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# THE ROLE OF EMOTIONAL INTELLIGENCE IN SECURING HIGH SERVICE QUALITY IN INDIAN SERVICE SECTOR

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## *Abstract*

*The article talks about the role of emotional intelligence in improving the service quality in Indian perspective. As we know that years ago there was Agricultural Age, and then came the Industrial Age, and the present is the Information Age. With emotions gaining so much of momentum world wide it could be quite possible that the coming age will be called as the age of emotional intelligence. Since it is imperative for every individual to deal and interact with co-workers successfully, emotional intelligence competency is almost as important as intelligence quotient for one's own and also for the organization's success. Intelligence skills when mixed with components of emotional Intelligence such as honesty, trust, integrity, resilience, commitment, motivation, empathy, humor, courage etc can spell huge success. More and more organizations are bringing in consultants to conduct workshops based on emotional intelligence for their employees. Management training or development programs are deemed to be incomplete these days if a discussion of emotions does not take place. Organizations have been started to be seen as emotional zones by managers. As the employees have emotions that influence their response to the world around them, this article talks about how emotional intelligence can play a pivotal role in enhancing the service quality of a firm. This article is a theoretical contribution towards the relationship of emotional intelligence with service quality which has not been studied as extensively yet and mostly the available literature focuses on relationship between emotional intelligence and leadership roles.*

**Keywords:** Organizations, Emotional intelligence, Customer service, Service quality, Service sector

## INTRODUCTION

Organizations are downsizing, reengineering themselves to compete in the global market and are facing an explosion of available information (Luthans, 1998). America

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America is moving from a manufacturing economy to a value-added, service-oriented economy, and at the heart of services are relationships: interpersonal relationships; intergroup relationships; and interdepartmental relationships. The ascendance of work teams in large organizations puts a new premium on relationship team skills. Among others, this set of skills includes the following competencies: (Perrella, 1999).

1. Communicating or listening openly and sending convincing messages,
2. Managing conflict, which entails negotiating and resolving disagreements,
3. Inspiring and guiding individuals and groups as a leader,
4. Initiating and managing change and
5. Collaborating and cooperating with others towards shared goals.

These examples indicate the growing importance of finding, hiring, training, and retaining employees having high emotional intelligence.

Emotional intelligence is defined as a person's self-awareness, self-confidence, self-control, commitment and integrity, and a person's ability to communicate, influence, initiate change and accept change (Goleman, 1998).

With organizations having utmost need to provide best customer service so as to survive in the market, there are numerous factors which are responsible for high quality service which can be divided into basically two factors: "human" and "technical" factors. Technical factors include: reliability, scalability, effectiveness, maintainability, grade of Service, etc. Human factors include: stability of service, availability of service, delays etc. Emotional Intelligence is one of the most important human factor which is responsible for high service quality and which is now a days being given due consideration owing to the role that it can play in ensuring high service quality.

In this contemporary world, companies in India (especially those providing services) have started paying attention towards the enhancement in service quality because of intense competition. These days, effective and qualitative performance in service occupations is not at all about ability, but it involves emotions and assessing other's behavior. People who can judge their emotions and are good at reading other's emotions may be more effective in their jobs (Afolabi et al, 2006).

The article examines the relationship between Emotional Intelligence and employees' performance in Indian service sector. This sector is one of the fastest growing sectors in India and the companies of this sector are competing in perfectly competitive market conditions. Any factor that can contribute towards the improved performance of the employees is crucial to be studied and then implemented so as to gain competitive advantage.

## **INDIAN SERVICE SECTOR**

In medieval times Agriculture sector was the backbone of Indian economy, but as the time passed on, Indian economy as a whole has come out of the agricultural sector, although agriculture is crucial for our economy and it still has good control over it. Service sector is one of the fastest growing fields in the recent years and has made tremendous contribution to the Indian economy with a 55.2% share in GDP. The importance of the service sector can be gauged by looking at its contributions to different aspects of the economy. This sector manages to be at top even if industrial and agriculture sectors are combined.

One of the services that plays a vital role in improving the performance of service sector in India is software which has highlighted India on the world map. Other services which are accountable for this remarkable performance are tourism and transport services. Besides these, the other contributors towards this sector are infrastructure, financial services, telecom, ITeS. With foreign direct investment in the services sector, it is expected to grow even better and faster. Still, this sector has to face certain challenges like retaining the competitive advantage in the areas where our nation has carved out a distinct identity for itself like IT & ITeS and Telecom. The other challenge that needs to be dealt is that areas such as tourism and travel needs to be paid due attention as our nation still lags behind other nations in these areas as others have established themselves in this area while we are still unable to compete despite being aware of the fact that potential here is very high. Another challenge for us lies in the areas where we are serving a large chunk of domestic market and have even forayed globally but still the full potential remains untapped such as health care, education, financial services, infrastructure etc.

These challenges need to be addressed in order to outshine and for our nation to gain competitive advantage in these areas which will help in building a developed nation.

