



The relationship between emotional intelligence and organizational transparency among the Bank Mellat's employees in Sari

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Abstract

This study aimed to investigate the relationship between emotional intelligence and organizational transparency among the Bank Mellat's employees in Sari. The present study is descriptive (non-experimental) and correlation, statistical population of study is included all managers and staff of supervision and bank branches in Sari and thus the sample of study is consisted of 210 people. To examine the relationship between the variables of this study Rawlins (2008) and Wong and Law's questionnaire (2002) were used for measuring organizational transparency emotional intelligence respectively. In addition, the data was analyzed by using SPSS, LISREL software and structural equation model. The results of completed analysis on the variables and their indicators showed that there is a significant positive relationship between emotional intelligence and organizational transparency among the Bank Mellat's employees in Sari.

Keywords: *organizational transparency, emotional intelligence, Bank Mellat.*

1. Introduction

Emotional intelligence is one of the new concepts in the field of employees and managers' relations which measures the ability of individuals to understand and control emotions in themselves and others. Golman (1986) in his book, has concerned on the need for emotional intelligence in the workplace, the environment in which wisdom is more important than heart and emotion. He believes that not only the directors and heads of companies need emotional intelligence, but anyone who works in an organization requires emotional intelligence, too. Golman predicts that in the near future, organizations will realize the importance of emotional intelligence in the workplace so they can achieve customer satisfaction with increasing efficiency (Yazdani and Riazi, 2010). In the best condition, cognitive intelligence makes only 20 percent of success and 80 percent of success is dependent on the other factors and in many situations the fate of people depends on the skills that makes emotional intelligence.

However, in today's complicated world the organizations constantly review and improve their performance to survive. In fact, performance evaluation is an important development tool and it is possible to encourage people through providing feedback, empowerment, involvement and information sharing; and expect high performance. On the other hand, organizational



transparency is one of the crucial features that affect organizational performance. In general, is a broad term that implies on open access, decision-making and freedom of information. Providing the required information for the consumer, to reach an informed choice leads to enhance transparency in evaluating the performance. Also, corporate transparency increases competition and improves the quality of decision-making (Villeneuve, 2014). Rawlins (2008) examined the transparency theory, and in theoretical principles of transparency added fourth dimension as secrecy to definition that is expressed by Heith, he proposed four dimensions of actual data, employee participation, accountability, and secrecy that was a reversed measure factor in contrast of precision as dimensions of organizational transparency.

Transparency of information is described as follows: Organizers are trying to make their actions and decisions ascertainable and understandable for individuals or groups interested in applying organizations in addition to the stated information, awareness of delivery is remarkable. Hosseinizadeh Shahri et al (2015) studied to investigate the relationship between emotional intelligence and organizational commitment. The results of this study showed that there is a meaningful relationship between structures of self-awareness, managing emotions and social skills with normative commitment; a meaningful relationship between structures of self-motivation with continuous commitment, and a meaningful relationship between structures of general with both of those commitment. Nadeem Nezhad and colleagues (2014) have investigated a study to present model of organizational loyalty, the role of organizational transparency and organizational trust. Generally the results showed that the relationship between organizational transparency and organizational loyalty is influenced by the dimensions of organizational trust. The accountability, information sharing and collaboration dimensions of organizational transparency have an indirect positive effect on attitudinal and behavioral dimensions of organizational loyalty and concealment and secrecy dimensions of organizational transparency have an indirect negative effect on attitudinal and behavioral dimensions of organizational loyalty. In another study, Kordnaej and colleagues (2014) examined the organizational culture as the missing link of organization and organizational performance. The results show a positive and significant influence of organizational transparency on organizational performance and also organizational culture as mediator effects on this relationship. Chatterjee and Atik Kulakli (2015) in the study of the relationship between emotional intelligence and leadership style in the banking sector have found that there is not a significant relationship with emotional intelligence and leadership style. In addition, this kind of relationship is not considered for indicators of this study. This result runs contrary to what was expected. They expressed the validity of questionnaire as the problem. In addition, AlDosiry et al. (2015) in an investigation of relationship between emotional intelligence and sales performance in Kuwait, have found a weak and negative relationship between total sales performance and evaluation of components of emotional intelligence. More of that, the results showed that there is no relationship between emotional intelligence and sales performance. Finally, Kundeliene and Leitoniene (2015) in evaluation of business transparency reported that financial and non-financial information of companies is one of the most important factors that affects the confidence of stakeholders of the company. In addition, companies need to assess the possibility of creating an appropriate methodology to assess the valuation transparency for the benefit.

