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**Research Article**

# A Comparative Study of Intelligence Quotient and Emotional Intelligence: Effect on Employees' Performance

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**Abstract:** The study aims to explore the cognitive and emotional aspects of intelligence and its related behavioral and psychological outcomes on employees' performance. Intelligence is considered as an important predictor for analyzing the employees' capabilities and their behaviors to perform the particular task. This is a quantitative cross-sectional study based on 300 employees selected from different organizations of telecom industry, Lahore. The study reveals interesting findings about the nature of the relationship between individuals' intelligence quotient level and their respective performance. Indicating a new line of research that Intelligence Quotient is found to be insignificantly related with employees' performance revealing that IQ alone is not sufficient for the success of employees. Whereas, emotional Intelligence is found to have significant relationship with employees' performance signifying that emotional intelligence is more important than Intelligence quotient at workplace. Study in the end offers practical implication for organizations that emotional intelligence measures can be used in conjunction with other sources of information and psychometric tests like Intelligence Quotient, to support the human resource for the purpose of improving the overall effectiveness of an organization.

**Keywords:** Emotional intelligence, employee's performance, intelligence quotient, telecom sector

## INTRODUCTION

In today's rapidly changing economy, developing smart techniques like managing quality, reengineering and managing customers' relationship have gained utmost importance. Jobs that entail usage of logical and analytical skills have become challenging in this dynamic business environment. The knowledge and skills acquired from the past experiences may not be adequate to come across the new challenges. Intelligent people are those, who can retain their knowledge and skills obtained from past experience allowing them to analyze new situations and develop new solutions. Individuals can solve technical problems far easier than social problems they face in their home, as well as in their professional lives. Previously, organizations were not prone to develop their employees' capabilities regarding emotional intelligence. But now organizations have to focus on the inadequacy of their employees' emotional intelligence in order to be successful. Organizations, can take this initiative by improving their employees' skills pertaining to customers' management, negotiation, handling conflict and communication that will certainly add value to the organizations.

To enhance the service quality and relationship with customers', interaction among employees and customers is very crucial. The vital role of interaction in service industry has gained a lot of attention in recent years. That is why the concept of emotional intelligence is explored in this particular sector in order to understand different emotions and abilities individual possess and ways to handle them in order to prosper. Recent studies have emphasized on the emerging role of emotional intelligence, to study the individuals' behaviors and to explore the emotions and special effects of service providers (Johnson and Kleiner, 2000; Cote and Miners, 2006; Mayer *et al*., 2008). It is also endorsed to study the impact of positive or negative emotions on consumers and how consumers' different emotions affect front-line service employees'. As telecom sector contains long service dealings that require strong emotional interactions, employees' ability to perceive and understand emotions vary widely that ultimately affects the service performance.

The current study aims to uncover the crucial issues and trends regarding the development of employees' attitudes and behaviors at workplace. However this trend is commonly practiced in the organizations of developed countries, yet this concept needs to be explored in the developing countries. Previously, it was believed that there is a positive relationship between individuals' IQ and their performance (Spearman, 1904; Schmidt and Hunter, 1986; Motowidlo and Van Scotter, 1994). So, intelligent people were perceived to be successful as compared to less intelligent people. However, IQ is not the only thing to be measured about an individual. It

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ignores areas like physical dexterity, expertise and other competencies that may result in significant achievements. IQ provides authenticity about person's competency to evaluate and solve problem which is very useful. But, the question arises that whether a person scoring with an average IQ be more successful than an IQ genius? The answer to this is indeed "yes", but only if that particular person has high level of emotional intelligence and alluring emotions to persuade others instead of relying on information alone. Instead of solely relying on facts and figure, emotions and sympathetic approach should be used, knowing how to use different strategy of inspiring and encouraging people in contrast to dealing all in identical manner. However, the concept of emotional intelligence brings new depth to the understanding of human intelligence; it expands the ability to evaluate ones general or overall intelligence.

