Abstract

In recent years, the importance of innovation and emotional intelligence on strategic decision making has increased owing to the dynamic changes in the global world. That is why; managers as strategic decision makers play a crucial role and they need emotional intelligence and innovative work behavior together which provide them to make decisions effectively. Additionally the ideas and studies supporting the effect of innovation and emotional intelligence which is as crucial as IQ led to produce new studies to measure the emotional intelligence. In this scope, this paper aims to analyze to what extent emotional intelligence is used by managers and mainly how significant it is on strategic decision making in relation to innovative work behaviors.

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Keywords: Emotional intelligence; strategic decision-makers; strategic leadership; innovative work behaviors;

1. Introduction

The main purpose of the study is to focus on how emotional intelligence operates at work and mainly how significant it is on strategic decision making in relation to innovative work behavior of managers as leaders or strategic decision-makers. As known well by everyone, in the information age today, effective
decision making has been one of the most important issues for managers to be able to achieve the objectives which are “yardsticks for tracking an organization’s performance and progress” (Strickland 1999, p: 5). To do this, the effective leader as a decision maker should have emotional intelligence which is a fundamental variable affecting the level of decision making. As Goleman states, “effective leaders are alike in one crucial way: they all have a high degree of emotional intelligence” (1998, p: 94). Emotional Intelligence (EI) is generally defined as the subset of social intelligence that involves the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions (Salovey and Mayer 1990, p: 189). EI mainly consists of four components that are self-awareness, self regulation, motivation, and empathy. They all affect the performance of managers’ strategic decision making on different levels. To conclude, managers as strategic decision makers with a high level of emotional intelligence are better at decision making of which importance is enormous enough as business policy that affects a management’s output and performance.

In addition, in today’s competitive environment, managers need to have different qualities to increase the performance and maintain the success of the management. Including EI, innovative work behavior (IWB) which is defined as “the intentional creation, introduction and application of new ideas within a work role, group or organization, in order to benefit role performance, the group, or the organization” (West and Farr 1989) also plays an important role.

Considering these facts, we organized the study in the following structure. In the first part, we gave a brief literature review of the EI, the strategic leadership in terms of strategic decision making and finally IWB. Then we developed a hypothesis regarding the significance of EI on the IWB of the managers as strategic decision makers. In the second part, we analyzed the terms “EI” and “IWB” in detail discussing the relationships between them. Next we tested the accuracy of our hypothesis using data from the Turkish retail sector on the target group. After that we explained the data collection method and analytical procedures. Finally, we presented the research findings and concluded the study paper.

2. Literature Review

Strategic decision making in the dynamic and challenging world plays crucial role in terms of business management. It involves “making questions that affect the long-term success of the company, allocate significant resources and make tradeoffs in ambiguous situations with insufficient information” (Wallace and Rijamampianina 2005, p: 86). As for the impacts of strategic leadership on the strategic decision making, they are critically tremendous and there have been many studies related to it. For instance, Ireland and Hitt depict strategic leadership as “a person’s ability to anticipate, envision, maintain flexibility, think strategically, and work with others to initiate changes and “make decisions” that will create a viable future for the organization” (1999:42).Beer, Voelpel, Leibold & Tekie define strategic leadership as the ability to create fit and alignment in all business levels (2005), to create the essential vision of the organization (Hough, Thompson, Strickland, Gamble, 2008), to suitably balance the induced and autonomous processes with matching cycles of strategic dynamics (Burgelman & Grove, 2007), managing resources and that these managerial activities are important part of what is often a challenging work load for executives (Kotter, 1982).

As for the term “Emotional Intelligence”, it was first created by the researchers, Peter Salovey and John Mayer in 1990. According to Mayer and Salovey’s approaches, there are four basic talents which are “understanding, evaluating and expressing the emotions”, “affecting the ideas” and “comprehending the variable and complex structure of the emotions” that are effective way of making decisions, and finally “support the emotional and intellectual expansion” (Charbonneau and Nicol, 2002, s.1102). The popularity of the term EI that is used to describe the emotional characteristics such as “empathy, expressing and understanding the emotions, freedom, adaptation and solve the problems among people” increased in 1995 with the publication of the book “Emotional Intelligence: Why It Can Matter More
Than IQ” written by a journalist author Daniel Goleman. As for Dr. Reuven Bar-On, he defines EI as: “Emotional intelligence consists of the talents that provide one for understanding himself and others, interacting with people, adapting to the existing environment and challenging the problems emerging in this environment and thus becomes successful by increasing the adaptation strength” (Çakar and Arbak, 2004, s.37). Except for the studies above, there are other researchers such as Lee 2003, Wilkins 2004, Psenicka and Rahim 2002 who have done different researches on this issue and had about the same findings that EI has really” important effects on the performance of the managers”. In addition, as Wong and Law have recently contributed to EI in the field of management and entrepreneurship, we select Wong and Law’s survey study to measure EI ability.

