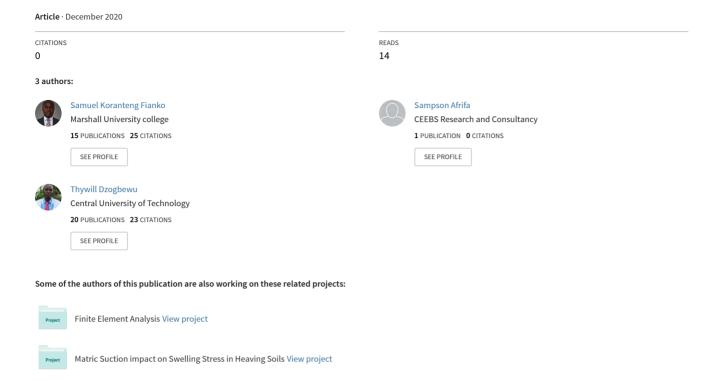
### Does the Interpersonal Dimension of Goleman's Emotional Intelligence Model Predict Effective Leadership?



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# Does the Interpersonal Dimension of Goleman's Emotional Intelligence Model Predict Effective Leadership?

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#### **Abstract**

The purpose of the study is to examine the relationship between social awareness and relationship management as the interpersonal dimension of Goleman's emotional intelligence and their ability to predict effective leadership in the Ghanaian banking industry. Using a descriptive cross-sectional survey design, a sample size of 307 employees was determined for the study from six commercial banks selected from Ghana's Club 100 rankings. A multi-stage sampling technique was used in the selection of the banks, their branches and employees who participated in the study. Standardized questionnaires served as the instruments for data collection. Hierarchical multiple regression analysis was used to analyze the data. A significant positive relationship exists between social awareness and leadership effectiveness as well as relationship management and leadership effectiveness. The results also showed that demographic variables (gender, age, educational level, tenure) significantly moderated the relationship between social awareness and leadership effectiveness as well as relationship menagement and leadership effectiveness.

**Keywords**: Emotional Intelligence, Social Awareness, Relationship Management, Leadership Effectiveness.

#### Introduction

The critical role emotional intelligence plays in explaining employee performance has resulted in much attention being given to the concept by researchers (Kaur &Sharma 2019; Gong, Chen & Wang 2019; Pekaar, van der Linden, Bakker & Born 2017; Dhani & Sharma 2017). Several studies have found that when leaders demonstrate a high level of emotional intelligence, they become effective at leading others (John & Niyogi 2019; Prezerakos 2018; Lone & Lone, 2018; Issah, 2018). According to Miao, Humphrey and Qian (2016), emotional intelligence has also been associated with efficient job performers. Narayanan (2016) argues that employees exhibit organizational citizenship behaviours, achieve high levels of job satisfaction, and are often more committed to their career and the organisation when they are emotionally intelligent. Emotional intelligence (EI) is also linked to customer satisfaction and organizational productivity. EI has been studied in connection with organizational leadership. Extant literature reveal that the relationship between emotional intelligence and effective leadership have been

explored by several scholars within the context of organisational setting (Kaur & Sharma 2019; Gong, Chen & Wang 2019).

This study focused on Goleman's model of emotional intelligence, which has four dimensions: self-awareness, self-management, social awareness, and relationship management. The emphasis of this study is on the examination of the interpersonal dimensions of Goleman's emotional intelligence model, which includes social awareness and relationship management. Goleman (1998) refers to social awareness as one's ability to become aware of other's emotions in the workplace. Relationship management refers to the ability of an individual to manage the emotions of others in the workplace (Goleman, 1998). The paper, therefore, argues that the effect of the interpersonal dimensions of emotional intelligence, which comprise of social awareness and relationship management, potentially improve can effectiveness within Ghana's banking industry. It is established fact that in the course of the discharge of functions within an organization, emotional eruptions between leaders and employees is not uncommon (Jeung, Kim, & Chang, 2018). However, as leaders become aware of the emotions of their subordinates (social awareness) and effectively manage those emotions (relationship management), it has positive implications for their leadership effectiveness. The lack of empirical research on the interpersonal dimensions of Goleman's model on effective leadership in the Ghanaian banking industry is a key motivator for this research paper.