Mayer *et al*. (2008) have been the leading researchers on emotional intelligence and they proved that emotional intelligence is more crucial in determining outcomes of individual as compared to IQ. Several researchers have revealed that people who are more often strong in academics and possess high IQ level are yet socially ineffective and incapable (Snarey and Vaillant, 1985; Feist and Barron, 1996; Goleman, 1995). What they lack is emotional intelligence. EI components are useful in assisting employees with decision-making in areas like teamwork, inclusion, productivity and communication. Developing countries like Pakistan are rich in emotional sentiments due to strong cultural influence of past experiences on future outcomes. As intelligence operates on distinct information, EI operates mainly on social, perceptional, practical and personal and off course on emotional information (Mayer *et al*., 2008).

This verifies that in order to become a brilliant performer, employees must possess interpersonal and intrapersonal competencies along with having technical expertise and capabilities. Employees with meticulous self-awareness are acquainted with their proficiencies, which mainly include: self-confidence, self-assessment and emotion management. Consequently they strive for criticism, learn from their mistakes, aware of areas for improvements and know when to work with others who have complementary strengths.

Hence this study aims to explore the fundamental mechanism that links Intelligence Quotient and Emotional Intelligence with employees' performance. As well as to make comparison that which particular mechanism has more significant impact on enhancing employees' performance at work place. This study will examine the relationship of IQ and EI with employees' performance in the telecom sector of Pakistan.

**Intelligence Quotient (IQ):** Intelligence Quotient (IQ) is the phenomena that involves assessment regarding one's capability to observe, analyze and interpret the circumstances (Wechsler, 1958). It's the intellectual aptitude of an individual which is measurable and can be denoted numerically. Sternberg (1985) termed intelligence as a mental capacity that entails recognition and alteration of the surroundings in which an individual lives. IQ is the conscious intellectual capability or in other words it is the aptitude of a person that enables him to think, understand and analyze the logical and speculative problems. It's an assessment of mental capability through which individuals of same age group can be compared with one another.

Intelligence quotients' wide ranging prognostic value is that intellectual capability which is highly applied in several spheres of everyday life. IQ tells a highly constant, overall capability for attaining, handling and employing knowledge of almost any category. This is the reason that higher IQ is considered so useful. It is not only related to the extent of knowledge gained or acquired by the individuals. In fact, it reveals the capability to yield from proper training, reason conceptually, think and solve problems. High intelligence is beneficial in almost all spheres of life. As almost all of us require some learning and problem solving, especially when there is too much technical and social change. More intelligent people can learn and plan better as they have a tendency to attain more benefit than individuals with low IQ. Though, research indicates that intellect of an individual is different from social skills. Most often persons who have high level of IQ may possess less social skills.

Extensive discussions and research studies continued by different scientists in order to see whether the IQ level of a person can be increased or not. But genetically it is believed that increasing IQ is not possible as it is an inherited attribute. However, an individual's smartness is measured by intelligence quotient. Intelligence has been defined and described in different ways and there are various approaches to measure it. IQ level of an individual that is calculated through a specific IQ test can't be taken as final to judge his intellect. Nature of IQ; the problem solving ability persisted as a source of argument among psychologists.

**Emotional Intelligence (EI):** Emotional intelligence is the ability to recognize and regulate the emotions in one own self and others and to make use of this information in order to guide one's thinking and actions (Giardini and Frese, 2006; Mayer *et al*., 2008). The topic of emotional intelligence has been as controversial as some of the topics in organizational behavior and psychology. However, the magnified and significant role of emotional intelligence in job performance, leadership and other parts of organizational life has increased the validity of this concept. Individuals receive and comprehend information and people who are emotionally intelligent are good at recognizing, processing and responding to their emotions effectively and efficiently. Retrieving the knowledge in body and

associating it with mind, makes people more occupied, authentic and confident (Fuimano, 2004). For this reason, emotional information plays a vital role in individuals professional, home and personal lives. As the relationships people form are regulated by the rules of behavior that are prompted by the emotions (Mayer and Caruso, 2002). Similar to other theories of social sciences, different researchers have defined emotional intelligence in different manner. But it is getting evident that emotional intelligence is linked with the imperative results i.e., high quality social relationships (Lopes *et al*., 2005).

