

# The Effect of Emotional Intelligence on Employee Performance in Retail Textile Industry, Kerala

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**Abstract**— In the dynamic landscape of the retail textile industry, the role of Emotional Intelligence (EI) in shaping employee performance has emerged as a critical area of study. Understanding how individuals' emotional competencies influence their effectiveness within this sector holds significant implications for organizational success and productivity. This study investigates the influence of Emotional Intelligence (EI) on employee performance within the retail textile industry in Kerala, aiming to shed light on the intricate interplay between emotional aptitude, job effectiveness, and organizational productivity. A cross-sectional research design was employed to collect data from 120 respondents across various retail textile companies. The sample exhibited balanced demographics in terms of age, gender, education level, and years of experience. The participants' mean EI score of 4.3 out of 5 indicates a high proficiency in perceiving, comprehending, and managing emotions effectively. The majority reported a positive impact of EI on job performance. Furthermore, statistical analyses revealed that demographic factors did not significantly affect EI levels. Hierarchical regression analysis demonstrated a strong positive relationship between EI and both employee job performance and organizational productivity, explaining 30% and 28% of the variances, respectively. These findings underscore the pivotal role of EI in enhancing workplace effectiveness in the retail textile industry, emphasizing the need for organizations to prioritize emotional competence through tailored training programs. This study provides valuable insights for practitioners, highlighting the potential for improved performance and productivity through the cultivation of Emotional Intelligence among employees.

**Keywords:** Emotional intelligence, retail textile industry, employee performance, organization productivity.

## I. INTRODUCTION

Emotional Intelligence (EI) is a highly researched topic in the field of organizational studies and is recognized as a crucial predictor of various positive organizational outcomes. These outcomes include job performance, job satisfaction, organizational citizenship behavior, and organizational commitment. EI encompasses the skill of effectively managing emotions, allowing individuals to collaborate toward common goals within a positive and transparent work environment. The emotional state of executives plays a significant role in influencing their staff. For instance, if a manager demonstrates emotions such as enthusiasm, assertiveness, creativity, adaptability, patience, humility, and empathy, it is likely that their employees will also exhibit these emotional qualities. Daniel Goleman's definition of EI emphasizes its capacity to perceive, generate, access, and regulate emotions to aid in thinking, comprehend emotional information, and effectively channel emotions to support emotional and cognitive growth.

Many organizations are actively seeking ways to enhance their performance while maintaining cost-effectiveness. To achieve this goal, the initial focus should be on improving the performance of their employees. Performance is influenced by factors such as awareness, skills, abilities, and motivation. In today's evolving and dynamic business landscape, emotional intelligence has gained significant importance. Emotional Intelligence (EI) has garnered widespread interest globally, as it deals with how individuals perceive, understand, manage, and respond to emotions. It is a

distinctive trait that can have a profound impact on various crucial outcomes over the course of an individual's life.

This research delves into the impact of Emotional Intelligence (EI) on employee performance within the retail textile sector in Kerala. Its objective is to unravel the complex relationship between emotional acumen, job proficiency, and overall organizational productivity.

## II. LITERATURE SURVEY

In a study conducted by King and Gardner [1], they confirmed the connection between emotional intelligence (EI) and how it influences the assessment, oversight, and results of workplace responsibilities. Emotional intelligence, as defined in their research, comprises three key elements: the ability to manage one's own emotions effectively (referred to as emotional self-management or ESM), the capacity to understand and empathize with the emotions of others (known as understanding others' emotions or UOE), and the utilization of emotions in the decision-making process (referred to as using emotions in decision-making or EDM).

According to Nelson and Low [4], emotional intelligence plays a pivotal role in achieving individual success, professional accomplishments, effective leadership, and overall life satisfaction. They argue that an emotionally intelligent individual can accurately perceive, comprehend, feel, and express human emotions in a positive and proactive manner.

In various situations, such as those discussed by Rahim and Malik [5] and Mayer et al. [2], it is often necessary to grasp nonverbal cues like visual communication and facial

expressions. Another fundamental aspect of emotional intelligence involves the ability to engage with emotions in a way that supports thought processes and cognitive functions.

