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## Relationship between Spiritual Intelligence and Emotional Intelligence with Transformational Leadership

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**Abstract** This study provides the knowledge about the relationship between emotional and spiritual quotient to transformational leadership and somehow these variables (emotional and spiritual quotient) are influencing the transformational leadership in Universiti Utara Malaysia. Results showed there is a positive relationship between emotional and spiritual quotient to transformational leadership. It will be interesting to evaluate the link between emotional and spiritual quotient and transformational leadership in larger samples, and across different industries. It will also be important for research to evaluate the ability of emotional and spiritual quotient to predict future performance

**Keywords:** emotional quotient, spiritual quotient, transformational leadership

### Introduction

In this age of rapidly changing business environment, leadership is more important than ever. The present organizational focus on revitalizing and transforming organizations to meet competitive challenges ahead has been accompanied by increasing interest among researchers in studying transformational leadership (Barling, Weber & Kelloway, 1996). Such leadership is necessary for quickly identifying new market opportunities and for developing appropriate competencies within organizations. Over the last two decades, considerable literature has accumulated on transformational leadership (Bass, 1998). There exists a relationship between transformational leadership behaviors and various outcomes measured at the individual and organizational level.

The idea that the dimensions comprising transformational leadership affect critical organizational attitudes and outcomes is now well established in the leadership literature (Goleman, Boyatzis & McKee, 2002). For the literature review also, we can see so many findings that transformational leadership has the positive effect with the organization productivity and morale related outcomes.

In their ongoing quest to be competitive, organizations are being exposed to more significant change. It is now commonplace for an organization to undergo change (Higgs & Rowland, 2000), most are due to some internal or external factor that requires an organizational adaptation especially for leader.

Although so many research on leadership, there is still much uncertainty about what is required to be an effective leaders (Higgs and Rowland, 2000; Higgs, 2003). Questions still remain around why intelligent and experienced leaders are not always successful in dealing with environmental demands and life in general.

The concept of emotional quotient (EI) is explored and offered as a means to predict both individual and organizational success. It can also complement any customer satisfaction information used to evaluate organizational success. According to Tischler, Biberman and Mckeage (2002), emotion and spirituality are often seen as “black boxes”: subjects we cannot know well, so we exclude them or talk around them in our theories and models. But it seems

increasingly clear from the emotional quotient (EI) literature that those with higher EI seem to have healthier, happier, more productive lives and seem to do better at work. It also seems clear from the spirituality literature that people with higher levels of spirituality have healthier, happier and more productive lives at work.

### **Transformational Leadership**

To be an effective leader, manager or professional, a person needs the ability to use knowledge and to make things happen. These can be called competencies, which Boyatzis (1982) defined as, “the underlying characteristics of a person that lead to or cause effective and outstanding performance” (Boyatzis and Saatchioglou, 2008).

Transformational leadership is proactive. This kind of leader sees the present as a springboard to achieve future aims. He or she forms new expectations in his or her people and sets empowerment processes in motion. Briefly, he or she relates mainly to his or her people’s developmental needs (Alderfer, 1972).

Transformational leaders raise the consciousness of follower by appealing to higher ideals and values such as liberty, justice, peace and equality. The four types of transformational leadership are individualized consideration, inspirational motivation, intellectual stimulation and idealized influence (Sarros & Santora, 2001)

Individualized consideration deals with the fundamental transformational leadership behaviors of treating individuals as important contributors to the work place. Leaders who use this style of leadership show consideration for their workers’ needs and prepared to encourage and coach the development of appropriate work place behavior. The key elements of individualized consideration include encouragement, caring for coaching of individuals and a consultative and open approach.

Sarros & Santora (2001) said that raising the consciousness of workers about the organization’s mission and vision, and encouraging others in understanding and committing to the vision is a key facet of the transformational leadership style of inspirational motivation. Inspirational motivation addresses the principle of organizational existence, rather than the personality of the leader. The key indicators of inspirational motivation are organizational vision, communication, challenging workers, encouragement, working with workers and autonomy.

The intellectual stimulation leadership approach reflects in large measure the coaching, morale building strengths of individualized consideration. Leaders who intellectually stimulate workers encourage creativity and accept challenges as part of their job. They keep their cool, working out ways of dealing with problems in a rational manner. These leaders cultivate the same skills in their workers. They work through difficulties with their staff in a calm, calculated fashion, and use problem solving techniques for reaching decisions that reflect a mutual consensus between leaders and employees. The key indicators of intellectual stimulation are creativity, rationality, consensus decision-making, coaching, challenging, supporting, and involvement.