As mentioned earlier, in recent time, it’s crucial for managements to have the ability to try new things, innovate and improve the processes. At this point, the importance of IWB increases and there have been many studies on it. It’s also stressed by Van de Ven, 1986;Janssen, 2000 that “the ability of individual employees is of crucial importance for continuous innovation and improvement not only in academic literature on innovation” but also “in work on several other popular management principles, such as total quality management” (McLoughlin&Harris, 1997) and “corporate entrepreneurship” (Sharma & Chrisman, 1999). In addition to these, Jong and Hartog point out that “IWB typically includes exploration of opportunities and the generation of new ideas, but could also include behaviors directed towards implementing change, applying new knowledge or improving processes to enhance personal and/or business performance” (2008). Overall, it’s easily understood that “IWB is typically seen to encompass a broad set of behaviors related to the generation of ideas, creating support for them, and helping their implementation” (Scott & Bruce, 1998; Jansen, 2000). Considering all these maintenances, since Jong and Hartog have recently contributed to this issue, we select Jong and Hartog’s survey study to measure innovative work behavior of the managers in relation to the survey study on EI.

Our hypothesis is; “emotional intelligence is positively related to innovative work behavior of managers as strategic decision makers”.

3. Methods

The data were collected through two survey studies on the senior and mid-level managers of Turkish retail sector. The first survey study was adapted from the exploratory study “The Effects of Leader and Follower Emotional Intelligence on Performance and Attitude” written by Chi-Sum Wong and Kenneth S. Law. The main reason of using Wong and Law’s Emotional Intelligence scale is that some of the scales such as “Baron’s 15” which consist of 133 questions are difficult to apply and they have validity and reliability problems as they are too long. However, the scale of Wong and Law consists of only sixteen sub-items regarding the four main factors “self-emotion appraisal, others’ emotion appraisal, use of emotion, regulation of emotion” (Wong and Law 2002, p: 270-271). Each factor was measured with a total of four items. The answers were categorized with a 5 point likert scale (1=never, 2=rarely, 3=usually, 4=often, 5=always). The second survey study was adapted from Janssen’s study “Job Demands, Perceptions of Effort-reward Fairness and Innovative Work Behavior” (2000, p: 29). Depending on the survey studies’ results, the fundamental factors affecting the EI in terms of IWB of the managers as strategic decision makers in Turkish retail sector were aimed to be determined. To be able to see whether EI has a positive relation on IWB of the managers as strategic decision makers, it was benefited from frequency distributions, descriptive statistics (average, standard deviation), Mann-Whitney Test and correlation. The results of the analysis were obtained and commented by means of SPSS 17 package program.
4. Empirical Results

Totally 57 people took part in the survey done for the research titled “The significance of Emotional Intelligence on the Innovative Work Behavior of Managers as a strategic Decision Makers”. In this study, 26 questions were asked to the participants. The first 16 questions are related to the EI and last 10 questions of them are related to the IWB.

Table 1. Reliability Statistics

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .925             | 26         |

The reliability tests of the scale were done by calculating the cronbach alpha reliability coefficient. In the reliability analysis, the reliability of the survey was found out as 92.5% (Cronbach's Alpha). It is pointed out by Nakip that the values between 81%-100% are very reliable (Nakip 2006, p: 146). As can be understood from this percentage that the result obtained from the analysis is quite good value in terms of the reliability of the scale.

Table 2. The Sex Range

|         | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-----------|---------|---------------|--------------------|
| Valid   | Man       | 31      | 54,4          | 54,4               |
|         | Woman     | 26      | 45,6          | 45,6               |
| Total   |           | 57      | 100,0         | 100,0              |

According to the evaluation done by the sex, while the 31st of the participants were men, the 26th of them were women. These ratios are present in the table 2.

