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# EMOTIONAL QUOTIENT-BASED HIRING AND ORGANIZATIONAL PERFORMANCE: MEDIATING ROLE OF EMOTIONAL INTELLIGENCE

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# ABSTRACT

This study investigated the influence of EQBH on OP. This investigation also examined the mediating effects of EI. Islamabad and Rawalpindi-based organizations were chosen for the current study. The distributed questionnaire recorded responses from employees and their managers separately. Of 450 surveys given questionnaires, 350 were retrieved. Findings from this study indicate that EI mediates the link between EQBH and OP. This

framework will positively contribute to the achievement of the project's objectives and milestones, together with the active participation of managers in maximizing their knowledge, talents, and skills with the use of EI. This critical study addition to management, also recommended future directions and has several managerial and academic implications

# INTRODUCTION

An Emotional Quotient (EQ) is not just a trendy phrase for companies; it has become more important in the organizational setup and in the research community as well. In the scientific community, there has been a steady increase in interest in emotional intelligence (EI). Google Scholar reports a rise in the number of references to EI in scientific works from 57,000 between 1995 and 2000 to 121,000 over the next five years. Emotional intelligence plays a vital role in building emotions. Emotions are effective for hiring and organizational performance. Emotional intelligence helps in shaping emotions that impacts performance (Chong, Falat, and Lee, 2020). Emotions contribute to psychological well-being (Tejada-Gallardo et al, 2020). This increase in scholarly interest demonstrates how emotional intelligence is becoming more and more valued across a range of industries, including business, psychology, education, and healthcare. The increase in publications on this subject demonstrates the growing demand for knowledge regarding the contribution of emotional intelligence to success on the job and in other contexts. The fact that there is more research on EI only serves to highlight how important this concept is for leadership, teamwork, communication, and general well-being. This in turn demands greater communication, cooperation, and teamwork in order to ensure that projects are completed on time and within budget. Multinational Enterprises must be extremely careful in terms of their hiring practice in order to cater to the demands of the current market.

There is a glaring research gap regarding the application of EQ-based hiring standards by multinational corporations in the area of human resource management (HRM). According to (Chagelishvili, 2021) Emotional quotient contributes to achieving success in work. Emotional Quotient helps in building a strong relationship with job performance (Chong, Falat, and Lee,2020). This dearth of research is especially evident in Pakistan, where there are no studies on the hiring and screening practices employed by multinational corporations. Therefore, it is imperative to investigate how EQ-based hiring affects organizational performance in this nation. We can learn more about the efficiency of EQ-based hiring practices and how to use them to improve organizational performance in Pakistan by conducting research in this area. This study will be instrumental in highlighting the gaps in current HR practices and identifying opportunities for improvement in multinational enterprises operating in Pakistan.

There is a large amount of literature dealing with the subject of EQ and its effects on individual and organizational performance. Numerous research concluded this (Susan, 2015; Atif bilal, 2017; Uzna,2012: Ivan, 2016; Zhongming, 2015) What is interesting to note is that there is a lack of research to evaluate the effects of EQ-based hiring on Multinational Enterprises in Pakistan. Pakistan is a country where Human Resource Practices have begun to

spread at a very fast pace. But apparently, multinational enterprise firm has not analyzed the importance of EQ-based hiring on their organizational performance. Furthermore, there has been no previous attempt in Pakistan to analyze the hiring criteria that would affect performance.

In recent years, gaining a deeper understanding of human emotions has become an area of important concern for many psychologists and social scientists. Individuals within the population continually experience both positive and negative emotions on a daily basis whether this is during their academic, personal, or professional life (Chiara, 2016; Neal, 2017). Consequently, it is imperative that such emotion-triggering processes are handled intelligently in order to maintain not only work-life quality but also human well-being. As a result of this, the theory of "Emotional Quotient" (EQ), also known as "Emotional Intelligence" (EI) has gained tremendous importance in recent years. The emotional Quotient describes the ability and capacity to perceive, assess, and manage the emotions of one's self, of others, and of groups. Furthermore, EQ comprises skills that include self-awareness, people management, impulse control, anger management, stress management, initiative, time management, meeting expectations, and motivating and leading others. However, EQ is not a new notion. It has roots in the concept of "Social Intelligence" identified by Thorndike (1920) whose definition of Social Intelligence referred to the elements such as the "ability to understand people" (Ruisel, 1992) and "introvert and extrovert" types of human personality. This demonstrates that Thorndike's definition of Social Intelligence referred to the emotional aspect of intelligence, which is similar to the modern concept of EQ. The early definition of Social Intelligence influenced contemporary scholars to conceptualize EQ from different perspectives. The first scholars to identify EQ were Mayer and Salovey in 1990, who defined EQ as 'a type of social intelligence involving the ability to monitor one's own and other's emotions, to discriminate among them and to use the information to guide one's thinking and actions (Mayer and Salovey, 1990). With reference to this definition, it can be inferred that their EQ framework referred to the development and measurement of emotional intelligence and the identification of its significance. Furthermore, their model presented a cognitive perspective of emotional intelligence focusing on "how a person feels" which deals with the mental aptitude where human traits like "outgoing" and "warm" are an individual behavior. In addition, they argued that the EQ concept is based on some measure of "thinking about feeling" (Mayer and Salovey, 1990).