Idealized influence is behavior that encourages followers to use their leaders as role models. Another term used to describe this form of leadership is charisma. At the core of idealized influence is the creation of values which inspire, provide meaning for, and instill a sense of purpose in people. Idealized influence is inspirational because it hones in on feelings and attitudes about what is important in life. The key indicators of idealized influence are role modeling, values creation and articulation, providing meaning, sense of purpose, confidence in followers, self-esteem, emotional control, confidence, and self-determination.

### **Emotional Quotient**

In journal Groves and McEnrue (2008), Mayer and Salovey define emotional quotient as the ability to perceive accurately, appraise, and express emotion; the ability to access and/or generate feelings when they facilitate thought; the ability to understand emotion and emotional knowledge; and the ability to regulate emotions to promote emotional and intellectual growth.

Scholars tend to view emotional quotient as a factor which has a potential to contribute to more positive attitudes, behaviors and outcomes. At the same time, as Schutte (2002) said, evidence exists that emotional quotient can be conceptualized as either ability (Ciarrochi et al., 2000; Mayer et al., 1999) or a personality trait (Schutte and Malouff, 1999; Schutte, 1998).

Emotional quotient has garnered attention from psychologist, educators, leadership theorists, and business leaders. A rapidly increasing body of knowledge on emotional quotient is emerging. The field of emotional quotient is still in its infancy and its history is still being written. A singular conceptualization has yet to be agreed upon. Still, supporting data for the ability model is growing.

Emotions play an extensive role in thought processes (George, 2000). People can and do take steps to recognize and manage their own and others' emotions (Mayer, Salovey, Gombert-Kaufman, and Blainey, 1991; Salovey and Mayer, 1990; Wang, 2000). Emotional quotient has been positively associated with skill at identifying emotional expressions (Ciarrochi et al, 2001; Mayer, Perkins, Caruso, and Salovey, 2001), amount of social support (Ciarrochi et al, 2001), and satisfaction with social support (Ciarrochi et al, 2001). Individuals with higher emotional quotient relative to their cohorts are perceived as more often engaging in dialogue (Massey, 1998).

Others have also found emotional quotient positively associated with mood management (Ciarrochi, Chan & Caputi, 2000). Ciarrochi, Chan & Caputi, (2000) and Salovey & Mayer (1990) found evidence that emotional quotient moderates the relationship between stress and mental health. Tischler, Biberman & McKeage (2002) showed that emotional quotient is related to healthy social coping styles. Jordan and Troth (2004) have found a significantly positive relationship between emotional quotient and collaborative conflict management style. Lam & Kirby (2002), found that college students who are emotionally intelligent tend to use an adaptive defense style.

Mayer, Salovey and Caruso (2002) hypothesize that emotional quotient can enhance workplace outcomes, depending on the nature of the position. Some support exists for this supposition. Lam and Kirby (2002) found emotional quotient explained cognitive-based performance over and beyond the level attributable to general quotient. Employees' emotional quotient predicted peer and assessor job performance ratings in simulated work situations (King, 1999).

Emotionally intelligent individuals performed better under difficult and stressful tasks (Lam & Kirby, 2002). Jordan & Troth (2004) found a significant relationship between emotional quotient and the different level of meaning an individual holds towards work. Abraham (2000) found emotional quotient predicted organizational commitment and job satisfaction, particularly when combined with job control. Ashkanasy and Jordan (1997) found that emotional quotient predicted the ability to endure job insecurity and periods of short-term unemployment. People who deal better with emotional problems experienced less burnout caused by work. Empathy, self-regulation of mood, and self-presentation were related to job interview performance.

Mayer, Salovey and Caruso (2002) stressed that emotional quotient is a learnable ability.

King (1999) found practicing elementary and high school administrators scored significantly higher than preservice educational leadership students on perceiving emotions, assimilating emotions and total emotional quotient. Leadership experience had significant effect on scores for perceiving emotions, assimilating emotions, and total emotional quotient. Kobe, Reiter-Palmer, Walls, Burgess & Stough (2001), found emotional quotient to account for variance in leadership experiences but did not add unique variance beyond social quotient.

Emotional quotient has been positively related to life satisfaction (Ciarrochi et al., 2000) and negatively associated with evidence of depression. When compared to non-offenders, sex offenders were higher on aggression, less clear about their feelings, and less capable to repair unpleasant moods and prolong positive ones. Emotional quotient was positively correlated with small family size. Emotional quotient has been negatively associated with alexithymia. Emotional quotient was negatively correlated with adolescent tobacco and alcohol use (Higgs, 2003).

### **Spiritual Quotient**

As noted by King (1999), interest in spirituality in organizations is burgeoning. Neal (1999) survey contemporary challenges calling for individual, organizational, and societal transformations. They propose, the management field will benefit greatly from incorporating a spiritual perspective into our theories as well as into our research and theory development process.

One management arena that can benefit greatly from incorporating a spiritual perspective is organizational change management, which aims to help employees meet new and existing performance targets rapidly and effectively. Organizational change involves changing the behavior of the people in the organization, because the individual is the unit of the organization.

