how things are done, they are no longer scared by unpredictable
changes and handle differently the high tension situations. As Rosenberg, Burt, Forehand, and Paysnick (2016) state those who are in a firm for less than a year are more stressed than their co-workers. Secondly, the results may have been different if the sample would have included more men; as O'Connor and Brown (2016) proved, women are more stressed and emotional than men. The latter seems to be more analytic and to control better their emotions.

Starting from these, several further research directions are identified, namely: (i) analyzing how employees’ socio-demographical characteristics (age, experience, gender etc.) mediate the relationship between their EI and occupational stress; (ii) determining the impact that firm’s size has on the relationship between employees’ EI and occupational stress; and (iii) developing a cross-industry analysis regarding the relationship between employees’ EI and occupational stress.

References


*Received: August 30, 2017
Accepted: January 21, 2018*