Contrary to the work of Mayer and Salovey, David Goleman modified the concept of EQ in 1995 in his bestselling book "Emotional Intelligence: why it matters more than Intelligence Quotient". Goleman's definition of EQ was related to all non-cogitative abilities different from the Intelligence Quotient (IQ) that help a person in the success of organizational performance (Goleman, 1995). In addition, Goleman described EQ as a theory of performance, which focused on how intelligently a person could deal with his/her emotions at work and its impact on organizational effectiveness. More specifically, Goleman (1998) described EQ as a crucial factor in increasing individual performance in a wide range of professions from sales to leadership. Thus, it can be noticed that whilst various theories have been proposed by scholars on different occasions,

the definitions have some common meaning and that is "how intelligently an individual deals with his/her emotions as well as with the emotions of other people". Therefore, it can be inferred that whether it is a job-related situation or human well-being, EQ plays an important role.

With an emotional intelligence in the workplace acting as a mediator, this study will examine the relationship between EQ-based hiring and organizational performance. Organizational performance will be the dependent variable, emotional intelligence at work will serve as the mediator, and EQ-based hiring will serve as the independent variable. This study will add to the body of knowledge on the value of emotional intelligence in the workplace by examining the function of emotional intelligence as a mediator in the relationship between EQ-based hiring and organizational performance. The results of this study may also be helpful to foreign companies doing business in Pakistan because they can highlight the potential advantages of incorporating EQ-based hiring practices into their HRM strategies. Overall, the findings of this study highlight the need for additional research in this field and have the potential to offer insightful information about the elements that contribute to the success of multinational enterprises in Pakistan.

#### LITERATURE REVIEW

The concept of emotional quotient (EQ) has grown in significance in the area of human resource management and is now acknowledged as being essential to the success of contemporary organizations. This has prompted numerous multinational corporations to adopt EQ-based hiring practices as a means of identifying and attracting candidates who have the emotional intelligence competencies required to succeed in their positions. Emotional quotient is effective in decreasing the burnout rate (Sanchez-Gomez and Breso, 2020). Emotional intelligence is an effective and efficient tool for organization (Alsughair, 2021). The goal of this review of the literature is to assess critically the current research on the impact of EQ-based hiring on the operational performance of multinational corporations. Examining the effects of EQ-based hiring on worker job satisfaction, retention, productivity, and overall organizational performance will be a specific focus of the review. This review aims to provide useful insights into the advantages and constraints of EQ-based hiring through a thorough analysis of the existing literature. It also aims to provide best practices for businesses looking to improve their recruitment and talent management strategies. In the end, this study will add to the ongoing discussion about the value of emotional intelligence in the workplace and how it affects organizational success in the contemporary business environment.

#### **Emotional quotient**

In 1998, Danial Goleman defined emotional Intelligence/Quotient as the recognize and manage one's own feelings and also of others, to self-motivate and handle our own emotions well enough (Goleman, 1998). Emotional Intelligence, introduced by Goleman, refers to abilities different from but supplementary academic intelligence. The concept of emotional intelligence consists of 25 distinct components, which have been grouped into five categories: self-awareness, self-regulation, motivation, empathy, and social

skills. These five categories form the foundation of emotional intelligence and are essential in developing one's emotional quotient (Boyatzis, Goleman, 2000; Golemann, 1998). Emotional intelligence builds analytical capacity and motivates others as well (Majeetha and Nirmala, 2020). There are over thirty different measures of emotional intelligence that are widely used. However, even though experts in the field have a clear understanding of the different types of emotional intelligence and their respective measures, those outside the field can find it confusing due to the complex literature, similar terminology, and numerous measures available (peter, 2019). Some of the widely used EI scales are, Mayer-Salovey-Caruso Emotional Intelligence Tests (MSCEIT) (Mayer et al., 2002), Self-report Emotional Intelligence Test (SREIT) (Schutte et al., 1998), Trait Emotional Intelligence Questionnaire (TEIQue) (Petrides and Furnham, 2001) Bar-On Emotional Quotient Inventory (EQ-i) (Bar-On, 1997), Emotional and Social competence Inventory (ESCI) (Boyatzis and Goleman, 2007), The Situational Test of Emotional Management (STEM) (MacCann and Roberts, 2008), The Situational Test of Emotional Understanding (STEU) (MacCann and Roberts, 2008), Emotional Intelligence according to Goleman (1995) is a "master aptitude, a capacity that profoundly affects all other abilities, either facilitating or interfering with them." Therefore, he suggested that teachers should give importance on discovering and developing the child"s emotional intelligence as much as they (the teachers) give importance on scholastic performance. One of the main functions of the school is to get the students ready in facing real life situations like looking for a job and working effectively in their chosen career