Due to the strategic role leadership plays within the banking industry, the concept has recently gained the attention of several scholars (Effelsberg, Solga, & Gurt, 2014; Hernandez & Long, 2014; Tourish, 2014). Krasikova, Green and LeBreton, (2013) argue that effective leaders in the banking industry inspire confidence in the employees and empower team members to achieve set targets and overall organisational performance. Northouse (2013) further posits that ineffective leaders with poor leadership skills in the banking industry create losses for the banks through low productivity, high employee turnover, and a toxic working environment.

According to Makkar and Basu (2019), the banking environment is defined by diverse tasks and enormous pressure, and would require leaders to have the emotional intelligence needed to draw out the best from employees in such a challenging work environment. Emotionally intelligent leaders provide significant motivation to employees to boost their output, efficiency and effectiveness as the banking environment is a

task-oriented by nature (Anand, Ali, Panwar & Singhal 2019). Banks in Ghana, like many other countries, are constantly scanning their environment and developing new strategies to help them gain a competitive advantage on the market (Danquah, 2014). The role of leaders in the banking sectors is very much crucial owing to the fact that their efficiency contributes significantly to employee productivity and ultimately success in relation to achieving annual, quarterly and monthly targets (Orazi, Turrini & Valotti 2013). It, therefore, remains relevant to explore the impact of bank leaders' interpersonal dimensions using Goleman's model (social awareness and relationship management) on effective leadership in the Ghanaian banking industry.

#### Literature Review

#### Goleman's Model of Emotional Intelligence

Daniel Goleman, a psychologist and science writer who has previously written on brain and behavioural research for the New York Times, discovered the work of Salovey and Mayer in the 1990s. Inspired by their findings, he began to conduct his own research in the area and eventually wrote Emotional Intelligence (1995), the landmark book that familiarized both the public and private sectors with the concept. Goleman's model outlines four main emotional intelligence constructs. The first, self-awareness, is the ability to read one's emotions and recognize their impact while using instinctive feelings to guide decisions (Goleman, 1998). Self-management, the second construct, involves controlling one's emotions and impulses and adapting to changing circumstances. The third construct, social awareness, includes the ability to sense, understand, and react to other's emotions while comprehending social networks. Finally, relationship management, the fourth construct, entails the ability to inspire, influence, and develop others while managing conflict (Goleman, 1998). Researchers opine that social awareness and relationship management are the interpersonal dimensions of Goleman's (1995) model. This is because both of them require individuals to deal with the emotions of others in the workplace. For instance, social awareness requires the ability of leaders to become aware of the emotions of their subordinates at the workplace. On the other hand, relationship management requires leaders that can manage the emotions of their subordinates at the workplace. It is however prudent to

find out whether these dimensions of Goleman's emotional intelligence predict effective leadership in the Ghanaian banking industry.

#### Social Awareness (Empathy)

Social awareness (empathy) has become increasingly important to the success of leadership because empathetic leaders are more likely to have an appropriate degree of openness about diversity and cultural differences (Choi, 2013). According to Martinovski, Traum, and Marsella (2007), social awareness also plays an important role in developing trust in leader-employee relationships. Additionally, being an effective leader requires the ability to take the perspective of others (McCormick, 1999). McCormick (1999) further notes that the ability to take the perspective of others means that leaders should be able to see the world through others' eyes. Thus, leaders must acquire empathy to promote behaviours that are necessary for effective global leadership.

In their study comparing emotional and cognitive competencies as a basis of how subordinate- perceived effective leadership, Kellet, Humphrey and Sleeth (2002) report that social awareness (empathy), which is a substantial EI component, bore the strongest correlation with perceived effective leadership. This suggests that perceiving others' state of mind and empathizing with them may establish an affective bond that is beneficial for leadership.