## **DIMENSIONS OF SERVICE QUALITY**

Business success largely depends upon the high quality of services given. Service quality is the ability to provide professionally required and customer expected applications of business. There are so many factors behind high quality services. Some suggest that top management support is very important. Some marketing experts believe in the detailed study of the markets before starting a venture. Efficient and quality services are not the result of a single causal factor; it is a result of multiple factors. Human effort has a lot to do with service quality. We can say that there are always a number of factors behind every high quality service offered. The five dimensions of service quality are: (Zeithaml et al, 1988)

1. Courtesy
2. Reliability

3. Responsiveness
4. Assurance
5. Customer satisfaction

The learning and practice of these dimensions can help in improving the performance of service providers and thus in increasing customer satisfaction. The above stated dimensions are the outcome of nothing but people's emotions as it is emotion that shapes a person or an employee's behavior. By applying emotional intelligence, organizations can have increased knowledge about their customers and also a greater ability for recognizing and regulating the quality of service according to customer's desires.

## **EMOTIONALLY INTELLIGENT CUSTOMER SERVICE**

The service sector is full of work dealing with emotions as in this sector a major role is played by the service professional with whom the customers have to interact in order to get their work done. The tremendous growth of service sector in past years which has resulted in impressive population of front line service providers (who can also be called the employees of the organizations) are accountable for creating such emotional climate at workplace which result in a positive atmosphere.

Since, the work place is filled with emotions, how employees feel on the job, what they say they feel like, and what feelings they display--all these are important aspects of organizational behavior and workplace culture. Employees thus working for the service sector are expected to display specific sets of emotion while suppressing others as they deal directly with their customers.

Emotional Intelligence of the staff directly affects the Customer Service a company provides. Hence, it becomes imperative for the leaders of an organization not only to hone their skill sets but also to give due importance and concern towards cultivating and fostering the culture of Emotional Intelligence throughout the organization.

Emotional intelligence can be perceived as one of the most challenging areas in which an individual wants to excel. It is relatively easier to learn about a technology rather than understanding emotions, but in order to provide great customer service employees must learn how to perceive, use, understand and manage emotions. It can also be possible that these skills might take ages to master but they can be learned and acquired. In many cases the lack of awareness about one's emotions holds back their professional and personal growth. In many organizations, we know employees who have the required technical competence better than their counterparts but these very same people are complaining about not getting promotion. Emotional intelligence is the answer to this problem as employees who are better at decoding their own as well as other's emotions fare better than those who lack in this skill.

Employees especially the front end service professionals need to take care of some of the basic specific areas where they can focus and evolve continuously, such as:

- Maintaining etiquette (every customer, every time).
- Providing accurate information.
- Customer is the king.
- Making the customer understand that they respect their time and money.
- Must meet company's goal too every time they are serving a new customer.

All of the above stated points are examples of traits that may differ between employees in both inter as well as intra department. Organizations must train their staff to perform better in these areas and as a result they will be able to provide better customer service. Almost all of the points stated above can be improved and mastered. Also employees can interact with their counterparts which can help them understand how someone amongst them would have handled certain situation.

Providing more than what a customer expects, will result in customer delight and therefore will be beneficial for the business helping it to flourish.

## **THE STATISTICS ABOUT EMOTIONAL INTELLIGENCE**

It is quite evident that people's or rather employee's mood drives performance. Emotional intelligence helps in influencing people's mood and henceforth performance. As per the research conducted by Joshua Freedman (2010) following facts were revealed:

### **a. Technology Professionals in India**

In a study of 81 technology professionals in India, higher Emotional Quotient (EQ- implies how one measures emotional intelligence) was linked to resolving conflicts in a manner that supported mutual gain.

### **b. The Tata group**

It has developed a method to continuously evaluate its managers with a high level of objectivity. They have developed a matrix which tracks the emotional intelligence which they call 'Energy' of their managers against intuition which they call 'Experience'. The distinctive leaders as per this matrix have multi-location and multi-functional 'Experience'. They should also have a high level of physical, emotional, and intellectual energy.

The analysis provided by the matrix helps the group to keep track of the potential leaders in the group and utilize their abilities for the betterment of the group.

### c. **L'Oreal's case**

Cosmetic major L'Oreal gives importance to emotional intelligence as one of the criteria for selecting applicants for sales jobs. The company realized that the sales staff chosen on the basis of emotional intelligence was more productive than those who were not selected on this basis. The sales staff chosen on the basis of emotional intelligence achieved higher sales -figures than those who were not selected based on emotional intelligence as one of the selection criteria. It was also observed that those sales staffs, who were chosen on the basis of emotional intelligence, stayed longer at the job than others

d. In a study conducted on Fortune 500 companies found that salespeople with high Emotional intelligence produced twice the revenue than to those with average or below average scores.

### e. **Ethical Leadership**

In the wake of the happenings at Enron and WorldCom, the Indian company Satyam, and the 2009 economic crisis, the issues of ethical leadership are gaining more attention.

1) Kidwell and Valentine (2009) found that in a more positive workplace, people were more ethical.

2) In a 2009 study of business students, it was found that emotional awareness is tied to ethical awareness.

So, it can be concluded that people or rather employees and managers should be taught the importance of Emotional intelligence and be encouraged to learn the skill, which will help them and their organization to reap the various bottom-line results which are listed above.