# EQ and Individual Performance

Despite the importance of emotions in the work environment, EQ has been overlooked in the organizational environment in the past. Emotional Quotient increases the accomplishment of personnel (Kim and Foroudi, 2020). Traditionally, IQ was considered as an important element for an individual's success both in academic and professional life. However, recent research shows that not only IQ but EQ is also necessary for individual performance both in academic and professional life. Thus, it can be argued that there is an association between both IQ and EQ as shown by the work of Shruti (2015), Fernandez (2007). This argument has been supported by the work carried out by Cherniss (2000) showing that emotional and social skills actually help in improving cognitive functions.

These recent researches also suggests that both emotional and mental intelligence needs to be considered for an individual success in both academic and professional life. This is evident from the work of Rode et al. (2006), Shruti (2015), Fernandez (2007).

Similarly, EQ is equally important in professional life as it is in academic life. According to Bar-On, (2000), Kenneth (2008), Chao (2017) there is a positive correlation between EQ and individual performance. However, within professional life, importance is being felt more of EQ rather than IQ, which would depict, which individual would rise to the top in comparison to his/her colleagues. In addition, research conducted by Cherniss and Goleman (2001), Leila, (2021), Law (2008) proved that emotional capabilities play an important role in predicting job performance of individuals.

The above argument can be supported by various studies, which show that there is no significant correlation between technical knowledge IQ and career achievement with personal performance (Goleman, 1999: 167; 2001: 20; Cherniss and Adler, 2000; Uzma (2012). It can also be argued that it is not essential that IQ is the only criterion that results in better performance as ordinary performers also have similar strengths when compared to outstanding performer.

Therefore, it can be concluded that EI has a significant impact on the job performance of employees and while hiring new employees, companies should bear in mind their emotional intelligence. The EQ aspect is an essential factor that should be considered in an organization's hiring process in order to overcome the upcoming challenges that companies are facing in this competitive world.

# EQ-based hiring

Recently, using EQ measures for career selection has gained momentum in many organizations in the western world. Emotional quotient builds organizational capabilities for successful operational tasks (Poornima & Sajitha, 2020). According to Abu-Rumman A.; et al. 2021 Emotional intelligence and personnel engagement had a good correlation. Thus, many companies realize the importance of EQ skills for organizational outcomes. According to one survey, four out of five companies are implementing EQ-based employee hiring methods. Interestingly, one group of writers has argued that if the driving force of Intelligence in twentieth-century business has been IQ, then in the dawning twenty-first century, it will be EQ" (Cooper & Sawaf, 1997). According to Mayer et al. (2008), the emotional quotient is more important than the intelligence quotient and helps measure personnel progress.

In order to hire a candidate, specific competencies need to be evaluated which should be suitable for the job requirement. These competencies are classified as technical skills, purely cognitive abilities, and abilities related to EQ (Cherniss & Goleman, 2001). The emotional quotient measures various human resource management variables (Andrei et al.,2016; Miao et al.,2016a, 2016b). These competencies distinguish star performers from the average performance.

Comparing these competencies has been argued that emotional competencies result in a two-thirds difference in performance compared to the difference created due to technical skills and cognitive ability (Goleman, 1998). In another study, Shruti (2015) found in their data that high achievers had somewhat inconsistent IQs. Many low IQ participants had excellent grades; the opposite was true that high IQ participants did very poorly in their grades. At the same time, the EQ was very consistent. The greater the EQ, the better they performed, and the lower EQ, the less they performed. In another study, Kashif (2017) found that EI negatively impacts exhaustion among employees, leading to minimizing employees' turnover intention.