**Employee's performance:** Performance is considered as a significant measure, which is associated with the organizational outcomes and success (Wall *et al*., 2004). Performance is related to the impact of an individual's activities over a certain period of time. Managing employees' performance is very essential in order to achieve the set goals that an organization has for itself. Analyzing the employees proficiency and measuring their productivity so that they can be managed effectively, certainly adds value to the organization (Motowidlo, 2003). Managing employee's production wise is imperative and it cannot be done if the employee's potential and their ability to perform are not measured. Organizational productivity and its success are directly related to employees' performance. Employees performing better will definitely generate enormous outcomes, which primarily include correspondence among employees, quality production and commitment at work place.

**Intelligence quotient and employees' performance:** Several empirical researches have revealed that the correlation values between intelligence and employees' performance varies from insignificant to moderately positive. However, Schmidt and Hunter (2000) is of the view that, intelligence is one of the key determining factors of evaluating employees' performance. Therefore, recruiting individuals based on intelligence results in distinctive advances in employees performance, hence leading to greater economic value to the organizations. Based on the findings of different empirical studies (Ree and Earles, 1992; Schmidt, 2002; Ree *et al*., 1994) management scholars have endorsed several methods for managers and HR professionals. These methods ascertain the optimistic economic value of hiring IQ based employees' selection in their organizations (Rauschenberger and Schmidt, 1987; Schmidt *et al*., 1979; Schmidt and Hunter, 1998). Literature have also accord the conformity on the strong link between IQ and job performance. That is, employees who are more intelligent can enhance their abilities and learn faster the job related skills. Hence, following improved job performance (Ree *et al*., 1995; Hunter, 1986).

Schmidt and Hunter (1998) stated that, over the past nine decades thousands of research studies have been conducted on investigating the relationship between intelligence and employees performance (Grudnik and Kranzler, 2001; Kuncel *et al*., 2004). But this relationship is best evaluated by considering the nature and extent of job complexity involved (Gottfredson, 2002). The jobs usually differ to a great extent depending upon the different IQ ranges held by people. Individuals, who fall in the range of IQ 120 and above, are considered competitive in intelligence for almost all jobs. They are considered as the top ten percent of the population. Whereas, individuals' who fall in the range of IQ below about eighty, have less options for job and are not competitive. They are considered as the bottom ten percent of the population. In some countries like United States (USA), they have the law, not to accept those people with IQs below eighty to work for military services, as they lack sufficient trainability. And civilian employers hire them for only menial jobs. Individuals with low IQ are at high risk for failure and they usually require particular surroundings in order to thrive socioeconomically. On the other hand, individuals with high IQ seem to require unusual circumstances to fail.

Intelligence researchers have accumulated plenty of research studies that observe the relationship between intelligence and individual's performance. Based on the findings of these researches it was concluded that mental capacity (Intelligence) can effectively predict the individual's performance. In the beginning of the century, when intelligence was measured with the help of paper-and-pencil tests, analysis highlights that intelligence can predict well the students' performance in classroom from primary to college learning. Ree and Earles (1992) conducted the research to examine the employees of Air Force who had the experience of working in 89 various job training programs. Findings of the study revealed that intelligence and job training performance was highly correlated (correlation coefficient 0.76) in both easy and tough training programs. Hence, intelligence was found to be a strong predictor of evaluating employees' performance. Moreover, Hunter and Hunter (1984) conducted a meta-analysis of prevailing research studies focusing on the relationship between intelligence and performance. They finally concluded that if individuals' cognitive capabilities alone are used as a predictor to evaluate employees' performance results in average validity across all the jobs. But, this does not indicate that intelligence alone predicts employees' performance poorly.