Table 3. Education Status

|         | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-----------|---------|---------------|--------------------|
| Valid   | Undergraduate | 8      | 14,0          | 14,0               |
|         | College    | 24      | 42,1          | 56,1               |
|         | Postgraduate | 25     | 43,9          | 100,0              |
| Total   |           | 57      | 100,0         | 100,0              |

When types of education were compared, it is observed in the table 3 that, the 25% of participants comprise Post-graduates and following 24% of them comprise Collegians. As for the 8% of the participants, they consist of Undergraduates.
In the table 4, the comparison of the participants in terms of their Professional status is presented. According to this table, while the 44% of the participants consist of senior managers, the 13% of them consist of mid-level managers.

In the table 5, the age of the participants is seen. The 61.4% of the individuals who participated in the survey are between 25 and 34, the 31.6% of them are between 35 and 44, the 3.6% are between 45 and 64, and the 3.5% are between 65 and 74.

In the table 6, the marital status of the participants is seen. While the 80.7% of the participants are married, the 19.3% are single.
Table 7. Correlations

|        | E_Q          | IWB          |
|--------|--------------|--------------|
| E_Q    | Pearson Correlation | 1,674(**)    |
| Sig. (2-tailed) |               | ,000        |
| N      | 57           | 57           |
| IWB    | Pearson Correlation | 0,674(**)    |
| Sig. (2-tailed) |               | ,000        |
| N      | 57           | 57           |

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

In the table 7, the correlation coefficient is shown. The reason of doing this analysis is to see whether there is a positive relationship between Emotional Intelligence and Innovative Work Behavior in terms of their effects on decision making of the managers.

When observing the table, it is seen that correlation coefficient was found as 67%. This value shows that both emotional intelligence and innovative work behaviors affect each other. That’s to say, it is understood that the hypothesis is strongly true. There is a positive relationship between them. According to Nakip, if the value is between 61%-70%, it means that there is a relatively strong relationship between two variables (Nakip, p: 343). Thus, the result we gathered from the analysis shows that these two variables affect each other positively and when one increase, other one also increase, and vice versa.

Table 8. Summary of four factors

|              | self_awareness | self_regulation | motivation | empathy_sskills |
|--------------|----------------|-----------------|------------|-----------------|
| N            | 57             | 57              | 57         | 57              |
| Missing      | 0              | 0               | 0          | 0               |
| Mean         | 4,21           | 4,02            | 4,13       | 3,68            |
| Std. Deviation | 0,628        | 0,652           | 0,602      | 0,557           |

According to the table 8, the mean and standard deviations are given for the given answers to the questions related to the factors “self-awareness”, “self-regulation”, “motivation”, and “empathy”. As seen above, the mean of the factor “self-awareness” is 4, 21 and standard deviation is 0, 62. That is to say, most of the participants choose the “OFTEN” option which corresponds to the number 4. As for the self-regulation factor, the mean of this factor is 4, 02 and standard deviation is 0, 65. That is to say, most of the participants choose the “OFTEN” option. While the mean of the “motivation” factor is 4, 13 and its standard deviation is 0, 60 which again corresponds to the “OFTEN” option, the mean of the factor “empathy” is 3, 68 and the standard deviation is 0, 55 which corresponds to the “USUALLY” option. To sum up, the mostly chosen option is OFTEN and there is no main difference among those factors.

Table 9. Mann-Whitney Test for E_Q

|        | N   | Mean Rank | Sum of Ranks |
|--------|-----|-----------|--------------|
| E_Q    | senior_manager | 44       | 27,76        | 1221,50     |
|        | midlevelmanager | 13       | 33,19        | 431,50      |
|        | Total          | 57       |              |             |
In the table 9, the results acquired from the analysis depict the main point whether there are differences between senior managers and mid-level managers in the sense of the effect of emotional intelligence on their decision making. The Mann Whitney Test was applied to measure the relationship status between emotional intelligence and the managers. The main reason of using this test rather than T-test is that one of the values in the occupational group is under the value of 30 and the values are non-parametric.

According to p (two-tailed) values of which result is 0.299, it is understood that both of the managers use their emotional intelligence equally. As the P value of which significance level is 0.299 that is bigger than 0.05, it is deduced that there is no difference between them.