These studies conclude that during the hiring process, importance needs to be given to EQ competencies as it has a positive effect on tasks in organization and performance (Kavita, 2012; Amjad, 2011; Chughtai, 2015; Uzma, 2012). More significantly, IQ is insignificantly related to the employees' performance, revealing that only IQ is insufficient for employees' success. Whereas, Emotional Intelligence is found to significantly impact employees' success, signifying that Emotional Intelligence is more important than IQ (Uzma, 2012). However, it could be argued that a person with high mental competencies would also tend to have a high EQ. However, it is also important to realize that most Intelligence is only moderately correlated with one another (Guilford & Hoepfner, 1971; Adriane, 2008). Therefore, it could be argued that besides other competencies, the EQ perspective should also be considered while hiring an employee for a particular job. Human Resource practices help gain a comparative advantage (Collins, 2021). In addition, there is a positive correlation between employee skills and organizational performance. Organizations can acquire the best talents through recruitment processes. Hence, employees with practical skills and expertise can lead to better organizational performance. Therefore, the hiring process facilitates the selection of the right candidate for an organization and thus leads to overall organizational performance.

However, it has been argued that such practices alone are not responsible for the organization's performance. Instead, the number of factors involved is complex, which influences the overall performance of the organization and the employees (Khan & Abdullah, 2019). Human resource management practices improve work and personnel quality according to (Khan & Abdullah, 2019). Therefore, it could be argued that some factors can influence organizational performance, though they might not be directly linked with organizational performance. Also, EQ is considered an essential element in the organizational performance.

The following research supports the above argument, which established a link between EQ and organizational performance. Moreover, scholars believe EQ can build a competitive advantage (Malik, 2011).

In conclusion, studies show that HR practices, especially hiring, contribute to positive organizational performance (Joy, 2015), which could be possible if employees are hired properly.

H1: EQ-Based hiring positively impacts organizational performance H2: Emotional Intelligence has a positive and significant effect on OP.

# Emotions at work

The impact of emotional intelligence on job performance has brought about a significant increase in awareness of the role of emotions in the workplace in recent years. Research has shown that emotions can positively and negatively influence employee performance depending on the type of emotions experienced and how they are managed.

Emotions are considered to be an integral and indispensable part of work. From moments of joy or frustration to an enduring sense of commitment and dissatisfaction, the work experience is filled with feelings. This is apparent in the works of (Ashkanasy, 2017; Ashford, 1995; Roberta, 2015). They identified a direct relationship between work and employee emotions. Further studies showed a positive correlation between job satisfaction and emotions (Stephane, 2002; Christian, 2012). They described that employees with positive emotions are more satisfied in their work than those with negative emotions. Considering the outcome of these studies, it can be noticed that both positive and negative emotions play an essential role in employee performance within a work environment. However, one must consider how one controls feelings or emotions concerning different circumstances. This is essential as those who amplify positive emotions increase job satisfaction and decrease the intention to quit (Stephane, 2002). Research has also shown that emotional intelligence can reduce the adverse effects of emotions on work performance. Employees with higher levels of emotional intelligence are better able to identify, comprehend, and control their emotions; as a result, they are more likely to feel positive emotions and less likely to feel negative ones (Goleman, 1998). This can then result in improved job performance.

In conclusion, emotions can significantly affect how well a person performs at work, with positive feelings typically resulting in better performance and negative feelings having the opposite effect. Emotional intelligence is crucial in the workplace because it can reduce the adverse effects of emotions on work performance.

H3: Emotional intelligence in the workplace mediates the relationship between EQ-based Hiring and Organizational performance.

# **Cognitive Theory of Emotions**

According to the cognitive theory of emotions, a person's emotional response is primarily influenced by how they interpret a situation or event rather than the actual occurrence. This evaluation considers the person's opinions, assumptions, and readings of the circumstance. This theory contends that emotions are the result of a person's cognitive evaluation of stimuli rather than being an automatic reaction to those stimuli.

Richard Lazarus, who put forth the cognitive theory of emotions in the 1960s and 1970s, is one of its most significant proponents. According to Lazarus, there are two main stages to how people evaluate events: the primary appraisal and the secondary appraisal. The event's significance for the person's well-being is assessed during the primary appraisal, whereas their coping mechanisms and options are assessed during the secondary appraisal.

The cognitive theory of emotions and the idea of emotional intelligence (EI) are closely related. Emotional intelligence (EI) is the capacity to recognize, comprehend, and control one's own emotions and those of others. Emotional intelligence, which aids people in accurately perceiving and interpreting emotional information, is a crucial component of the cognitive appraisal process, according to the cognitive theory of emotions.

According to some research, organizations may perform better when they hire workers with higher emotional intelligence. For instance, a study by Lopes et al. (2006) discovered a positive correlation between emotional intelligence and job performance. Employees with higher emotional intelligence had better social skills and were more adept at controlling their emotions at work. Emotional intelligence was positively correlated with job satisfaction and organizational commitment in another study by Joseph and Newman (2010).