According to mentioned articles, it seems the staff can have a significant impact on organizational transparency. Specifically in the banking industry, this issue is more important because of the important role of staff in relation with customer. With the investigation, the lack of the research is evident in this area. Despite this topic are studied by many researchers and theorists in today's world, but in our country has been less attention. Thus, this study



seeks to find the answer of this question that is there a relationship between organizational transparency with emotional intelligence among the Bank Mellat's employees in Sari? In this regard the hypothesis follows as:

Main hypothesis:

❖ There is a relationship between organizational transparency with emotional intelligence among the Bank Mellat's employees in Sari.

Special hypothesis:

❖ There is a relationship between organizational transparency and the assessment of bank employees' feelings.

❖ There is a relationship between organizational transparency and the assessment of others' feelings of bank employees.

❖ There is a relationship between organizational transparency and using of bank employees' feelings.

❖ There is a relationship between organizational transparency with regulation of bank employees' feelings.

❖ There is a relationship between organizational transparency with job feelings of bank employees.

2. Methodology

This study is practical in terms of purpose and is correlational and specially based on the "structural equation modeling" in terms of the relationship between variables. The sample of study is consisted of all 297 managers and staff of supervision and bank branches in Sari. According to the method of data analysis and the number of items (42), for selecting the sample size it was considered 5 times of items means 291 people, which is done with stratified random sampling method. To examine the relationship between the variables of this study Rawlins (2008) and Wong and Law's questionnaire (2002) were used for measuring organizational transparency emotional intelligence respectively. The reliability of the questionnaire is in accordance with Table 1. In addition, the data was analyzed by using SPSS, LISREL software and structural equation model.



Table 1. Cronbach's alpha for each variable

Row	Index	Symbol	Reliability
1	Participation	PAR	.890
2	Basic Information	INF	.891
3	responsiveness	ACC	.875
4	Secrecy	COV	.895
5	Assessment of self-feeling	SEA	.872
6	Assessment of others-feeling	OEA	.867
7	Using of Emotions	UOE	.901
8	Regulation of emotion	ROE	.864
9	Job feelings	ELI	.892
10	Organizational transparency	OT	.811
11	Emotional Intelligence	EI	.881

3. Findings

To test the hypotheses, the Kolmogorov-Smirnov test was used to confirm normal experimental distribution of scores for each variable. The test of research hypotheses, is done by **برازش** of structural equation model.

Table 2: Results of Kolmogorov-Smirnov test

Variable	K-S test	Significance level
Participation (PAR)	1.471	0.093
Basic Information(INF)	0.918	0.369
responsiveness(ACC)	1.371	0.095
Secrecy(COV)	1.325	0.106
Assessment of self-feeling(SEA)	1.269	0.128
Assessment of others-feeling(OEA)	1.728	0.071
Using of Emotions(UOE)	1.106	0.173
Regulation of emotion(ROE)	1.653	0.081
Job feelings(ELI)	1.765	0.054

Due to the significant level obtained from this test in table 2, can be seen which significant probability values are greater than first type of error (0.05) means that the null hypothesis is confirmed. Since the null hypothesis of this test is based on normal experimental distribution



of scores, it can be accepted that the distribution of scores are in the normal error level (0.05) for each of the variables of this study.

In order to test the research hypotheses, goodness of fit structural equation model was used. In this model, the relationship between variables simultaneously measured and the amount of each of the observed variables is determined in explaining the hidden implications of the research. Figure 1 shows the coefficients of the structural model to test hypotheses.