Conventional approaches to changing people and culture involve aligning organizational systems and structures with desired behaviors. As any experienced practitioner knows, this requires monumental effort and persistence. We may characterize this kind of approach as “outside - in” because it aims to change human behavior by first changing something outside the individual, which in turn defines or constrains behavior.

Recognition of spirituality as the fundamental aspect of the human personality suggests that there may be another approach to managing change. While traditional approaches aim at managing change from the outside in, knowledge of the spiritual foundation of life suggests that change can be handled from the “inside out”. It suggests that individuals who experience the spiritual foundation of life can grow and develop in ways consistent with organizational goals.

Intelligent quotient (IQ) and emotional quotient (EQ) are the integral part of Spiritual Quotient (SQ). Spiritual quotient is not necessarily related to religion. According to Cavanagh (1999), Zohar said spiritual quotient is about the human need and talent for finding meaning in experience. She said, it is our access to and use of meaning, vision, and value in the way that we think and the decision that we make. SQ cannot be quantified or measured, whereas IQ and EQ may be assessed. The reason being that the very essence of spiritual quotient lies in its seeking a bigger and broader, ever growing perspective. SQ may also be seen as the highest and ever growing need in the mankind.

### **Emotional Quotient, Spiritual Quotient and Transformational Leadership**

Past researchers suggest that EI will be linked to transformational leadership style (Barling et al., 1996; Palmer et al., 2001). Transformational leaders are seen as those executives that are able to create a vision, communicate this vision, build commitment amongst subordinates to

the vision and model the vision within the workplace. Transactional leaders are viewed more as managers that maintain the status quo. Their focus is on linking job performance to rewards and ensuring subordinates have the necessary resources to undertake their roles. It is felt that as transformational leaders are able to deal with strategic matters more efficiently and in turn are able to build commitment in employees, these leaders are more likely to take an organization forward. Thus the assumption is that transformational leaders are more effective than transactional leaders, at least in some instances (Bass and Avolio, 1994).

Emotional intelligence should lead to more positive affect and better response to negative affect in leaders and followers (Mayer and Salovey, 1997). George (2001) report numerous studies finding the influence of affect on such work-related behaviors as worker motivation, creativity and performance, interpersonal judgments and communication, performance appraisal judgments and selection interviews, organizational spontaneity, employee flexibility and helpfulness, absenteeism, and bargaining and negotiation behaviors.

Emotions can either facilitate or hinder creativity but they may also be creative products in their own right. Emotional creativity is less a matter of emotional reactivity than it is an ability to be innovative and adaptive in response. Emotionally creative people are flexible in their choice of coping strategies.

Goerge (2000) found spreading positive emotions among a group can enhance group cooperation and reduce group conflict. Leader behaviors that contribute to feelings of self-efficacy lead to higher subordinate creativity. Creative professionals have been found to be open to emotional experience and expression and also have been noted for their productivity (Simonton, 1977).

In spiritual aspect, leaders may most affectively relate to followers through empathy, to profoundly understand their thoughts, feelings, and points of view. Tischler, Biberman & McKeage (2002), found that empathy is a very good predictor of leadership emergence in self-managed teams.

Wolff, Pescosolido, and Druskat (2002) also found that empathy played an important role in leadership emergence. A person's disposition to be empathetic is a strong determinant of their supportive responses to people expressing distress.

Empathy has been associated with interpersonal effectiveness and a relationship-oriented style of leadership. From the follower's perspective, leaders with accurate empathy qualities can achieve greater depth of self-exploration in followers. Superiors' supportive interpersonal orientations increase follower positive perceptions, feelings, and job satisfaction.

## **VARIABLES AND HYPOTHESES**

This research is conducted in term of descriptive manner to determine the evidences and factor behind measures transformational leadership in Universiti Utara Malaysia. The observation made on the event that recorded in the form of questionnaire, and choosing an appropriate study design with adequate sample sizes.

For hypotheses 1 and 2, the correlation analysis was conducted to test for any significant relationship between independent variable factor and dependent variable factors. For the relationship between emotional quotient and transformational leadership, the significance value is .000 ( $p < .05$ ), with  $r = 0.593$  meaning that **hypothesis 1 was accepted**. This indicates that there is significant relationship between emotional quotient and transformational leadership among managers in UUM and positive association means that the higher transformational level of the managers, they will be more likely to have the higher level of emotional quotient.

Based on the research result, for the relationship between spiritual quotient and transformational leadership the significance value is .000 ( $p < .05$ ), with  $r = 0.495$  meaning that **hypothesis 2 was accepted**. This indicates that there is significant relationship between spiritual quotient and transformational leadership among managers in UUM. Positive association means that the higher transformational level of the managers, they will be more likely to have the higher level of spiritual quotient.