# **Conceptual Framework**



Figure 1. Conceptual Framework

# **RESEARCH METHODOLOGY**

#### Population and sample

A representative sample was collected from this population for this investigation. The majority of the sample population for this study was multinational corporations. We sought out individuals employed by these companies in Pakistan's twin cities i.e. Rawalpindi and Islamabad. Gathering data from the entire population is a complex and time-consuming task. As a result, a representative sample of the population is chosen. Because of EI's role as a mediator, evaluating whether EOBH affects OP is made more accessible. A representative sample of the entire population was drawn using a quantitative research methodology to collect the data. A statistical sampling method based on the absence of statistical assumptions is called non-probability sampling, also referred to as convenience sampling. This sample size is adequate for making generalizations. The author chose survey participants at random who were available and eager to complete the questionnaire for his research, much like with the practical sampling technique. This is because the task is difficult and time-consuming. As a result, the author created a sample of 450 people and distributed questionnaires to the working population of the target cities. In this study, experts look at how EQBH and OP interact to get their conclusions. A survey was created and distributed to employees to gauge their feelings about EQBH, OP, and EI. Before distributing the questionnaire, the author of this study gathered information by visiting various businesses. During these trips, he or she questioned the company's performance with the manager or supervisor on employees.

After being informed of the study's objectives, participants agreed that their information would be kept confidential and used solely for research purposes. When distributing the questionnaire to personnel, provide minimal context for the research. The employees were given the survey and instructed to fill in all the spaces. The author initially distributed 450 staff surveys but only received 380 answers (of which 350 were legitimate). Hence, 77% of eligible respondents filled out the questionnaires.

# Sample Characteristics

The authors asked them questions to learn as much as possible about the respondent. Depending on the research type being done, various population samples would need to be collected. As a result, the demographic information about the study's participants included their ages, sexes, job descriptions, and lengths of service. Demographics were covered in one section of the questionnaire.

	Frequency	Percentage	
Male	224	64	
Female	126	36	
Total	350	100	
Age			
24-30	106	30.3	
31 -36	113	32.3	
37-43	77	22	
Over 44	52	14.9	
Total	350	100	
Tenure	Frequency	Percent	
1-3	5	1.4	
4-6	34	9.7	
7-9	182	52.0	
Above 10	129	36.9	

# Table 1. Sample Characteristics

As shown in the table1 above, the target organizations employ more men than women. The data indicate that women contribute 36% to this field, while men contribute 63.7%.

Age is another essential component of demographics. It's common for individuals to be uncertain to reveal their age, but when given a range, they're much more willing to do so. We can judge their level of maturity and expertise based on their age range. The data indicate that the most common age range is 31–36. 128 out of 350 individuals responded. 22% of the population comprises

those between the ages of 37 and 44, followed by those aged 24 to 30 at 30.3% and those aged 44 and older at 14.9%.

Table 1 in section 3.3 displays the frequency of tenure changes. Employees with a tenure rate of 7-9 (52%) have been there the longest, followed by those with a tenure rate of 10+(36%) and 4-6 (9.7%), and 1-3 (1.4%).

# Descriptive statistics

In descriptive statistics, we explored the fundamental characteristics of the data acquired for our investigation. This approach accurately depicts the minimum, maximum, mean, standard deviation, and total number of questionnaires utilized in our research. Table-formatted descriptive statistics demonstrate that the response relates to this research. The standard deviation reveals how much the study data departed from the norm, whereas the mean reveals the average of the research variables.

	N	Minimum	Maximum	Mean	Std. Deviation
EMI	350	1.00	4.80	4.2509	.34975
EQBH	350	1.00	5.00	4.2525	.37139
OP	350	1.00	5.00	4.2462	.38178
Valid N (listwise)	350				

 Table 2. Descriptive statistics

As demonstrated in Table 2, there are 350 total participants. This table depicts the range of possible values for each variable in the research. EQBH ranged from 1 to 5, with 5 representing the greatest value. In addition, EI ranged from a minimum of 1 to a maximum of 4.80. Accordingly, OP varied between a minimum of 1 and a maximum of 5.

The mean value of the EQBH score was 4.2525, with a standard deviation of 0.37139. The standard deviation for EI was.34975, resulting in a mean of 4.2509. OP's mean value is 4.2462, and its standard deviation is 0.38178.

# Instrumentation and Reliability analysis

Instrumentation and reliability are combined in table 1. Instrumentation is putting together the constructs of several variables. In contrast, reliability is the process by which researchers acquire consistent and reliable results when an item is tested repeatedly for a scale. Table 3 combines measurement and dependability.