Table 10. Mann-Whitney Test for IWB

| Job            | N   | Mean Rank | Sum of Ranks |
|----------------|-----|-----------|--------------|
| IWB senior_manager | 44  | 26.86     | 1182.00      |
| Midlevelmanager  | 13  | 36.23     | 471.00       |
| Total           | 57  |           |              |

Test Statistics a

|                   | IWB             |
|-------------------|-----------------|
| Mann-Whitney U    | 192,000         |
| Wilcoxon W        | 1182,000        |
| Z                 | -1.793          |
| Asymp. Sig. (2-tailed) | .073         |

a. Grouping Variable: Job

The analysis shown in the table 10 was done to see whether there are differences between senior managers and mid-level managers in the sense of the effect of innovative work behavior on their decision making or not.

The Mann-Whitney Independent Samples test was applied in the study, because there are two independent variables (senior and mid-level managers). According to this analysis, the result is now 0.073. This time, as the P value of which significance level is 0.073 that is bigger than 0.05, it is deduced that there is no difference between the managers in terms of the effect of IWB on their decision making. That is to say, the IWB is also used equally as in the result of emotional intelligence.
Table 11. Man Whitney Test for E_Q by Sex

| Sex | N  | Mean Rank | Sum of Ranks |
|-----|----|-----------|--------------|
| E_Q | Man| 31        | 27.65        | 857.00       |
|     | Woman| 26      | 30.62        | 796.00       |
| Total| 57 |           |              |              |

Test Statistics a

| E_Q | Mann-Whitney U | Wilcoxon W | Z    | Asymp. Sig. (2-tailed) |
|-----|---------------|------------|------|-----------------------|
|     | 361.000       | 857.000    | -0.674 | .500                  |

a. Grouping Variable: Sex

In the table 11, the emotional intelligence rates by sex are seen. According to this analysis, the result is 0.5. This time, as the P value of which significance level is again bigger than 0.05, it is understood that there is no difference between them as well.

Table 12. Man Whitney Test for IWB by Sex

| Sex | N  | Mean Rank | Sum of Ranks |
|-----|----|-----------|--------------|
| IWB | Man| 31        | 30.65        | 950.00       |
|     | Woman| 26      | 27.04        | 703.00       |
| Total| 57 |           |              |              |

Test Statistics a

| IWB | Mann-Whitney U | Wilcoxon W | Z    | Asymp. Sig. (2-tailed) |
|-----|---------------|------------|------|-----------------------|
|     | 352.000       | 703.000    | -0.820 | .412                  |

a. Grouping Variable: Sex

As for the table 12, the rates of the innovative work behavior by sex are shown. The result is seen as 0.4. According to the significance level, as the result 0.4 is bigger than 0.05, there is no difference between men and women in the sense of the effect of innovative work behavior on their decision making.

5. Findings and Conclusion

Within the scope of this study, it was aimed to see whether emotional intelligence has a positive relation with innovative work behavior of the managers as strategic decision makers or not. Because these variables are important if a business wants to be successful. To do that people in the business have to
work together effectively. It can be possible with the Emotional Intelligence (EI) which is a self-perceived ability to identify, assess, and control the emotions of oneself, of others, and of groups. In this study, four components of emotional intelligence were taken as criteria that are self-awareness, self-regulation, motivation, and empathy to confirm our hypothesis.

The survey done by totally 57 managers for the research titled “The significance of Emotional Intelligence on the Innovative Work Behavior of Managers as a strategic Decision Makers” was accepted reliable according to the cronbach alpha reliability coefficient as the reliability rate was found out as 92.5%. To be able to corroborate our hypothesis which is “Emotional Intelligence is really positively related to Innovative Work Behavior of the managers as strategic decision makers”, the correlation analysis was used and, the correlation coefficient was found as 67%. This value shows that both emotional intelligence and innovative work behaviors affect each other positively. When the degree of EI increases, the level of IWB also increases and vice versa. Additionally, Mann-Whitney Test was used both for Emotional Intelligence (EI) and Innovative Work Behavior (IWB) separately. Thus, it provided us to compare the variables objectively. According to results of the analysis, it is seen that there is no difference in the sense of their usage level according to demographic characteristics. For instance if there were differences, the results would be like that; while senior managers and mid-level managers used their emotional intelligence and innovative work behavior equally by occupational group, they might not use EI and IWB equally by sex. To conclude, the manager as a strategic decision maker with a high level of emotional intelligence is better at decision making of which importance is enormous enough as business policy that affects a management’s output and performance.
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