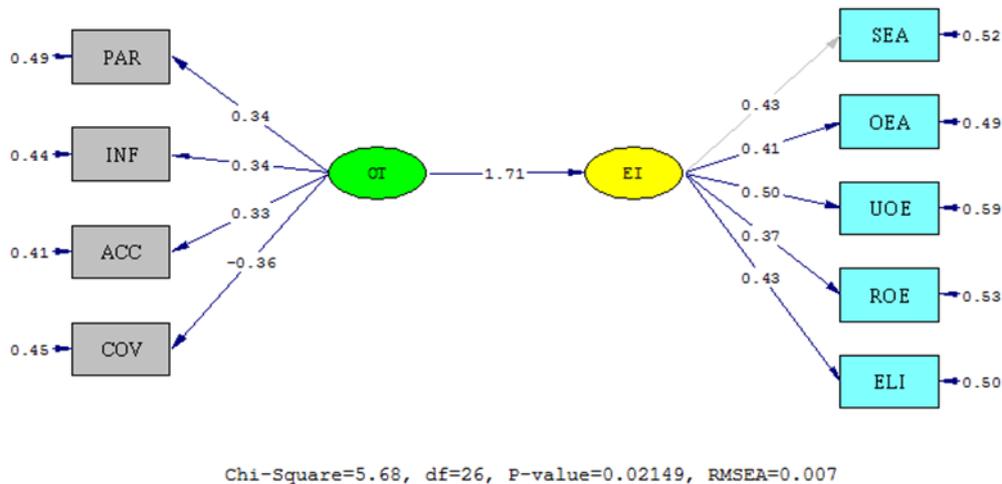
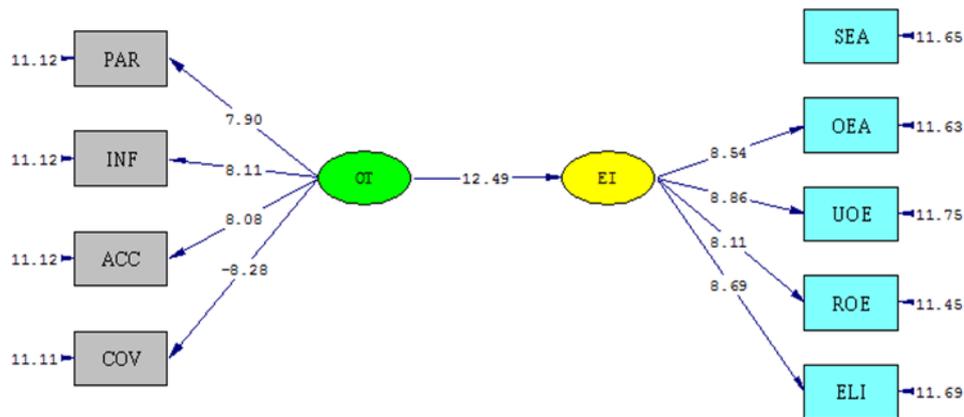


Figure 1: estimation of regression coefficients

Considering the impact factors obtained from the figure (1) organizational transparency (OI) with the impact factor of 1.71 has effect on emotional intelligence. Also the amount of assessment of self-feeling(SEA), assessment of others-feeling(OEA), using of emotions(UOE), regulation of emotion(ROE) and job feelings(ELI) have been obtained 0.43, 0.41, 0.50, 0.37 and 0.43 respectively in explaining the emotional intelligence of employees which shows the using of emotions(UOE) had the greatest influence on justifying and explaining of emotional intelligence. In addition, the amount of organizational transparency influence on each indicator of emotional intelligence assessment of self-feeling(SEA), assessment of others-feeling(OEA), using of emotions(UOE), regulation of emotion(ROE) and job feelings(ELI) have been obtained 0.7353, 0.7011, 0.8550, 0.6372 and 0.7353 respectively. To test the significance of these effects, the significant test statistics also achieved and figure (8-4) shows a significant effect.



Chi-Square=5.68, df=26, P-value=0.02149, RMSEA=0.007

Figure 2: Estimation of significant test statistics

Due to significant test statistics obtained from the figure 2 can be seen which the test statistics of organizational transparency on employees' emotional intelligence has obtained 12.49 that is greater than critical value of 1.96 and showed a significant effect on the model of research. Table 2 shows the details of the goodness of fit model. Notably, since the effect of organizational transparency is measured indirectly on each of the dimensions of emotional intelligence, test statistics of these affects have been calculated through indirect effects and Sobel Goodman method. However, it should be noted that a significant test statistics each dimensions of emotional intelligence were greater than a critical value of 1.96 in the research model, which shows that each of those aspects are significant to justify their emotional intelligence. Also noteworthy that because emotional intelligence is a latent concept, the amount of its significant size is measured to a reference level that in this model, assessment of self-feeling is provided as reference level and therefore the test statistic is not calculated for this work.