Construct	Authors / Researchers	Number items	ofCronbach's
EQBH	(Seal, 2010)	8	.836
EI	(Holt, 2005)	15	.865
OP	(Holt, 2005)	6	.790

#### Table 3. Instrumentation and Reliability Analysis

Cronbach's alpha and the rest of Table 3 show that the scale is reliable. Higher Cronbach alpha values indicate greater reliability, whereas lower values indicate less assurance. Every alpha value for every variable was more than 0.70 on the Cronbach alpha scale, which spans from 0 to 1. This signifies that the data was usually reliable.

All the variables (EQBH, EI, and OP) were recorded on five-point Likert scale. Mean value reflects the images of the respondent what they think and how they are related.

The variables EQBH is measured using 8 items (Seal, 2010), EI was measured adopted 15 items (Holt, 2005), and OP was measured using 6 items (Holt, 2005).

#### Correlation analysis

Correlation is a procedure used to examine and describe the link between variables; for this purpose, Individual correlation was used to calculate the relationship and significance between each variable. It is known that the correlation range for the analysis lies between -1 and 1. A value of 1 indicates a perfect positive relationship between any two variables, while -1 indicates an indirect and negative relationship. In correlation, 0 indicates no linear link, 0.4 indicates a moderate relationship, and 0.5 indicates a significant relationship in any research.

		EMI	EQBH	OP		
EMI	Pearson Correlation	1	.734**	.663**		
	Sig. (2-tailed)		.000	.000		
	Ν	350	350	350		
EQBH	Pearson Correlation	.734**	1	.717**		
	Sig. (2-tailed)	.000		.000		
	Ν	350	350	350		
OP	Pearson Correlation	.663**	.717**	1		
	Sig. (2-tailed)	.000	.000			
	Ν	350	350	350		
**. Correlation is significant at the 0.01 level (2-tailed).						

#### Table 4. Correlation Analysis

In the above given table 4 we seen that the positive and significant relation between the EQBH (independent variables) and EI (mediator) is  $r=.734^{**}$  and p<0.01. There is a positive and significant relationship shown between the EQBH and OPas  $r = .717^{**}$  and p<0.01. A positive and significant relationship exists in between OP and EQBH  $r=.717^{**}$  and p<0.01.

# **Regression Analysis**

Regression analysis is a process it helps the researcher to measure the impact of dependent variables on independent variables. The regression a nalysis variables wise mentioned below;

# The Relationship between EQBH and EI

The data shown in the table above are statistically significant, which is shown in the conclusion. According to the information in the table, there is a significant and favorable correlation between EQBH and EI.

Predictor	Beta	R	Adjusted R Square	F	Sig.
		Square			
Model KMCs	.734	.539	.538	406.819	.000

a. Dependent Variable: EI

b. Predictors: (Constant), EQBH

The data in the table indicate that R squared is equal to 0.539. p is less than 0.01, and beta is less than 0.734. The R-squared value, which represents the coefficient of determination, shows how statistically significant the model is. The beta value, which shows the rate of change, shows that a one-unit change in EQBH causes a 0.539% change in EI. Additionally, if the value above lies between zero and one, that is acceptable for our research. The significance level (p-value) indicates the result's significance, including the letter F's value of 406,819 in the total. As a result, it is shown that there is a positive and statistically significant relationship between EQBH and EI.

H1: EQBH positively and significantly impacts on EI.

Table 6. Relationship between EI and OP

	Predictor	Beta	R Square	Adjusted R Square	F	Sig.
Ē	Model TC	.663	.439	.437	272.224	.000

a. Dependent Variable: OP

b. Predictors: (Constant), EI

Table 6 demonstrates that this is a statistically significant finding. With a beta of 0.663, R2 equals 0.439, and p is less than 0.01, respectively. This demonstrates that a 1% change in EI will result in a 43.9% change in OP. All of the calculated values for this set of questions demonstrate, in addition to a positive correlation between the variables, that as EI increases, so does OP. Consequently, this supports our second hypothesis.

H2: EI is a positively and significant impact on OP.

#### Mediation

As its mediatory procedure, the study employs model 14 from the work of Andre F. Hayes (2011). This model was used to validate the mediation in the studies. Mediation reveals relationships between independent and dependent variables. The mediation procedure elucidates the nature of the alleged link. These researchers aim to get to the bottom by examining the process. The EI acts as a bridge between the independent (EQBH) and dependent (OP) variables. As a result, we will see how the EOBH affects OP about various variables. When partial mediation is observed as opposed to complete mediation, the mediator has a low chance of explaining the total deviation between EQBH and OP. This demonstrates that the researcher needs to include more mediators to explain the relationship entirely. When the researcher examines the pf result, the mediation, independent variable, and dependent variable become equal to zero, referred to as complete mediation. On the other hand, mediation has two effects: one direct and one indirect. When researchers observe the mediator's indirect effect on the independent and dependent variables, this case demonstrates a significant relationship between them.