The social-awareness dimension of EI states that a heightened state of awareness in a leader's communication abilities is vital understanding both the situation and the follower's level comprehension (Pinos, Twigg & Olson, 2006). Of all dimensions of emotional intelligence, empathy is the most easily recognized (Goleman, 2001). In the most basic form, the ability to empathize is the ability to read another person's body language for emotion and continually attuning to how someone else feels as we communicate with them (Goleman, 2004). This ability may seem very "unbusinesslike" or out of place amid the tough realities of the marketplace. However, empathetic people have proven to be superb at recognizing and meeting the needs of clients, customers, or subordinates. They seem approachable, wanting to hear what people have to say. They listen carefully, picking up on what people are truly concerned about, and they respond on the mark. Accordingly, empathy is the key to retaining talent. Of all the factors in a company's control, tuned-out, dissonant leaders are one of the main

reasons talented people leave and take the company's knowledge with them (Goleman, 2004). Globalization is another reason for the rising importance of empathy for business leaders. Empathy is a critical skill for both getting along with diverse workmates, employees and doing business with people from other cultures. Cross-cultural dialogue can easily lead to miscues and misunderstandings. Empathy is an "antidote" that attunes people to subtleties in body language or allows them to hear the emotional message beneath the words and have a deep understanding of the existence and importance of cultural and ethnic differences.

#### Relationship Management

The triad of self-awareness, self-management, and empathy all come together in the final EI ability: relationship management. Managing relationships skillfully boils down to handling other people's emotions (Goleman, 2004). As a component of EI, social skills are not acquired as easily it sounds. It is not just a matter of "being friendly", it demands that leaders be aware of their own emotions, attuned to those of the people they lead, and are moving people in the right direction, whether it is agreeing to a marketing strategy or enthusiasm about a new project. The art of handling relationships well begins with authenticity, acting from one's genuine feelings (Goleman, 2004). According to Goleman (2004), the relationship management dimension of emotional intelligence comprises of developing others, which is defined by gaining an understanding of the developmental needs of others and helping them to acquire them.

Although this ability is crucial for those who manage the daily operations of an organization, it has also emerged as a vital skill for effective leadership at high levels (Goleman, 2000). Relationship management also refers to the extent to which inspirational leadership is provided in the leading of others (Goleman, 2004). Inspirational leaders are able to articulate and arouse enthusiasm for a shared vision and mission, to step forward as needed, to guide the performance of others while holding them accountable, and to lead by example. Another key aspect of relationship management is the ability to convince or persuade others so as to get support on a specific agenda or course of action (Goleman 1998). Additionally, it involves conflict management which refers to the ability to handle difficult individuals, groups of people, or tense situations with diplomacy and tact. This competency entails finding

the best solution to a given problem or disagreement. Managing relationships also includes the ability to work cooperatively with others in teams as opposed to working separately or competitively (Goleman, 1998).

#### Why do leaders need emotional intelligence?

Emotional intelligence is defined as the ability of a person to understand and manage his or her own emotions and also understand and manage the emotions of others in the workplace (Goleman, 2014). Leaders' emotional intelligence, therefore, is the ability of leaders in organization to be aware of their personal emotions, effectively manage them, and also have the ability to identify, understand and effectively manage the emotions of their subordinates in an organization (Goleman, 2014). It has been found that the ability of a leader to identify emotions and feelings within themselves also allows the leaders to correctly identify the emotions of peers and groups, to express emotions accurately, and to differentiate between honest and deceptive emotional expressions (Torrence &Connelly 2019). Leaders' usage of emotions can enhance cognitive processes and decision making (Connelly et al., 2014). EI allows leaders to understand and motivate others by making emotions available, engaging in multiple perspectives that facilitate more flexible planning, and more creative, open-minded, and broader thinking and perspectives. Torrence and Connelly (2019) and Riley and Park (2014) further report that when people are in positive moods such as happiness and joy, they tend to be more optimistic and have more positive perceptions and perspectives about themselves, such as having a good sense of self-esteem and of achievement, compared with negative moods, that result in pessimism, negativism, and feelings of failure and despair.