## **INDIAN INCORPORATIONS'S CHANGING ORGANIZATIONAL STRUCTURE**

No body wants to work with tyrannical bosses or leaders. The workplace has become far more creative and diverse and managers need to strengthen their Emotional Intelligence in order to retain talent as well as cash on the profits. Modern day managers and leaders need a style which is more informal, supportive and motivating. Negative emotions such as anxiety, confusion, unhappiness and anger have no place in modern organizations," says PV Ramanamurthy, HR Head of Coca Cola India. "The company as a whole has to have EI, not just a few individuals at the top."

Organizations are now training their employees to be able to pick up the emotions of their team members, whenever they take any decision. Most of the leading companies have already included or have started to include coaching on emotional intelligence as a part of their training curriculum and management and leadership

development programs in addition to the traditional methods such as intelligence tests, personality tests etc.

Managers of emotionally intelligent organizations address emotional issues. Unlike Intelligence Quotient, which is a test of brain, Emotional Intelligence is manifested in behavior. For example, one of the traits of high Emotional intelligence is to listen to others rather than to talk. Instead of criticizing people for their mistakes, employees with high Emotional Intelligence render more importance to strengths and spend more time in recognizing achievements and motivating. As a result, they are good at energizing people, one of the key facets of great leadership. Some people seem to be born with high EI, but those who are not so fortunate can internalize these behaviors with practice. "These are learnable skills," says Sudhanshu Tripathi, HR head of the Hinduja group. "Even at senior levels, it is possible to improve EI through coaching."

According to recent studies conducted by the Hay Group, Indian executives need a lot of improvement when it comes to EI. The consulting firm has designed an assessment test which checks individuals' awareness of their own capabilities and the ability to manage them. It then tests their ability to understand others and build relationships. "Indians generally have low scores on empathy," says Gaurav Lahiri, GM, Hay Group India. The good news is that Indians score high on the 'managing self' parameter, which means we're motivated to do what it takes to improve.

## **OPERATIONALIZING EMOTIONAL INTELLIGENCE IN INDIAN SERVICE ORGANIZATIONS**

The process of implementing or practicing emotional intelligence is not a single step approach. It needs to be broken down to simpler constituent steps to make it easier for the employees of the service sector to practice. Service organizations need to implement emotional intelligence to reap benefits as employees from these companies deal directly with the customers, which implies even a single mistake, could hamper the goodwill of the organization. The step by step approach which can be practiced is as follows:

### **1. Understanding**

Under this step, the idea of Emotional Intelligence should be first made clear to the employees of the organization. They may be asked to understand that what is the need of Emotional Intelligence in their organization? Why is it gaining so much popularity now days? What is the impact of Emotional Intelligence on employee's job performance? What benefits can be obtained by practicing it?

### **2. Managing**

This step includes indentifying those dimensions which contribute to managing Emotional intelligence such as self awareness, self regulation, trust, compassion, empathy, conflict management, performing under stress.



### **3. Healing**

Since, emotional intelligence can be learned; employees should be taught how to improve their emotional abilities wherein they lack. Therefore, training centers can be developed in the organizations or training can be outsourced where employees can learn about how to effectively monitor their own as well as others feeling in real time. Also, HR policies of the organizations should give more weightage to the training and practicing of EI and not only to the technical and intelligence aspect. The HR should play a key role in encouraging EI in organizations as in service organizations the responsibility of HR increases manifold because in such kind of companies employees are the face of the organization.

### **4. Institutionalizing**

Finally, the concept of Emotional Intelligence can be administered on organizational level.

### **5. Monitoring and feedback**

Timely monitoring and feedback receiving should be done (responses from customers can be asked for, subordinates and seniors of the employees can be asked).

## **CONCLUSION**

The workplace these days have become far more creative and diverse and managers need to focus on their Emotional Intelligence skills in order to retain talent as well as to cash on the profits. Organizations these days are training their employees and managers to be able to decipher the emotions of their team mates. Most of the leading companies have already included or have started to include coaching on emotional intelligence as a part of their training curriculum and management and leadership development programs. Unlike Intelligence Quotient for which the human brain is responsible, emotional intelligence manifests in behavior hence it becomes imperative that instead of criticizing others for their mistakes, one should focus on strengths and spend more time motivating others and appreciating their achievements. This kind of behavior is also one of the keys to great leadership. For creating and maintaining climate of high quality service in the organization, emotional intelligence is considered most important element as its skills can be learned and practiced by the employees. Owing to its importance, the day may not be far when it will be termed as the next big revolution in the business world. Emotional intelligence and service quality are positively related as they both are vital for increasing performance, efficiency and customer loyalty in the long run. Hence, it's quite evident that emotional intelligence is an important tool for increasing service performance and effectiveness. Further, the importance of emotional intelligence on service quality can be put to use by different service sector companies such as banking, IT&ITeS, telecom, hospitality etc for the betterment of their services and also gender roles can be evaluated so as to judge whether male or their female

counterparts are better at handling emotions which in turn affects their behavior and hence service quality.

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