

RELATIONSHIP BETWEEN EMOTIONAL INTELLIGENCE AND ETHICAL COMPETENCE: AN EMPIRICAL STUDY

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Abstract

Researchers have stated that the attitudes and behaviors of future organizations leaders depend on the current university students. Students need to have a proper understanding of ethical behavior that will provide them the ability to consider the impact of their conducts and actions in the business organizations and towards the society. Studies indicate that factors of emotional intelligence can generate self-regulation and control disruptive actions by understanding the feelings and emotions of others. Therefore, the purpose of the study is to analyze whether business students with emotional intelligence would be able to manage their emotions and react less aggressively to the behaviors of others asserting to more ethicality. The findings revealed that emotional intelligence is a good predictor of ethical competence.

Keywords: Emotional Intelligence, Ethical Competence, Emotions, Ethics, Business.

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1. INTRODUCTION

Professionals, academics and governing bodies have stressed the need to pay attention on the ethical behavior in business students (Thomas, 2004), since students need to have a proper understanding of ethics, social responsibility and cultural diversity that will provide them the ability to consider the impact of their conducts and actions in the organizations and towards the society. Researchers have stated that the attitudes and behaviors of future organizations leaders depend on the current university business students (Reiss and Mitra, 1998, p. 1581). According to Jaffe and Tsimmerman (2005), the ethical attitudes of current business students can predict the future moral climate of business and will render into behaviors that will inculcate in the business world. Moreover, the EI has been recognized as one of the most successful factors in the workplace (Kirch, Tucker and Kirch 2001; Rozell, Pettijohn and Parker 2002) but despite that fact that researchers have recognized the importance of EI in the organizations, few empirical studies has been conducted in the relationship between EI and morals or ethics (Jensen, S., et al., 2007). Therefore, this paper attempts to link the concept of emotional intelligence and ethical competence.

2. REVIEW OF LITERATURE

2.1 Emotional Intelligence:

It is the ability to identify, produce and understand emotions that reflectively regulate one's emotions so as to gain emotional and intellectual growth (Mayer and Salovey, 1997 p. 10). It is the competency to perceive and express emotions precisely to facilitate thought to understand and manage emotions (Brackett, Mayer & Warner, 2004, p. 1389). According to Goleman, D. (1998), there are five components of emotional intelligence identified as (i) self-awareness, (ii) self-regulation, (iii) motivation, (iv) empathy and (v) social skill.

(i) **Self-awareness:** It is the ability to understand one's feelings with a high degree of self awareness how it affects oneself, other people and performance at workplace.

(ii) **Self-regulation:** It is the ability to manage one's emotional or controls disruptive impulses and moods in the presence of others and in different situations.

(iii) **Motivation:** It is the personal drive to achieve goal and a passion to work for internal reasons that go beyond money and status.

- (iv) **Empathy:** It is the ability to understand the needs and feelings of others and being able to treat people according to their emotional reactions.
- (v) **Social Skill:** It is the ability to build and manage relationship with other people and find common ground for meaningful relationships.

2.2 Ethical Competence:

It is the ability of a person to exercise a suitable decision making when making a moral problem and a suitable process or mechanisms in handling relevant moral issues (Kavathatzopoulos, I. (2012). It is also the capability and willingness to exercise tasks based on a reasonable appraisal of the relevant facts (Karsing, P.40). According to Rest (1986), there are four components of ethical competence. They are (i) moral awareness – being aware of ethical problems and situations, (ii) moral judgment – ability to judge which behavior is morally right, (iii) moral motivation – being passionate and driven to do what is morally right and (iv) moral character – being strong enough and prepared to exercise the morally right behavior.

2.3 Emotional Intelligence and Ethical Competence:

Ethical competence is the important tool for handling moral problems in business ethics and emotions are considered as essential contributions to ethical decision making in the organizations (Holian, 2006, Kavathatzopoulos, I., 2012). The two components of Emotional Intelligence i.e, the cognitive component that accesses accurate perceptions of other's emotions and the empathy component that contributes to the understanding of origins of these emotions can lessen negative attribution about others (Hoffman, 1984). Individuals with high emotional intelligence are more skillful at reasoning emotions of their own and behavior of others will use this information to guide thinking and action (Mayer & Salovey, 1990). So, they may be more likely to guide themselves towards ethical thought and actions through emotional intelligence. This ability would contribute to individuals in order to recognize ethical behaviors and another person's ethicality. Therefore, individuals with high emotional intelligence would be able to manage their emotions and react less aggressively to the behaviors of others asserting to more ethicality.

3. PURPOSE OF THE STUDY

Holian (2006) suggested that future study should investigate whether skills associated with emotional intelligence has an impact on ethical decisions. Therefore, this present study examines the relationship between emotional intelligence and ethical competence. It is aligned more closely with the future needs of organizational fairness in the business world. It also seeks the students whether individuals with high emotional intelligence could understand the challenges and expectations of ethical dilemma in the real life.