Understanding emotional intelligence provides functional insights into human behaviour and perceptions. This understanding includes the ability to recognize relationships between emotions, determine an emotion's underlying meaning, comprehend complex feelings and recognize and accept emotional fluctuation (Kamalian & Fazel, 2011). Identification use and understanding of emotions facilitate effective management of emotions. Kidwell and Hasford (2014) study established that a leader who positively express emotion leads to higher member ratings of the leader and that members' perceptions of leaders are

associated with the level of congruency between the leader's verbal message and their nonverbally expressed emotion.

Managing emotions allows leaders to dissipate and alleviate the effects of negative events and provide redirection and focus on more positive events and moods (Lerner et al., 2015). Emotional management for leaders occurs when they become aware of and can manage the triggers of their positive and negative emotions. Leaders, therefore, concentrate on doing things that trigger positive emotions while they make sure that the triggers of negative emotions are minimized or eradicated from the work environment (Kamalian & Fazel, 2011). In a related study, Siegling et al. (2014) found that emerging leaders within groups adopt the role of managing the group's emotional state. They use their empathy—emotional perception of self and others, emotional management of self and others, emotional expression, emotional inspirational leadership, role communicate messages to group members regarding group performance and contextual events. As a result, group members read their leader's behaviour and crafted emotional interpretations of the situation, which then guides their own behaviour (Joseph et al., 2015). This empirical evidence has demonstrated the strong relationship between emotional intelligence and performance, the existence of a relationship between emotional intelligence and leadership effectiveness, and the need to combine emotional intelligence abilities and competencies leadership skill (Siegling et al, 2014; Joseph et al, 2015).

One of the strongest evidence to date for the utility of emotional intelligence (EI) for predicting on-the-job success for leaders comes from a study by Cavallo and Brienza (2006). This study assessed the leadership behaviour of 358 leaders at Johnson and Johnson Corporation, at locations across the globe. The study found the best performers were those with high emotional intelligence (EI) as rated by their supervisors, peers, and subordinates in the Emotional Competency Inventory (ECI), a 360-degree feedback instrument based upon Goleman's (2001) model. Emotional intelligence competencies that were the best predictors of success in this study were self-confidence, achievement orientation, initiative, leadership, influence and catalyzing change. In this regard, leaders need emotional intelligence because it has the potential to make them effective leaders as they are able to identify, understand and manage their personal emotions as well as the emotions of their subordinates in the workplace.

## The Debate: Does Emotional Intelligence predict Effective Leadership?

The concept of emotions is central to leadership as it provides the connection between leader and follower (Torrence &Connelly 2019; Humphrey, 2012). In this regard, the literature includes a growing focus on the impact of emotional intelligence on effective leadership. Researchers have examined the impact of emotional intelligence on transformational leadership (Rosete & Ciarrochi 2013), the attributes of leaders (Tschan; Rochat & Zapf, 2015), and leadership in self-managing teams (Weerheim, Van Rossum, & Ten Have, 2019).