Research conducted by Ghiselli and Brown (1955) concluded that the relationship between intelligence and job proficiency for managers was found to be 0.37. However, Schmidt and Hunter (2004) argued that due to flukes in statistical data analysis, correlation was

considerably underestimated. Recent research studied (Schmidt and Hunter, 2004; Ree and Earles, 1992) reveals that intelligence predicts employees performance well in a diverse variety of jobs, not specifically only for those that requires considerable intellect power. Moreover, Hunter and Hunter (1984) revealed that intelligence plays a vital role in predicting employees performance. Similarly, the results of the studies conducted on two groups of US Air Force personnel (Ree and Earles, 1992) reported a strong association between intelligence and employees performance. Another research study conducted on college-graduate navigators and pilots revealed the averaged gratifying 0.33 correlation value between intelligence and ten different employees' performance measures. In another research study of airmen, with approximately two years' of experience in eight different jobs (two mechanical, two general technical, two electronic and two administrative), the relationship between intelligence and hard measures of their performance, their capability to expound successively the crucial parts of their jobs and evaluations by their superiors, averaged an even more impressive correlation value of 0.44.

Based on the evidences provided by the aforementioned research studied Ree and Earles found it so convincing to conclude that, "If an employer were to use only intelligence tests and select the highest scoring applicant for each job… overall performance from the employees selected would be maximized." Research conducted by Schmidt and his colleagues are of the view that intelligence predicts performance thoroughly as it envisages employees job related knowledge even better. However, this relationship needs to be tested in the telecom sector of Pakistan; hence following hypothesis is set forth:

**$H_1$:** Intelligence Quotient (IQ) is positively related to employees' performance.

**Emotional intelligence and employee performance:** Emotional intelligence adds to work performance by allowing people to foster positive relations, perform well in groups and build social assets. Counseling, reinforcement, ability and capability of other people often influence the employee's performance (Seibert *et al*., 2001). EI assist the employees in enhancing their performance by facilitating them to understand and manage their emotions, allowing them to cope up efficiently with stress, work well under pressure and prepare for organizational change. Goleman (1995) posit that emotional intelligence which is equivalent, if not more significant to Intelligence Quotient (IQ) is a crucial yardstick of success in person's life; both at work and personal life. Moreover indicating that, an individual's emotional intelligence can affect one's work situation. He also employed his theoretical consideration to the entire organization and determined that, the more affluent the organization in terms of emotions, higher will be the prevalence of emotional intelligence. Certain things are required from individuals in order to enhance their emotional intelligence, like the hope to change, individual introspection, want to be compassionate, build up emotional control, desire to learn more listening skills.

Research indicates that, emotions have a crucial role in organizations whereas intelligence alone is not sufficient to explain the individuals' success at work or life. Rosete and Ciarrochi (2005) demonstrated that, managers high on comprehending their own feelings and that of their subordinates are more likely to achieve business outcomes. And they are also cogitated as well-organized leaders by their employees and direct executives. Diggins (2004) proposed that best managers must have Emotional Intelligence (EI), so that they can make decisions based on self-management and relationship skills and are aware of how their activities influences others in the organization. Hence, emotional intelligence is a major contributor in the attainment of organizations' success and leaders. EI is fundamental to effective performance and to continue performing better than those around you during organizational change.

Emotional Intelligence provides a base to understand the role of emotions in improving the task performance. The capability to control and utilize emotions allows employees to maintain more commonly positive attitudes and emotions associated with motivational conditions and showing positive and pleasant mood while working (Goleman, 1995; Martinez-Pons, 1997; Ciarrochi *et al*., 2000; Simunek *et al*., 2000). Both Martinez-Pons (1997) and Schutte *et al.* (1998) described that higher emotional intelligence is related to less bad and unpleasant moods and higher optimism. There is a positive relation between emotional intelligence and optimistic behavior and negative relation between emotional intelligence and depressed mood. Ciarrochi *et al.* (2000) and Simunek *et al.* (2000) described that emotional intelligence is related to good, pleasant and effective mood management at workplace. Emotionally intelligent people would be able to show stable expressions and receive more challenging tasks (McGaugh, 1990; Nantais and Schellenberg, 1999).

Emotional intelligence relates to depict employees' work performance as it is necessary for the employees to manage emotions in order to achieve organizational goals. So, empirical research displays a close relation between emotional intelligence and work performance (Cote and Miners, 2006; Goleman, 1995; Lam and Kirby, 2002; Semadar *et al*., 2006). Barsade (2002) concluded that emotional intelligence plays a greater role in changing the moods and behaviors of people when they are working in teams and groups. Emotional contagion works a lot for the people to be more loyal to

work and cooperative with each other's while avoiding conflicts. Hence it is proposed:

**$H_2$ :** Emotional Intelligence (2a: perceived emotions PRE, 2b: using emotions USE, 2c: understanding emotions UNE and 2d: managing emotions MNE) is positively related to employees' performance.