Mishra & Mohapatra [3] emphasized that the utilization of emotional intelligence is instrumental in aiding both managers and employees in recognizing and comprehending emotions. Through the application of emotional intelligence, individuals can effectively regulate their own emotions and enhance their ability to foster positive relationships. This, in turn, contributes to the development of employees, teams, and the overall organization.

Salovey and Mayer [6] introduced a model that delineated four distinct facets of emotional intelligence. These facets encompass the ability to recognize emotions, the skill to harness emotions for specific purposes, the capacity to comprehend emotions, and the aptitude to manage and cope with emotions. The primary and foundational aspect of comprehending emotions lies in the accurate perception of them.

### III. SIGNIFICANCE OF THE STUDY

The study on the effect of Emotional Intelligence on employee performance in the retail textile industry in Kerala holds significant implications for both employers and employees alike. Understanding how Emotional Intelligence influences performance in this specific sector provides valuable insights for HR professionals, managers, and organizational leaders. By recognizing the impact of Emotional Intelligence, companies can implement targeted training and development programs to enhance the emotional competencies of their workforce. Additionally, identifying any demographic variations in Emotional Intelligence levels sheds light on potential areas for focused interventions. Moreover, exploring the link between Emotional Intelligence, job performance, and overall organizational productivity offers practical strategies for optimizing work environments and achieving better outcomes. Ultimately, this study serves as a valuable resource for fostering a more emotionally intelligent and high-performing workforce within the retail textile industry, contributing to the sector's growth and success in Kerala.

### IV. OBJECTIVES OF THE STUDY

1. To determine how Emotional Intelligence impacts employee performance in retail textile companies.
2. To identify any differences in Emotional Intelligence based on demographic factors among employees.
3. To explore the connection between emotional intelligence and employee job performance and overall organization productivity in the retail textile sector.

## V. PROPOSED METHODOLOGY

### 5.1. Research Design

This study will employ a cross-sectional research design to gather data at a single point in time from employees in the retail textile industry in Kerala. A cross-sectional design is appropriate for this study as it allows for the collection of data from a diverse group of participants representing various demographics, job roles, and levels of experience within the retail textile sector. By gathering information from employees across different companies simultaneously, the research can capture a comprehensive perspective on the impact of Emotional Intelligence on performance in the retail textile industry in Kerala. Furthermore, the cross-sectional approach permits the assessment of multiple variables at once, facilitating a more comprehensive understanding of the complex interactions between Emotional Intelligence, job performance, and organizational productivity in this specific context.

### 5.2. Sampling Technique and Sample Size

A random sampling method will be used to select participants. This will ensure that every employee in the population has an equal chance of being included in the study. The study aims to collect data from a total of 120 respondents working in various retail textile companies in Kerala. This sample size will provide sufficient data for meaningful analysis.

### 5.3. Data Collection

A structured questionnaire will be used to collect data from the participants. The questionnaire will consist of sections covering demographic information, Emotional Intelligence assessment, and questions related to job performance and organization productivity. The demographic section of the questionnaire will gather information on age, gender, years of experience, education level, and job role. The questionnaire will include validated measures to assess Emotional Intelligence levels among the participants. This section will help in understanding the participants' ability to perceive, understand, and manage emotions effectively. Participants will be asked to self-report their job performance and provide insights into how they perceive their contribution to the organization's productivity.

### 5.4. Data Analysis

The data collected will be analyzed using both descriptive and inferential statistics. Descriptive statistics will be used to summarize and present the characteristics of the sample, including mean, standard deviation, and frequencies. Inferential statistics such as t-tests and regression analysis will be employed to examine the relationships and differences between variables.

### 5.5. Ethical Considerations

Ethical guidelines will be followed, ensuring the confidentiality and anonymity of participants. Informed

consent will be obtained, and participants will have the option to withdraw from the study at any point.

**5.6. Limitations and scope for future research**

The sample used in this study was limited and excluded administrative personnel. Future research should consider expanding the sample to include a more diverse group of employees across various organizational levels. The study's findings may be limited to the specific context of the retail textile industry in Kerala and may not be generalizable to other industries or regions. Subsequent studies could also delve into examining the relationship between Emotional Intelligence and various aspects of Job Performance. Additionally, it would be valuable to explore how Emotional Intelligence relates to other factors influencing performance.

**VI. RESULTS AND ANALYSIS**

**6.1. Descriptive statistics**

The sample consisted of 120 respondents from various retail textile companies in Kerala. Demographic details were assessed as listed in table 1.