Despite the extant research on emotional intelligence and its relations to leadership, a significant debate has emerged over the validity of the emotional intelligence construct (Ashkanasy & Daus, 2005) and in particular, its link to leadership (Antonakis, Ashkanasy & Dasborough, 2009). Antonakis et al. (2009) contend that emotional intelligence is not required for good leadership. Watkins et al (2017) posit that a good leader could use simple scripts to address the emotional requirements of the leadership role. Indeed, Antonakis et al. (2009) refer to the "curse of emotion" for leaders. In the papers published by Antonakis et al. (2009), his counterparts, Ashkanasy and Humphrey (2011) respond by noting that the relational aspects of leadership are characteristically predicated on emotion. Ashkanasy and Humphrey (2011) go on to acknowledge problems with the emotional intelligence construct but infer that it is naive to ignore this variable in leadership research. Antonakis et al. (2009) seem to completely ignore studies on the importance of authentic leadership and its links to emotional authenticity. Srivastava (2013) also argues that the ability of leaders to understand and manage emotions is central to their effectiveness. From a different perspective, Sadri (2012) found a link between a follower's perception of the leader's displayed emotions and perceptions of leadership emergence. This finding also emerged in research by Daus et al., (2012), who contend that a leader's emotional displays are essential in developing and maintaining relationships with followers. They also found that a leader's emotional intelligence predicts followers' perceptions of leadership effectiveness. Previous studies have found support for the idea that emotional intelligence predicts leader emergence (McCullough 2015; Hong, Catano, and Liao, 2011).

From this standpoint, the researchers argue that emotional intelligence is a critical indicator of effective leadership among organizations. This is because leadership is intrinsically an emotional process, wherein leaders recognize followers' emotional states, attempt to evoke emotions in followers, and then seek to manage followers' emotional states accordingly (Watkins et al 2017). Daus et al. (2012) and Pescosolido (2002) aver that leaders increase group solidarity and morale by creating shared emotional experiences. The ability of leaders to influence the emotional climate can strongly influence employee performance (Han, Seo, Shim, & Iin, 2019; Gunu, & Oladepo, 2014). Emotional intelligence has been generally accepted as the foundation for good leadership whereby a person's level of EI is a good sign of how the leader will perform in the work environment (Ingram, Peake, Stewart, & Watson, 2019). Lone and Lone (2018) posit that emotional intelligence is an important aspect for effective leadership as it assists leaders to monitor subordinates and shape their perception of work and reflect their needs. EI has also been reported specifically in relation to the leadership and management of change (Dhingra & Punia, 2016). Hence, EI is a very important skill required by business leaders to ensure the organization's success.

Studies have also shown that emotional intelligence impacts a leader's ability to be effective and that managers who do not develop their emotional intelligence have difficulty in building good relationships with peers, subordinates, superiors and clients (Miao, Humphrey & Qian, 2016; Goleman, 1998). It is also mentioned that interpersonal skills have become integral to effective leadership where leaders were once seen to control, plan and inspect the overall running of an organization. Emotional intelligence is thereby regarded as a key factor in an individual's ability to be socially effective (Miao, Humphrey & Qian, 2016; Choi, 2013) and is viewed in leadership literature as a key determinant of effective leadership (Walter, Cole & Humphrey 2011). Dhingra and Punia, (2016) assert that a high EI level might enable a leader be better able to monitor how well group members are feeling and take the appropriate actions to improve their performance. From the arguments, we hold the position that the emotional intelligence of leaders in the Ghanaian banking industry has the potential to enhance effective leadership.

#### Demographic variables in emotional intelligence studies

Demographic variables such as gender, age, educational level and work experience/tenure have shown their relevance in emotional intelligence studies over time. In terms of gender, studies have shown that women have higher level of emotional intelligence than men (Day & Carroll, 2004). However, there are also studies that found that no significant relationship exists between gender and an individual's emotional intelligence (Cavallo & Brienza, 2006). In terms of age, studies have shown that older people are more emotionally intelligent that young people (Boyatzis, Goleman & Rhee, 1997, 2002; Mayer, Salovey & Caruso,2002). Studies have also shown that the educational level of individuals and their work experience have a positive influence on their emotional intelligence in the workplace (Adams & Hancock, 2000).

## Interpersonal Dimensions of Goleman Model of Emotional Intelligence and Effective Leadership

Hasan (2015) examined how leadership competencies are impacted by the emotional intelligence of leaders in the industrial companies in Jordan. One of the objectives of the study was to determine the relationship between social skills and leadership competence. The study adopted a quantitative research approach with a sample size of 154 questionnaires administered to randomly selected participants. The findings of the study revealed that social skills have a significant positive effect on leadership competencies development.