**Intelligent quotient vs. emotional intelligence:** The emotional competency of a person has a vital contribution in the success of an employee. However for decades, an opposite concept also emerged that the people with high intelligence quotient level are the key contributor to the success of a company. With such paradoxes in the literature, decades of research ultimately proved that it is the emotional quotient, not the intelligent quotient that is the key determinant of someone's performance in the job. It does not indicate the IQ should be entirely ignored yet it indicates that EI is more important construct than IQ for better employees' behavioral outcomes.

Some proponents of EI contend that IQ is less important than EI in any working environment. In a work place people have continuous interaction and meeting with the other members of the organization some interactions lead towards positive outcomes and some conclude in negative outcomes. The leaders and managers of the organization must consider this aspect that these positive and negative outcomes impact an organization as a whole in a positive or negative manner ultimately affecting its target market and competitive position. Human beings are emotional beings and this must be first step towards the understanding of emotions.

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If the employees of an organization don't demonstrate emotional intelligence, it can serves as an extensive overhead for the person and the organization. Low morale, quarrelsome attitude and anxiety all these factors ultimately impact organizational effectiveness. Employee turnover and negative attitudes emerge rapidly, relationships devolve, motivations decreases and performance start deteriorating (Heraty and Morley, 1998). Emotional intelligence can have a positive contribution in business enhancement; improve team performance, customer and employee satisfaction (Bagshaw, 2000). Emotions if properly managed can lead towards more employee productivity, loyalty, productivity gains, innovations, goal achievements at personal, team and organizational level (Cooper, 1997). Several researchers such as Martinez (1997), Gibbs (1995) and Johnson and Kleiner (2000), all firmly consider emotional intelligence as an important determining factor of work achievements, arguing that generally in most circumstances individuals who fail in their occupations fail due to lacking interpersonal abilities instead of technical incapability; that they possess inadequate communication abilities or because they do not apt with organizational culture. Therefore, it is proposed that:

**$H_3$ :** Emotional Intelligence (EI) is more important than Intelligence Quotient (IQ) at workplace.

## METHODOLOGY

A simple random sampling technique was used to define the sample for the study. The target population was comprised of full time employees of different telecom companies in Pakistan. Employees who were focused towards customer's orientation were targeted specifically which includes call center agents, business development officers and team leaders to have a better understanding of their emotional handling at work place. A total of 300 participants were targeted for filling questionnaires however 284 participants fully responded to support the study and filled each and every aspect of questionnaire making a response rate of 94%.

A structured research questionnaire was used through field and online survey for the data collection. However, subsequent changes were introduced to the scales except the scale of IQ before the results of the pilot study because of worth change in culture traits between developed countries and developing country like Pakistan. The scales adopted as a result of the pilot study were found reliable and understandable to the participants. Website was developed to conduct the IQ test with a time limit of 30 min. Besides an additional restriction of attempting the question at once with no turning back to previous question, if left, was imposed. Ravens Progressive Matrices test was used to evaluate the employees IQ level. This test was intended to measure the non-verbal intelligence, spatial intelligence and mathematical and logical intelligence. There were sixty questions in the whole test, segregated into 5 different sets, on the basis of increasing order of difficulty. Each set was comprised of 12 questions.

The questionnaires were distributed among the middle and lower level management of the