**Table 1.** Distribution of Variables

Variables	Dimensions	Total Number of Items	Scales	Sources
<b>Dependent Variable: Transformational Leadership</b>	<ul style="list-style-type: none"> <li>• Idealized Influence</li> <li>• Individualized Consideration</li> <li>• Inspirational Motivation</li> <li>• Intellectual Stimulation</li> </ul>	14	Likert Scale 1-5	Osborne (2001)
<b>Independent variable 1: Emotional Intelligence</b>	<ul style="list-style-type: none"> <li>• Intrapersonal</li> <li>• Interpersonal</li> <li>• Stress Management</li> <li>• Adaptability</li> <li>• General Mood</li> </ul>	15	Likert Scale 1-5	Bar On (2006)
<b>Independent Variable 2: Spiritual Intelligence</b>	<ul style="list-style-type: none"> <li>• Compassion</li> <li>• Wholeness</li> <li>• Self-esteem</li> <li>• Gratitude</li> <li>• Spirit of Surrender and Service</li> <li>• The ego</li> </ul>	20	Likert Scale 1-5	Walt (2007)

Linear regression was conducted to investigate how emotional quotient could influence transformational leadership. The results are statistically significant  $F(1, 259) = 140.383$ ,  $p < 0.000$ . Furthermore, adjusted  $R^2$  is 0.349; therefore 34.9% of the cases will be correctly predicted by the regression equation. This indicates that 34.9% of the variance in transformational leadership was explained by emotional quotient variable (**Hypothesis 3 Accepted**). The relationship was:

$$\text{Transformational Leadership} = 1.630 + 0.651 \text{ Emotional Quotient} + \varepsilon.$$

And for the hypothesis 4, The adjusted R squared value was 0.242. This indicates that 24.2% of the variance in transformational leadership was explained by spiritual quotient (**Hypothesis 4 Accepted**). The relationship was:

$$\text{Transformational Leadership} = 2.236 + 0.448 \text{ Spiritual Quotient} + \varepsilon.$$

For the third analysis of regression (**Hypothesis 5 accepted**), multiple regressions was held to determine the best linear of emotional quotient and spiritual quotient to transformational leadership.

Adjusted  $R^2$  for the regression is 0.351. It means that 35.1 % of variance was explained with emotional and spiritual quotient, and 64.9 % was explained from other variables. The relationship of those independent variables to dependent variable is:

$$\text{Transformational Leadership} = 1.578 + 0.568 \text{ Emotional Quotient} + 0.098 \text{ Spiritual Quotient} + \varepsilon$$

According to the multiple relationship above, it indicates that emotional quotient influenced and explained more rather than spiritual quotient for predicting the transformational leadership.

### **Implication of study**

Two implications can be generated from this research. The first is on theory and knowledge (theoretical implications) and second is practical implication. Theoretical implication focuses more on how the findings can support the model of theory used in this research and confirm previous researches, while practical implication might be viewed from the perspective of organization and suggests some actual implementations.

The role of emotion and spiritual in the context of the workplace has been neglected in organizational behavior research. The findings of this study provide knowledge and understanding of how emotionally and spiritually may influence manager leadership style, in this context is transformational leadership. The amount of linkage between emotional and spiritual quotient is worth to investigating.

For practical, this study will provide the information for managers and human resource department to improve organizational performance and how important the emotional and spiritual quotient to make the organization more efficient and effective.

Manager who stable in emotion and high spiritual values for themselves, will perform more in organization. So the human resource department would be able to provide some of development program for these variables, for example the program that help managers to increase the level of emotional quotient and spiritual quotient in workplace.

### **CONCLUSION**

In reviewing prior research on emotional quotient and spiritual quotient, this study found that both emotional quotient and spiritual quotient seem to lead to greater individual work success and that the effect size is important enough to investigate further.

This study provides the knowledge about the relationship between emotional and spiritual quotient to transformational leadership and somehow these variables (emotional and spiritual quotient) are influencing the transformational leadership in Universiti Utara Malaysia.

The research had some limitations that will need to be addressed in future research. It will be interesting to evaluate the link between emotional and spiritual quotient and transformational leadership in larger samples, and across different industries. It will also be important for research to evaluate the ability of emotional and spiritual quotient to predict future performance. I hypothesize that emotional and spiritual quotient leads to better executive performance. However, it is possible that good executive performance leads to higher emotional and spiritual quotient.

One way to resolve this problem is to conduct a longitudinal study that involves measuring emotional and spiritual quotient before newly hired executives start the job. This would allow one to establish if emotional and spiritual quotient were likely to be antecedents to managerial success. In conclusion, emotional and spiritual quotient shows much promise in the organizational domain and is worthy of further investigation.

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