4. OBJECTIVES OF THE STUDY

1. To ascertain the relationship between emotional intelligence and ethical competence.
2. To analyze the impact of emotional intelligence on ethical competence.

5. HYPOTHESES OF THE STUDY

- (i) H_{01} : There is no significant relationship between Emotional Intelligence and Ethical Competence.
- (ii) H_{02} : There is no significant effect of Emotional Intelligence on Ethical Competence.

6. RESEARCH METHODOLOGY

The study is empirical in nature and used the survey as a data collection tool. Convenience sampling technique which is non-probability sampling technique was used in this study where students are selected because of their convenient accessibility to the researchers. A total of 73 respondents were collected from the BBA and MBA students in the Department of Business Management, Indira Gandhi National Tribal University. With regard to sample demographic distribution, 43.8 percent were male and 56.2 percent were female. According to the research objectives, emotional intelligence is considered as an independent variable and ethical competence as the dependent variable. The 15 items used to measure emotional intelligence were adopted from “The Quick Emotional Intelligence Self-Assessment” by Paul Mohapel, San Diego City College to represent emotional awareness, self-regulation, motivation and social skill. A total of 15 items were used to measure ethical competence, 5 items each were drawn from “Ethical Sensitivity of Finnish Lutheran 7th - 9th Grade Students” by Kirsi Tirri, Petri Nokelainen and Kristiina Holm, to represent ethical awareness, “A taxonomy of ethical

ideologies” by Forsyth, D. R. (1980) to represent ethical judgment, “Ethical behavior, Leadership, and Decision Making” by Emery, E. (2016) to represent moral motivation and “The Ethical Leadership Scale” by Institute for Ethical Leadership (2016) representing moral character. The five-point Likert scale is used where the scale range from 1 (strongly disagree) to 5 (strongly agree). Pearson Correlation, Regression analysis and Cronbach alpha were used to analyze the data. All analysis was performed using SPSS 23.0 version.

7. FINDINGS

7.1 Reliability

It is the test to assess the degree of consistency between multiple measurements of a variable using Cronbach alpha coefficient. Reliability estimates (coefficient alphas) of emotional intelligence is 0.760 and ethical competence is 0.724. Since, all the alpha coefficients were above the required level of 0.7 as suggested by Malhotra et al. (1999), the results of reliability test showed that the items are reliable.

7.2 Correlation Analysis

Using Pearson correlation, the relationship between emotional intelligence and ethical competence was analyzed. The result of correlation analysis is shown in the Table 1.

Table 1: Correlations

	Emotional Intelligence	Ethical Competence
Emotional Intelligence	1	.545**
Pearson Correlation		
Sig. (2-tailed)		.000
N	73	73
Ethical Competence	.545**	1
Pearson Correlation		
Sig. (2-tailed)	.000	
N	73	73

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

Since, the p-value is below 0.05, the null hypothesis is rejected. It shows that there is a positive significant relationship between emotional intelligence and ethical competence.

7.3 Regression Analysis

The simple regression analysis was conducted to analyze the impact of emotional intelligence on ethical competence. Table 2, 3 and 4 show the results of the regression analysis.

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. Change
1	.545 ^a	.297	.287	5.576	.297	29.969	1	71	.000

a. Predictors: (Constant), Emotional Intelligence

Table 3: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	931.706	1	931.706	29.969	.000 ^b
	Residual	2207.308	71	31.089		
	Total	3139.014	72			

a. Dependent Variable: Ethical Competence

b. Predictors: (Constant), Emotional Intelligence

Table 4: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.907	8.378		1.183	.241
	Emotional Intelligence	.841	.154	.545	5.474	.000

a. Dependent Variable: Ethical Competence

Above tables revealed that the emotional intelligence explained 29.7% of the variance of ethical competence of the students. Since p-value is less than 0.05, the null hypothesis is rejected. Thus, these results provided evidence that emotional intelligence has effect on ethical competence.

8. Limitations

First, the sample size is small and further research with larger national samples would be necessary to confirm these findings. Second, the generalizations of the findings of the study to other business students and students from other streams are limited.

9. Conclusions and Implications

The present study contributes to an understanding of the association and impact of emotional intelligence on ethical competence. Drawing from theories related to motivation and ethical competence, the study results indicated that there is positive role of emotional intelligence on ethical competence within the business students. In conclusions, emotional intelligence has been found to be a good predictor of ethical competence in the business students. Thus, organizations need to consider how emotional intelligence can be aligned with ethical competence and provide helpful insights into the area of growing concern for the society, researchers and educators. It is recommended that further study should be carried out on other external factors impacting ethical competence of business students.

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