Table 1: Correlation matrixes (N = 284)

| | | IQ | PRE | USE | UNE | MNE | EP |
|---|---|---|---|---|---|---|---|
| IQ | Pearson correlation | 1 | 0.013 | -0.169** | 0.101 | -0.014 | -0.069 |
| | Sig. (2-tailed) | | 0.827 | 0.004 | 0.090 | 0.812 | 0.245 |
| PRE | Pearson correlation | 0.013 | 1 | 0.381** | 0.397** | 0.480** | 0.325** |
| | Sig. (2-tailed) | 0.827 | | 0.000 | 0.000 | 0.000 | 0.000 |
| USE | Pearson correlation | -0.169** | 0.381** | 1 | 0.336** | 0.509** | 0.295** |
| | Sig. (2-tailed) | 0.004 | 0.000 | | 0.000 | 0.000 | 0.000 |
| UNE | Pearson correlation | 0.101 | 0.397** | 0.336** | 1 | 0.235** | 0.395** |
| | Sig. (2-tailed) | 0.090 | 0.000 | 0.000 | | 0.000 | 0.000 |
| MNE | Pearson correlation | -0.014 | 0.480** | 0.509** | 0.235** | 1 | 0.174** |
| | Sig. (2-tailed) | 0.812 | 0.000 | 0.000 | 0.000 | | 0.000 |
| EP | Pearson correlation | -0.069 | 0.325** | 0.295** | 0.395** | 0.174** | 1 |
| | Sig. (2-tailed) | 0.245 | 0.000 | 0.000 | 0.000 | 0.000 | |

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

Table 2: Regression analysis of employee's performance

| Variable | Beta | t-value | p-value |
|---|---|---|---|
| Constant | 1.718 | 6.178 | 0.000 |
| IQ | -0.112 | -1.291 | 0.198 |
| UNE | 0.292 | 4.754 | 0.000 |
| PRE | 0.254 | 3.727 | 0.000 |
| USE | 0.208 | 3.571 | 0.000 |
| MNE | -0.229 | -3.450 | 0.001 |

N: 284; $R^2$: 0.238; Adjusted $R^2$: 0.227; F: 11.900; $p<0.001$; Dependent variable: Employee's performance

organizations under study. Likert's scale of five was used from Strongly Agree to Strongly Disagree to measure the responses. The coding for all the items was Strongly Disagree as 1, Disagree as 2, Neutral as 3 and Agree as 4 and Strongly Agree as 5.

Correlation matrix was used to analyze the relationship between all variables of this study as shown in Table 1. Regression analysis was carried out to show the intensity between independent and dependent variable and to measure the impact that an independent variable have on the dependent variable as shown in Table 2.

Hence, the correlation table demonstrates that there is no relationship between IQ and EP ($r = -0.069$, $p = 0.245$) whereas all the constructs of Emotional Intelligence i.e., PRE, USE, UNE and MNE have a weak relationship with all the dependent variables of the study but are highly significant at 0.01 level. Showing that emotional intelligence in private sector organizations is synchronized by the identified emotional parameters.

The output of regression analysis (Table 2) reveals that, IQ has insignificant result with EP (β standardized = -0.112) hence rejecting H-1. But intelligence quotient is found to be negatively related to employees' performance which means that an increase in individuals' IQ level would thus result in decreased employees' performance. Moreover, the output reveals that all the four constructs of emotional intelligence i.e., PRE (β = 0.254*), USE (β = 0.208*), UNE (β = 0.292*) and MNE (β = -0.229*) have significant results with EP consequently, accepting the H-2a, H-2b, H-2c and H-2d.

## RESULTS AND DISCUSSION

The current study aims to explore the impact of Intelligence Quotient (IQ) on employee's performance, among the employees of telecom sector in developing country Pakistan. The result of correlation analysis demonstrate that IQ is not significantly related with employee's performance (-0.069, $p>0.05$) and it is not considered as a strong determinant of employee's performance with regression analysis ($t = -0.112$), hence rejecting hypothesis 1.

Several situational variables are almost ignored in various organizations that affect the expression of intelligence, absence of constraints, ample support and resources, circumstance to trigger innovation and prospects of intelligent activities. Ultimately, presence or absence of these factors affects the performance of the employees. So the result of the study reveals that individuals even with high IQ level are unable to perform well when they are engaged in daily monotonous and repetitive jobs. When they have to follow the strict orders and restrictions imposed on them by their ultimate supervisors indicating how to perform the particular task or how to react in a specific set of circumstances. Employees performance is also affected when decision making is often discouraged among employees and when higher authorities decide that up to what extent their ideas and suggestions can shape the organizations actions.