And if we observe that both the direct and indirect effects have significant values, then the output of the mediation from Andre F. Hayes was 14, and the bootstrap was 5000. during this process, we gave the command of OLS/ML confidence and compared the direct and indirect effects.

**Table 7.** Mediation Summary

	Index	SE(Boot)	BootLLCI	BootULCI
EI	.0677	.0262	.0204	.1202

In table 7, which summarizes the model, we verify the EI result and examine the relationship between the predictor and mediator. The significance level (P) indicates that EI, OP, and EQBH are strongly correlated. Because the LLCI (lower level of confidence interval) and the ULCI (upper level of confidence interval) are not equal to zero, the beta coefficient does not have a value of zero at p0.05, indicating a positive relationship and the presence of mediation. The following table demonstrates the results of EI and EQBH. With a coefficient of 0.0677 (probability of 0.05), LLCI of 0, ULCI of 0, and a beta of 0, we can conclude that the value of EI mediates the relationship between the other variables.

# Direct, Indirect and Total Effect

It is also possible to consider the following to be an indirect effect of X(EQBH) and Y(OP) with M via mediation: (EI). The values of the estimate are displayed within a confidence interval. It will be statistically significant at p0.05 if, at the EI point, the 95% confidence interval does not contain zero. The mediation will be more convincing if the indirect effect is also substantial. When p.05 is met, significance is established. TABLE 8: Direct Effect of EQBH on OP

Effect	SE	t	р	LLCI	ULCI
.5138	.0543	.4679	.0000	.4071	.6206

Table 8 displays the positive and statistically significant correlation between EI and OP. As shown by the values of p (0.000 and p0.05) and the absence of zero between LLCI and ULCI, the relationship between EI and OP is positive and has a direct effect.

**TABLE 9:** Role of EI as mediator

	Index	SE(Boot)	BootLLCI	BootULCI
TC	.2230	.0864	.0097	.3414

In addition, the final table displays the indirect effect of EQBH on OP via EI. As shown in the table, if there is no zero value between LLCI and ULCI, the relationship is positive, and there is a mediating effect of EI between EQBH and OP.

H3: EI partially mediate the relationship between EQBH and OP.

# DISCUSSION

It is discussed how EI acts as a mediator between EQBH and OP. We use several variables to establish a relationship between EQBH and OP, and we also investigate the effect of EI on this relationship, all using data from multinational companies. In this study, all tested hypotheses were confirmed to be accurate, and their implications will be discussed in detail below.

H1 hypothesized that EQBH significantly and favorably affects OP. The above hypothesis is supported by statistical analysis. This research advances our knowledge of how EQBH factors and the OP interact. Jimenez (2010) defines EQBH as a group of abilities that help managers and organizations enhance performance and realize their organizational goals. These skills include gathering, disseminating, and using data. Rafiei (2017) describes how EQBH affects OP and how it is equally essential for creating new procedures and products. Both internal and external capabilities and skills are crucial for achieving OP. In their study, Dewi (2019) concluded that OP improvement

should include EQBH as a requirement. If the manager possesses significant knowledge, capabilities, and skills, expect a positive impact on OP.

According to H2 Hypothesis 2, EI and OP have a positive correlation. EI is believed to be vital in advancing work in vast, complicated cultures and increasing OP (Rezvani et al., 2018). In addition, since EI is a phenomenon involving the recognition of other people's needs and desires, managers who are aware of their subordinates' needs and promptly meet them will increase their subordinates' work progress and commitment to job completion, which will ultimately assist them in completing the task efficiently and on time, thereby boosting the OP (Muller, & Turner, 2010).

Furthermore, since emotional intelligence is a phenomenon of identifying the need and wants of others, if managers become aware of the needs of their subordinates and if they timely fulfill their needs, then work progress and commitment of subordinates towards job accomplishment gets increased, ultimately helping to achieve the task efficiently and timely, and thus increasing the OP. To improve OP and succeed, EI is seen as a necessary condition and crucial aspect (Muller & Turner, 2010). Managers who score high on the EI scale also tend to foster a productive and pleasant work environment for their teams, boosting OP (Maqbool et al., 2017).