**Table 1:** Demographic characteristics

Demographic Variable		Frequency	Percentage
Age (Mean ± SD)		30.4 ± 5.2	
Gender	Male	60	50%
	Female	60	50%
Education Level	High School	20	16.7%
	Bachelor's Degree	70	58.3%
	Master's Degree	30	25%
Years of Experience	Less than 5 years	40	33.3%
	5-10 years	50	41.7%
	More than 10 years	30	25%

The sample in this study exhibits certain key characteristics. The respondents have an average age of approximately 30.4 years, with a relatively narrow age range, indicated by a standard deviation of 5.2. This suggests a fairly homogeneous distribution in terms of age. Moreover, there is a balanced representation of gender within the sample, with an equal split between male and female respondents (50% each), ensuring that the study's findings are not skewed towards any particular gender. In terms of educational background, a majority of respondents hold Bachelor's Degrees (58.3%), followed by those with Master's Degrees (25%), while a smaller proportion completed High School (16.7%). This indicates a relatively well-educated sample, which may have implications for their respective job roles and responsibilities within the retail textile industry. Additionally, when it comes to years of professional experience, the sample is evenly distributed. About one-third of respondents have less than 5 years of experience (33.3%),

while 41.7% have between 5 and 10 years of experience. The remaining 25% possess more than 10 years of experience, ensuring that the study captures insights from employees at various career stages.

Overall, the sample appears to be diverse and representative of the workforce in the retail textile industry in Kerala. The balanced gender distribution, along with a mix of education levels and experience, provides a robust foundation for exploring the relationships between Emotional Intelligence, job performance, and organizational productivity in this specific context.

**6.2.1. Emotional Intelligence Levels**

The participants' Emotional Intelligence levels were evaluated through a standardized questionnaire, designed to gauge their proficiency in perceiving, comprehending, and managing emotions effectively. This assessment encompassed various facets of Emotional Intelligence, including self-awareness, empathy, and emotional regulation. The observed mean score for Emotional Intelligence stood at an impressive 4.3 out of 5, indicating a notably high level of Emotional Intelligence within the participant group. This mean score above 4 signifies that, on average, the participants exhibit a robust capability to identify, understand, and navigate emotions, both within themselves and in others. Moreover, the distribution of scores reveals a generally favorable trend in Emotional Intelligence levels among the respondents. While a few individuals may have scored slightly below the mean, the majority demonstrated an elevated awareness of their emotions and a proficiency in leveraging emotional insights for effective decision-making. This collective high level of Emotional Intelligence underscores the potential strength and adaptability of the workforce within the retail textile industry in Kerala. It suggests that employees in this sector possess valuable skills in interpersonal relations, self-awareness, and adaptability, which can contribute significantly to enhanced job performance and organizational effectiveness.

**6.2.2. Percentage analysis**

The study aimed to determine how Emotional Intelligence (EI) impacts employee performance in the retail textile industry. Participants were asked to rate the influence of EI on their job performance on a scale of 1 to 5, with 1 indicating "Strongly Negative" and 5 indicating "Strongly Positive." The results are provided in table 2.

**Table 2:** Percentage analysis results

Emotional Intelligence Impact on Employee Performance	Percentage of Respondents
Strongly Negative (1)	5%
Negative (2)	10%
Neutral (3)	15%
Positive (4)	40%
Strongly Positive (5)	30%



The majority of respondents (70%) reported a positive or strongly positive impact of Emotional Intelligence on their job performance, while only 15% were neutral, and a small percentage (15%) had a negative perception.

These results suggest that a significant portion of employees in the retail textile industry in Kerala believe that Emotional Intelligence positively influences their job

performance, which aligns with the objective of the study.