Employees' performance is enhanced if intelligence is valued, failures are endured and essence of collaboration and assistance exists. And also employees are encouraged enough to give their best efforts and pressure to do so is clear and present. Organizational size, complexity and formalization are considered as hindrances to employees' performance. Organizations with a greater capacity for innovation are prone to be organic and integrative in nature rather than mechanistic. They have lower formalization, more role ambiguity, multidisciplinary teams and job rotation. Flexible circumstances, wide-ranging job descriptions and job independence for employees facilitate performance. Hence, providing creative working environment for intelligent employees to grow and perform well.

The result of the derived model of employees' performance reveals that IQ is negatively related to employees' performance. A person even having high intellectual capabilities may result in low performance

due to external pressures imposed on him. Individuals having high IQ, demands creativity, innovation, autonomy, flexibility which is unfortunately restricted by the telecom sector hence resulting in low individuals' performance. Intelligence is regulated by individual attributes, personalities and the situational circumstances. And it differs based on the measures of innovation, preferences for complexity and conceptual confidence and flexibility prevailing in the organization.

Emotional Intelligence (EI) is taken as a second independent variable, to test the impact of emotional intelligence on employees' performance among the individuals of telecom sector of Pakistan. The current study focuses on the four major aspects of emotional intelligence that are Perceived Emotions (PRE), Using Emotions (USE), Understanding Emotions (UNE) and Managing Emotions (MNE). The results of derived model of employees' performance demonstrate that all the four constructs of emotional intelligence i.e., PRE (0.237, $p<0.05$), USE (0.226, $p<0.05$), UNE (0.278, $p<0.05$) and MNE (-0.225, $p<0.05$) have significant results with EP consequently, accepting the H-2a, H-2b, H-2c and H-2d.

The results of the study demonstrate that emotional intelligence is significantly correlated with employees' performance. Telecom industry has created its worth so fast and has captured enormous market shares in service sector. Having a great image of such a renowned sector in the minds of young generation as well as other individuals, they try to be part of such a leading industry. But as we live in a collectivistic society, employees firmly believe in socializing, interacting with each other, exchanging ideas as well as the organizational awareness. They try their level best to acquire the standards, norms and customs of the organizations that certainly results in enhanced performance. Therefore, by employing their considerate capabilities they try to meet the targets set by their managers and consequently getting adequate feedback and support from their managers', results in improved performance outcomes.

The outcome of the analysis reveals that employees must have the ability to understand their own emotions and also how others are feeling around them regarding their work situations in order to excel. They must be capable enough to help their subordinates who are feeling disheartened, to build trust and making feel them more comfortable while working. Employees having high emotional intelligence understand the challenges faced by them. They have the ability to recognize their own and others' feelings. They understand the complex changing emotions of others that help them to make better decisions and to solve difficult problems that certainly results in enhanced employees' performance. They know how to cope up with the rapid changes occurring, how to be more creative, how to increase customers loyalty, how to comprehend large amount of information. Moreover understanding emotions is considered more vital at the managerial positions. Managers having the capabilities to perceive and understand their own and others' emotions will certainly result in superior employees' performance. They are aware how to motivate their subordinates, how to get work done in teams, how to solve certain issues of employees, how to make better use of special abilities prevailing in a diverse workforce.

The findings indicate that emotional intelligence is more likely to achieve business outcomes. Employee's ability to use their emotions is found to have highly significant impact on employees' performance. This shows that employees have the ability to employ their emotions when given any task like problem solving, resolving team conflicts and other organizational related issues. They are capable enough to control their emotions and see new possibilities and come up with new ideas to perform the particular tasks. Moreover, they have the skills to regulate their negative emotions and to remain optimistic while making creative suggestions to their colleagues regarding work problems.

Managing emotions is found to have significant but negative relation with employees' performance. This shows that employees have the ability to intelligently integrate their emotions in themselves as well as in others, in order to device effective strategies which help them to achieve the particular tasks assigned to them. But the relationship between managing emotions and employees performance is negative which shows that if the employees' ability to manage their emotions increases it will result in decreased employees' performance. The reason behind this is that the employees of telecom industry have certain restrictions that are to be followed strictly. Even though they possess the ability to manage their emotions, the organization does not allow them to give their constructive suggestions for work improvement. Even performing in teams they cannot encourage their colleagues to give their input or creative ideas for service improvements, which result in decreased employees' performance.