In another study, Narong (2015) investigated the relationship between a leader's emotional intelligence and perceived effectiveness of leaders. One of the objectives explored the impact of social awareness on effective leadership, while the other investigated the effect of relationship management and effective leadership. The study adopted a quantitative approach with a sample size of 91 senior managers and 1000 employees in a utility company in the United States. The findings of the study revealed that both interpersonal dimension of Goleman's model of emotional intelligence, which comprises of social awareness and relationship management, have non-significant positive relationship with effective leadership.

Ying and Ting (2010) also investigated the relationship between emotional intelligence and effective leadership among academic heads in higher learning educational institutions in Malaysia. Among the objectives of the study was to establish the relationship between social awareness and leadership effectiveness as well as relationship management and leadership effectiveness. Using a quantitative research approach, the study adopted convenience sampling to collect data from 120 lecturers from six higher learning educational institutions in Malaysia. The findings of the study revealed that a significant positive relationship exists between social awareness and leadership effectiveness. The study further confirmed that the relationship between relationship management and leadership effectiveness was also a significant positive relationship.

Based on the empirical literature on social awareness, relationship management and effective leadership, the following hypotheses are proposed:

Hypothesis 1: There is a significant positive relationship between social awareness and effective leadership.

Hypothesis 2: There is a significant positive relationship between relationship management and effective leadership

#### Methodology

The research method for the study was quantitative because the researchers dwelled on objectivity in examining the relationship between variables used for the study. The research was conducted in the banking sector in Ghana. A total of six banks were selected from the Ghana Club 100 using systematic sampling techniques. In order to get a balance of high performing and low performing banks to be included in the study, the first three (3) high-performing banks and the last three (3) lowperforming banks were selected for the study to form the sample size. The accessible population of the six banks to determine the sample size for the study was 1,600 employees. The researchers computed the sample size for the study by using Krejcie and Morgan (1970) technique for determining sufficient sample size. Out of the accessible population of 1,600 employees, a sample size of 307 employees was selected for the study. A 100% response rate was achieved. The survey was conducted in the six banks selected for the study where the researchers administered the questionnaires. However, they were given a period of two weeks to fill out the questionnaires at their own convenience. Follow-ups on the

administered questionnaires were done through phone calls. The instruments used for the data collection were standardized structured questionnaires. The structured questionnaires allowed the respondent to check facts which ensured accuracy of response and required very little of the respondents' time, in addition to allowing respondents to provide answers at their own convenience (Singh, 2015). The interpersonal dimensions of EI-social awareness and relationship managementwere measured using the Emotional Competence Inventory (ECI) developed by Boyatis (1999). The social awareness component of the questionnaire contained sixteen (16) items while the relationship management component contained ten (10) items. Sample items on social awareness comprise the following: "My manager demonstrates an from someone ability see things else's perspective"; "My manager understands the underlying causes for someone's feeling behaviour or concerns". Sample items on relationship management comprised the following: My manager gives timely, constructive feedback in behavioural rather than personal terms"; My manager brings disagreement and grievances into the open".

The Global Executive Leadership Inventory (GELI) (de Vries, 2005) was used to measure leadership effectiveness. The Global Executive Leadership Inventory consists of 100 action-and-behaviour based questions that are designed to measure leadership competency. A total of ten (10) items were selected from the questionnaire after an exploratory factor analysis was conducted using a sample of fifty (50) employees in a pilot study. The ten (10) items measured five dimensions of leadership competencies: visioning, empowering, energizing, designing and aligning, and rewarding and feedback. Sample items on effective leadership comprised the following: "My manager involves subordinates in decision making"; "My manager makes sure that we always have a clear idea of tasks that needs to be performed".