H3 hypothesized that Emotional intelligence mediates the connection between EQBH and OP. According to research by Amaravathi (2014), EI is essential to achieving OP. Emotional intelligence is crucial for a manager because it determines who joins his team and how their talents can be utilized most effectively. Jim (2018) examines how an increase in emotional intelligence can aid in reducing employee turnover without compromising productivity. If a manager is emotionally robust, he can read his employees' emotions and adapt his management style accordingly. In addition, the statistical analysis will demonstrate that our hypothesis was accurate because, in our culture, emotions are highly valued, and people have a tendency to form emotional bonds with one another, allowing them to support one another during difficult times, offer assistance when needed, and work strategically together to achieve their goals.

# **IMPLICATION**

# **Theoretical Implication**

This study fills many gaps in the existing literature and has significant theoretical implications. Using the study's findings, the authors discussed EQBH in the context of the literature on organizational management. Furthermore, this study's findings help expand the existing theoretical literature. In this study, we focused on how managers' emotional, social, cognitive, behavioral, and healthiness (EQBH) traits affect business outcomes, and we used multinational enterprises as our unit of analysis (OP). This theoretical work helps close the literature gap caused by the need for more previous work on WQBH on OP. This study shows that EQBH has a positive effect on OP. This highlights the significance of managers' EQBH and the traditional triple

management constraint used to identify the OP. Based on the existing literature, it would be beneficial to elaborate on which factors will affect the OP.

Finally, we looked at EI's function as a mediator between EQBH and OP. This study fills a gap in the literature that existed regarding this relationship. The data confirmed our working hypothesis, which asserted that EI would have a statistically significant positive impact on both EQBH and OP. Overall, this study advanced our understanding by providing a framework for future researchers to build their hypotheses and methodologies and produce superior results for their investigations. This study fills in both of the research holes from the earlier study and gives a clear picture of what affects where and how. This study adds significantly to the body of knowledge already in existence. As far as we know, it has yet to be the focus of any previous research, making it valuable from a theoretical standpoint.

# **Practical Implication**

This study has numerous applications in the real world. This research applies to a wide range of management disciplines. Emotional intelligence, interpersonal skills, and the ability to establish and maintain productive relationships are all required for effective management. This study was carried out because it is critical to assess the impact of EQBH on OP. From the CEO to the smallest team member, the importance of this study cannot be overstated. Researchers concluded that businesses must ensure that the managers they hire have the necessary expertise if their missions are to be successful. It is important to note that EQBH plays an essential role in management, as a manager with strong EQ skills will ensure that his team members work harmoniously together despite their diverse backgrounds.

# Strengths, Limitations, and Direction for Future Research

Our study has limitations that, like all studies, serve as a guide for the field's future. These issues are addressed in this section of the study. The main problem with this study is that convenience sampling was used. Due to time constraints, researchers frequently use convenience sampling to gather data from a large population. The new research has addressed the original researchers' shortcomings, such as a too-small sample size and a too-confined geographic focus. Upcoming researchers will easily overcome the limitations of this study. Only the largest cities in Pakistan were comprised of the data set. This study relied on information gathered from several multinational companies, but more investigation is needed. Only a tiny portion of the total population can be included in the data collection process using a convenience sampling technique. Thirdly, because this research was done in the context of Pakistani culture, results from comparable studies done in other nations might differ. Even though all research hypotheses were confirmed, more research on these variables is still required, especially when moderators like organizational risk and openness to new ideas are considered.

A crucial area in organizational culture that new researchers can look into is how EQBH impacts OP output. Future studies could look at how EQBH affects EI and its effects on several other variables.

# CONCLUSION

This study's primary objective is to establish the strength of the relationship between EQBH and OP. Researchers concur that a company's success depends on its leadership, supervisors, and employees' caliber. The findings of this study indicate that a company's bottom line improves when hiring decisions are made solely based on candidates' EQ and when employees are given the freedom to contribute to the company's mission using their unique skill sets.

We received over 450 questionnaires, and we were able to analyze 350 of them. Verifying the appropriateness of the reliability we identified comes at the end of our data analysis. EI theory supports the research as well as the tested hypotheses. Its main strength is the effectiveness with which this study tested the mediation effect of EI between EQBH and OP. It should be noted that only a portion of the neighborhoods in a few cities was looked at in this study, which nevertheless supported the null hypothesis. The importance of EQBH and its effect on the OP are examined in this study. It is emphasized how important EQBBH is to managers and how they can help the organization achieve its goals.

This is a significant new empirical investigation and research. This study fills a gap in the existing literature about EQBH and OP. This study contributed to the current literature by identifying emotional intelligence (EI) as a new mediator between overall quality of life (EQBH) and adverse outcomes.

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