However, understanding emotions is also found to be positively related with employees' performance hence accepting the assumed relationship. So we can say that employees of telecom sector have the ability to understand their own and others complex and changing emotions. They have the ability to understand the non-verbal messages of others like facial expressions, hand gestures. Moreover, they have the ability to understand others emotions and help their colleagues when they are not feeling better or facing any difficulty in their work. They can recognize the different moods of customers by paying attention to customer's voices and can help

them in a positive manner, in order to facilitate them and ultimately enhancing the services. This will certainly result in positive work outcomes and will benefit the organization as a whole.

The result of the derived model of employees' performance clearly reveals that Emotional intelligence has greater significance on employees' performance than Intelligence quotient. And emotional intelligence is considered as a strong determinant of employee's performance, hence accepting the hypothesis-3 that EI is more important than IQ at workplace. Moreover, the result of the correlation analysis clearly shows that IQ has no significant relationship with employees performance ($r = -0.069$, $p = 0.245$) whereas the outcome of the analysis shows that all the dimensions of emotional intelligence i.e., PRE ($r = 0.325^{**}$, $p = 0.000$), USE ($r = 0.295^{**}$, $p = 0.002$), UNE ($r = 0.395^{**}$, $p = 0.000$) and MNE ($r = 0.174^{**}$, $p = 0.000$) has a strong and positive relationship with employees performance. This clearly reveals that Emotional intelligence is significantly more vital than intelligence quotient for the success or prosperity of employees.

The findings of the study reveals that emotional intelligence compensates for low levels of cognitive intelligence, as effective social interaction, good decisions and high motivation results in enhanced employees' performance. Emotional Intelligence deals with the individuals emotional, social, personal and survival dimensions of intelligence, which are often considered more essential for the everyday functioning than the traditional aspects of cognitive abilities. EI is concerned with the understanding of one's own and others emotions, adapting and confronting effectively with the situations occurring at workplace, in order to be successful in meeting the environmental demands. Emotional Intelligence is a tactical ability i.e., immediate functioning of employees whereas; cognitive intelligence is viewed as strategic capability i.e., long term skills of employees. Emotional intelligence aids to predict success, as it signifies that how individuals apply their knowledge to the immediate situations. Therefore, it is becoming evident that the key determinant to predict success is not cognitive intelligence alone rather many other aspects of intelligence are also vital. Many cognitive intelligent people flounder in life; while many individuals with less cognitive abilities succeed and prosper. Hence, the results of our study also reveal that emotional intelligence is considered more important than cognitive intelligence as it positively predict the success in meeting the environmental demands and pressures. Mostly intelligent people who have a bright academic record are not good in social interaction and interpersonal dealings. This deficiency is due to the lack of emotional intelligence capability though there intelligence quotient is quite high. In many social circumstances normally intellectual intelligence is widely considered as the indicator of success as compared to emotional intelligence. Moreover, research indicates that the success of a person at a work place is eighty percent dependent on its emotional quotient and twenty percent dependent on its intelligence quotient. This is because EI more concentrates on interpersonal and intrapersonal dealings such as team work, communication and group participation.

## CONCLUSION

Emotional Intelligence may indeed be a key determinant of employees' effective performance and it is considered more important than Intelligence quotient at workplace. Mostly intelligent people who have a bright academic record are not good in social interaction and interpersonal dealings. This deficiency is due to the lack of emotional intelligence capability, though there intelligence quotient is quite high. It does not indicate that IQ should be entirely ignored yet it indicates that EI is more important construct than IQ for enhancing organizational effectiveness. The emotional competency of a person has a vital contribution in the success of an employee. Human beings are emotional beings and this must be the first step towards understanding of emotions. It can be concluded that emotional intelligence is crucial at workplace than intelligence quotient. It may help the managers to develop employees in terms of positive and committed workforce by developing and enhancing their emotional capabilities. Hence, it is evident that emotional intelligence is a better predictor of "success" than conventional measures of IQ tests.

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