Table 1: Reliability Statistics

Variables	Number of Items	Cronbach Alpha
Social Awareness	16	0.820
Relationship Management	10	0.789

Effective Leadership	10	0.727

Reliability tests were conducted using the SPSS software version 21 to assess the reliability levels of the instruments used for data collection. The Cronbach alpha values for the instrument in measuring the variables social awareness, relationship management and effective leadership were 0.820, 0.789 and 0.727, respectively, indicating the instrument showed sufficient levels of internal consistency since their Cronbach alpha values were greater than 0.7 (Sekaran & Bougie, 2016).

#### Results

In this section, the results of the study are presented in terms of demographic statistics, validity statistics and regression statistics.

Table 2: Demographic Statistics

Gender	Frequency	Percentage (%)
Male	250	81.4
Female	57	18.6
Total	307	100
Age	Frequency	Percentage (%)
20-30 years	45	14.7
31-40 years	146	47.6
41-50 years	116	37.8
Total	307	100
Educational Level	Frequency	Percentage (%)
First Degree	156	50.8
Masters/Postgraduate	151	49.2
Total	307	100
Tenure	Frequency	Percentage (%)

Less than 1 year	72	23.5	
1-5 years	11	3.6	
6-10 years	67	21.8	
11-15 years	147	47.9	
16-20 years	10	3.3	
Total	307	100	

According to the demographic statistics results, the study was dominated by males as they constituted 81.4% while females constituted 18.6%. In terms of age, it was found that most of the respondents are between the ages of 31-40 years (47.6%), 37.8% were between the ages of 41-50 years while 14.7% were between the ages of 20-30 years. For the educational level, majority of the respondents have a first degree (50.8%) while 49.2% have a masters/postgraduate degree. In terms of tenure, it was found that most of the respondents have worked in the banking industry for a period of 11-15 years (47.9%); 23.5% have worked in the banking industry for a period of 6-10 years; 3.6% have worked for 1-5 years in the banking industry while 3.3% have worked in the banking industry for a period of 16-20 years.

Table 3: Validity Statistics

	KMO	Bartlet's test of Sphericity	Total Variance Explained	Factor Loadings Range
Social Awareness	0.770	0.000	61.8%	0.651 - 0.823

Relationship Management	0.726	0.000	85.2%	0.724 - 0.885
Leadership Effectiveness	0.784	0.000	72.7%	0.711-0.803

A validity statistics test was conducted for the variables using exploratory factor analysis. From the results, it can be inferred that the KMO values for social awareness was 0.770 while that of relationship management was 0.726. The KMO value for effective leadership was 0.784, indicating that the sample size was adequate which therefore made exploratory factor analysis appropriate. Furthermore, the Bartlet's test of Sphericity was 0.000 for all the variables, indicating that the variables correlate well with each other. The total variance explained for the variables ranged from 61.8% to 85.2% while factor loadings for the variables ranged between 0.651 to 0.885 giving the indication that the variables are statistically valid to measure what they intend to measure.

#### Hierarchical multiple regression results

Table 4: Model summary (hierarchical multiple regression)

Model	R-Square	R-Square Change	F-value	p-value
1	0.792	0.684	582.6	0.000
2	0.820	0.028	628.3	0.000

13.052

.000

	Model	В	SE	β	t	p
1	Gender	.644	.071	.217	9.051	.000
	Age	.113	.049	.065	2.311	.022
	Educational Level	1.098	.057	.426	19.188	.000
	Tenure	.371	.026	.335	14.525	.000
		В	SE	β	t	р
2	Gender	.211	.049	.071	1.782	.000
	Age	.024	.031	.014	4.491	.002
	Educational Level	.374	.050	.145	3.831	.001
	Tenure	.134	.020	.121	5.752	.001
	Self-Awareness	.131	.041	.433	4.335	.000

.054

.698

Table 5: Coefficients (hierarchical multiple regression)