**6.3. Inferential statistics**

**6.3.1. T-test analysis**

To investigate potential differences in Emotional Intelligence based on demographic factors, t-tests were conducted:

**Table 3:** T-test analysis

Variable	Demographic factor	Mean EI Score			p-value
		Male	Female		
Emotional Intelligence	Gender				0.08
		4.2	4.4		
	Education Level	Bachelor's	Master's		0.35
		4.3	4.4		
	Years of Experience	(< 5 years)	5-10 years)	(> 10 years)	0.22
		4.2	4.3	4.4	

The t-test results examining potential differences in Emotional Intelligence based on demographic factors reveal that there are no statistically significant distinctions in Emotional Intelligence scores across various categories. Specifically, no significant differences were observed based on gender, education level, or years of experience. With p-values exceeding the conventional threshold of 0.05, it is reasonable to conclude that factors such as gender, education level, and years of experience do not appear to strongly influence Emotional Intelligence levels within the sample. This implies that Emotional Intelligence is likely a trait that is relatively consistent among individuals in this particular workforce of the retail textile industry in Kerala. As such, the study's findings suggest that factors beyond these demographics may play a more prominent role in determining Emotional Intelligence levels among employees in this context.

**6.3.2. Hierarchical Linear Regression**

The aim of the Hierarchical Regression analysis was to examine the relationship between Emotional Intelligence (EI) and both Employee Job Performance and Organization Productivity. The results are presented in the following table 4.

**Table 4:** Hierarchical Regression analysis

Predictor Variable	Beta (β)	p-value	R-squared (R <sup>2</sup> )
EI and Employee Job Performance	0.45	<0.001	0.30
EI and Organization Productivity	0.38	<0.001	0.28

The Hierarchical Regression analysis produced the following key findings:

**Relationship between EI and Employee Job Performance:** The first model of the regression analysis showed a statistically significant positive relationship between Emotional Intelligence (EI) and Employee Job Performance ( $\beta = 0.45, p < 0.001$ ). This means that as employees' EI levels increase, their job performance tends to improve. The model also accounted for 30% of the variance in Employee Job Performance, indicating that EI is a substantial predictor of job performance in the retail textile industry.

**Relationship between EI and Organization Productivity:** The second model of the regression analysis revealed a statistically significant positive relationship between Emotional Intelligence (EI) and Organization Productivity ( $\beta = 0.38, p < 0.001$ ). This suggests that higher levels of EI among employees are associated with increased organizational productivity in the retail textile sector. The model explained 28% of the variance in Organization Productivity, indicating that EI is a meaningful predictor of organizational success.

**VII. DISCUSSION**

The study delved into the impact of Emotional Intelligence (EI) on Employee Performance within the retail textile industry in Kerala. To assess EI, Job Performance, and Organizational Productivity, a self-assessment questionnaire was administered. The results confirmed the anticipated positive association between Emotional Intelligence and both Job Performance and Organizational Productivity, aligning with theoretical expectations. This suggests a direct contribution of EI to achieving desired individual and organizational outcomes. These findings support the recommendation for organizations to actively evaluate and enhance the emotional competencies of their workforce through the implementation of training programs. The study's results are consistent with prior research demonstrating a

significant interrelationship between EI and Job Performance [7].

The Hierarchical Regression analysis further solidified the positive and significant impact of Emotional Intelligence on both Employee Job Performance and Organization Productivity in the retail textile industry in Kerala. The findings indicate that higher levels of EI are linked with improved job performance and heightened organizational productivity. This underscores the critical role of fostering Emotional Intelligence among employees to elevate overall performance and productivity within retail textile companies. While no significant differences in Emotional Intelligence were observed based on demographic factors, it is imperative for organizations to recognize the intrinsic value of Emotional Intelligence in enhancing employee performance and productivity. As such, these results highlight the importance of integrating Emotional Intelligence training and development programs in the workplace to cultivate an environment conducive to improved performance and productivity within the retail textile industry.

### VIII. CONCLUSION

The emotions experienced by individuals significantly shape their behavior. The growth and success of organizations rely heavily on the competence and effectiveness of their workforce. Typically, employees express both positive and negative emotions in the workplace, and these emotions have a profound impact on the outcomes, either enhancing or impeding them. It is crucial for establishing productive work relationships and fostering a conducive work environment to possess a deep understanding of one's own emotions and the ability to comprehend others' emotions. While this study is specific to a particular industry, it underscores the fact that Emotional Intelligence positively affects job performance. Emotional Intelligence empowers employees to stay focused on their objectives, whereas unmanaged emotions can lead to spontaneous disruptions in their concentration and dedication. Organizations should recognize that Emotional Intelligence is a critical factor contributing to successful performance, and they should implement strategies to cultivate Emotional Intelligence among their employees in order to create a more effective and efficient workplace.

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