Table 3: Details of goodness of fit model research

Result	Critical value	test statistic	Impact factor	dependent variable	independent variable
Significant	1.96	12.49	1.71	Emotional Intelligence	Organizational transparency
Significant	1.96	-	0.7353	Assessment of self-feeling	
Significant	1.96	6.99	0.7011	Assessment of others-feeling	
Significant	1.96	7.12	0.8580	Using of Emotions	
Significant	1.96	6.82	0.6327	Regulation of emotion	
Significant	1.96	7.30	0.7353	Job feelings	
Indicators of goodness of fit					
Chi-square statistics:5.68 GFI:0.95 AGFI: 0.91 Significantly of Model: 0.0214			Degrees of freedom: 26 RMSEA: 0.007 P[RMSEA<0.05]= 0.11		Indicators of goodness of fit

Given the magnitude of the absolute value of the test statistic of their critical values can be concluded that all these effects were Significant in the research model. Thus, the results of test hypotheses follows as:

- There is a relationship between organizational transparency and emotional intelligence of Bank Mellat's employees.
- There is a relationship between organizational transparency and assessment of self-feeling of Bank Mellat's employees.
- There is a relationship between organizational transparency and assessment of others-feeling of Bank Mellat's employees.
- There is a relationship between organizational transparency and using of emotions of Bank Mellat's employees.
- There is a relationship between organizational transparency and regulation of emotion of Bank Mellat's employees.
- There is a relationship between organizational transparency and job feelings of Bank Mellat's employees.

Also the results of table 3 shows that the given model of goodness of fit has appropriate goodness of fit. The significant level of Chi-square test that measures the saturated structural model is smaller than the first type of error (0.05) (P-Value= 0.0214) and at this level of error, can be accepted that there are other Significant relationships and the conceptual model, does not cover all of the relationship between the dimensions of organizational transparency and employees' emotional intelligence. On the other hand, goodness of fit indicators of GFI and AGFI are greater than 0.9 which indicates that the model can explain the cause-effect relations of variables. The error of RMSEA has been estimated smaller than the experimental value (0.05) with the probability of 0.11 that shows the error of goodness of fit model in level of 0.05 is small and negligible, and therefore results are reliable and valid.



4. Discussion and Conclusion

As expected, the results showed that there is a significant relationship between organizational transparency with emotional intelligence and its components, including assessment of self-feeling, assessment of others-feeling, regulation of emotion and job feelings of Bank Mellat's employees. Thus, it can be expected that increasing of organizational transparency leads to increase the emotional intelligence. In this regard, it can be said bank staff can resolve their information needs with increasing the components of organizational transparency especially the components of participation and basic information and therefore they are found more willing and motivation to carry out organizational activities and cooperation. Thus, their emotional intelligence increase, too. Given that such specific subjects have not studied yet, so it is not possible to investigate on the same study. But this part of the study is noted some related study. In this regard and in accordance with the results of this study, Nadeem Nezhad and colleagues (2014) also indicated that organizational transparency is statistically significant on attitudinal and behavioral dimensions of organizational loyalty, which suggests the mediating role of organizational trust through transparency and organizational loyalty. Kordnaeij et al (2014) stated that organizational transparency is positive and significant on the performance of the organization. Mohammad Nejad et al (2012) reported that there is a significant and direct relationship between mental health and emotional intelligence. In foreign research Altındag and Kosedagi (2015) found a significant relationship between emotional intelligence, culture of organizational innovation and performance of employees. Hakkak et al (2015) showed that emotional intelligence has a significant positive impact on the socio-cognitive factors of bank's employees and Hui-Hua and Schutte (2014) reported that a higher emotional intelligence has a stronger relationship with performance. But contrary to the results of the study, Al Dosari et al. (2015) stated that there is no relationship between sales performance and emotional intelligence. And in the end it is recommended that the bank's manager pay more attention to issues of organizational transparency so it can improve emotional intelligence. For this purpose, in addition to increase the quality of reporting, they can also give more information and better integrate to their employees and constantly evaluate their emotions, their friends' emotions and their colleague's emotions. Having knowledge and understanding their feelings can help them do better; employees and managers try to control their emotions. Rational decision making in difficult situations or in a state of anger is one of the things that must be considered. To this purpose, organization in addition to holding training classes can held some classes that employees stay on difficult circumstances.

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