.707

#### Dependent variable: leadership effectiveness

Self-Management

The hierarchical multiple regression analysis was used to analyze the data gathered from the questionnaires. Two models were developed. In the first model, the control variables which are demographic variables such as gender, age, educational level and tenure were entered. In the second model, the independent variables (social awareness and relationship management) were added to the model. The r-square value (0.792) indicates that 79.2% of the variation in the dependent variable (leadership effectiveness) are explained by the demographic variables (control variables). However, when the independent variables were added, 82% of the variation in the dependent variable (leadership effectiveness) was explained. From the r-square change, it could be inferred that social awareness and relationship management (independent variables) contributed an additional 2.8% variation in the dependent variable (leadership effectiveness). The results also showed that both models 1 and 2 had model fitness indicating that control variables had the potential for statistically predicting leadership effectiveness (F=582.6, p=0.000). Social awareness and relationship management (independent variables) also have the potential for statistically predicting leadership effectiveness (F=628.3, p=0.000). From the co-efficient table, it can be seen that in model 1, all the control variables have significant positive relationships with leadership effectiveness as their p-values were less than 0.05. However, in model 2 it can be seen that a significant positive relationship exists between social awareness and leadership effectiveness  $(\beta=0.433, p=0.000)$ . It was also found that a significant positive

relationship exists between relationship management and leadership effectiveness ( $\beta$ =0.698, p=0.000). This shows that demographic variables (gender, age, educational level, tenure) have significant influences on managers' ability to become aware of subordinates' emotions (social awareness) and manage those emotions (relationship management) in order to enhance their leadership effectiveness.

#### Discussion

The objective of this study was to determine the relationship between social awareness (empathy) and effective leadership. In view of this objective, it was hypothesized that there is a significant, positive relationship between social awareness (empathy) and effective leadership among managers of selected banks in Ghana. The findings of the study revealed a significant positive relationship between social awareness and effective leadership. This shows that managers' ability to understand the emotions of others and deal with them in an appropriate manner (empathy) is a predictor of effective leadership at the workplace. It is important to note that social awareness (empathy) has become increasingly important to the success of leadership because empathetic leaders are more likely to have the appropriate degree of openness about diversity and the differences between cultures (Choi, 2013). According to Martinovski, Traum, and Marsella, (2007), social awareness (empathy) also plays an important role in developing trust in leader-employee relationships. Additionally, being an effective leader requires the ability to take the perspective of others (McCormick, 1999). McCormick (1999) further notes that the ability to take the perspective of others means that leaders should be able to see the world through others' eyes. Thus, leaders must acquire empathy to promote behaviours that are necessary for effective global leadership.

In their study comparing emotional and cognitive competencies as bases of subordinate- perceived effective leadership, Kellet, Humphrey and Sleeth (2002) found that social awareness (empathy), which is a substantial EI component, bore the strongest correlation with perceived effective leadership. This suggests that perceiving how others feel and empathizing with them may establish an affective bond that is beneficial for leadership. Goleman et al. (2002) also note that social awareness (empathy) helps leaders to increase their capacity and willingness to understand situations and accept proposed changes and opinions of

others. Social awareness enables leaders to be sensitive towards others so that they can create an atmosphere of openness, making these leaders more flexible and open to new ideas and perspectives that lead to effective leadership (Goleman, 2001).

The study also sought to determine the relationship between relationship management and effective leadership. In view of this objective, it was hypothesized that there is a significant, positive relationship between relationship management and effective leadership among managers of selected banks in Ghana. The result of the study a significant positive relationship between relationship management and effective leadership. This postulates the idea that relationship management significantly predicts a leader's ability to be effective. The findings of the study are consistent with the literature. According to Goleman (2004), managing relationships skillfully boils down to handling other people's emotions. As the tasks of leadership and communication within an organization become more complex and collaborative, relationship skills become increasingly pivotal. For instance, every large organization must distribute its leadership among its division heads, and that creates a de facto team. Beyond that, as organizations realize that the old functional silos-marketing over here. strategy there, compensation here must be broken down, more leaders routinely work with their peers as part of cross-functional teams. If any group needs to maximize its effectiveness, it's the team at the top, which means establishing close and smooth relations so that everyone can share information easily and coordinate effectively (Goleman, 2004).

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