The Mediation Effect of Emotional Labour between Emotional Intelligence and High Performance Work System among Bank Employees in Chennai

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ABSTRACT
This study is to discover the relationships between emotional intelligence, emotional labour and high performance work systems among private bank employees in Chennai. A convenience sampling method was adopted. 100 middle level employees from private banks were employed for this purpose. The mediation was tested using Baron and Kenny’s procedure using hierarchical regression. It was found that emotional intelligence was positively associated with both emotional labour and high performance work system. Emotional labour completely mediates the relationship between emotional intelligence and high performance work system.

Keyword--- Emotional intelligence, emotional labour, high performance work system

I. INTRODUCTION
The high performance work system is to enable employees to exercise decision making thereby leading to flexibility, improvement, innovation and skill sharing. By facilitating the development of high performance work system, organization ensures continuous improvement in its way of life. Consequently, due to the dearth of available studies in similar non-western context, the existing high performance work system bundle is inappropriate for studies set within the context of Tamilnadu, private banks. Thus understanding the HR context for the purpose of this study is important in determining the appropriate high performance work system composition. The finding from interviews and focus group discussions with industry experts in the chosen case study banks will help define the context as well as help customise the construct of high performance work system for the purpose of this study.

The composition of high performance work system for the current study based on the strategic orientation of the case study banks. Lepak et al. (2006) defined high performance work system as a set of contextual HR practices that are perceived as best practices by the HR practitioners in the industry, leading towards the goal of performance enhancement by ensuring workforce abilities, motivation and empowerment. The above definition implies that studying the perceptions of HR practitioners in a specific industry context can help select the appropriate high performance work system composition for that particular industry context. This study has been designed in accordance to the above suggestion, with managers at any level, or functional division acting as an HR agent having been treated as HR practitioners for the purpose of this study.

Researcher used the concept of emotional labour framed by Schaubroeck and Jones (2000) that includes demands to convey positive emotion and to suppress negative emotion. Bank employees may suppress negative and enact positive emotions on a day-to-day basis, therefore, these two emotions are combined in the analysis to ascertain the composite effect of emotional labour.

According to Goleman, this concept, emotional intelligence consists of —capabilities such as being capable to motivate one and stick with in the face of irritations; to control impulses and delay satisfaction; to control one’s moods and stay distress from swamping the ability to think; to empathize and to hope. (Goleman, D. 1998). The emotional intelligence is capable to cope up the high performance work system in banking sectors.

The present study first reviews the literature. Then, we empirically examine the mediation effect of emotional labour relationship between emotional intelligence and high performance work system. Researcher also investigates the amount of influence for
each independent variable on the high performance work system.

II. REVIEW OF LITERATURE

Timothy Bartram et al., (2012) have explored the relationships between perceived high performance work systems, emotional labour, burnout and intention to leave among nurses in Australia. Previous studies show that emotional labour and burnout are associated with an increase in intention to leave of nurses. There is evidence that high performance work systems are in association with a decrease in turnover. There are no previous studies that examine the relationship between high performance work systems and emotional labour. A cross-sectional, correlational survey. Methods. The study was conducted in Australia in 2008 with 183 nurses. Three hypotheses were tested with validated measures of emotional labour, burnout, intention to leave, and perceived high performance work systems. Principal component analysis was used to examine the structure of the measures. The mediation hypothesis was tested using Baron and Kenny’s procedure and the moderation hypothesis was tested using hierarchical regression and the product-term. Emotional labour is positively associated with both burnout and intended to leave. Burnout mediates the relationship between emotional labour and intention to leave. Perceived high performance work systems negatively moderates the relationship between emotional labour and burnout. Perceived high performance work systems not only reduces the strength of the negative effect of emotional labour on burnout but also has a unique negative effect on intention to leave. Ensuring effective human resource management practice through the implementation of high performance work systems may reduce the burnout associated with emotional labour. This may assist healthcare organizations to reduce nurse turnover.

According to Daniel Goleman (1998), emotional intelligence can be organized into four dimensions representing the recognition of emotions in one-selves and in others, as well as the regulation of emotions in ourselves in others. Each dimension consists of a set of emotional competencies that people must possess to fulfill that dimensions of emotional intelligence. The dimensions are as follows: Self-awareness: It refers to a better and deeper understanding of one’s own emotions as well as strengths, weaknesses, values and motives. Self-management: This represents how well we control or redirect our internal states, impulses and resources. Social awareness: It is mainly about empathy, having understanding and sensitivity to the feelings, thoughts and situations of others. Relationship management: It refers to managing other people’s emotions.

Praveen and Narashimman (2012) have investigated the effect of emotional intelligence on the job performance of the individuals from a theoretical viewpoint. More specifically, it embarks on the link between the nature of emotional intelligence and the job performance. Two variables are considered in this study: emotional intelligence and job performance. As such, this probe can a kind of help for managers and researchers to better realize the link between these two variables. It can also assist the organization practitioners to have a better understanding of the relationship between the mentioned factors.

Baron and Kenny (1986) have made an attempt to distinguish between the properties of moderator and mediator variables at a number of levels. First, we seek to make theorists and researchers aware of the importance of not using the terms moderator and mediator interchangeably by carefully elaborating, both conceptually and strategically, the many ways in which moderators and mediators differ. We then go beyond this largely pedagogical function and delineate the conceptual and strategic implications of making use of such distinctions with regard to a wide range of phenomena, including control and stress, attitudes, and personality traits. We also provide a specific compendium of analytic procedures appropriate for making the most effective use of the moderator and mediator distinction, both separately and in terms of a broader causal system that includes both moderators and mediators.

This research using a single Japanese banking corporation (service industry), focused on the mediating effects of employee-level human capital, psychological empowerment, and perceived organizational support on the relationship between employee-experienced HPWS and supervisor-rated service performance (Liao, Toya, Lepak, and Hong 2009: 372). While controlling for employee group and bank branch-level effects, this study found that supervisor-rated employee human capital fully mediates the relationship between employee-experienced HPWS and types of service performance.

III. METHODOLOGY

Research Design

This study adopted a descriptive survey research design in which the researcher could not manipulate the variable of interest. Questionnaire was the instrument used to collect data from the respondents on the studied variables. The population for the study consisted of private bank staff in Chennai. A total of 100 participants were used for the study.

Instrument

Emotional intelligence was measured to accomplish isolation in the market throughout job performance. This scale was used by from Petrides and Furnham, (2006). Emotional labour scale was adopted from Brotheridge and Lee, (2003). High performance work system was measured by Pfeffer’s (1998a) and Zacharatos et al., (2005) and it has been adopted for identifying bank...
performance. The data was collected from private bank middle level managers.

**Procedure**

The researchers sought the permission of the management and staffs of the private banks to collect data needed for the study. The purpose of the study was equally explained to them prior to the administration of instruments on them and the responses were collected back.

### IV. ANALYSIS AND INTERPRETATION

#### Model Summary

<table>
<thead>
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<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>F</th>
<th>Sig.</th>
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<tr>
<td>1</td>
<td>.235(a)</td>
<td>.55</td>
<td>55.125</td>
<td>.000(a)</td>
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<tr>
<td>2</td>
<td>.235(b)</td>
<td>.55</td>
<td>57.278</td>
<td>.000(b)</td>
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</tbody>
</table>

a Predictors: (Constant), Emotional Intelligence
b Predictors: (Constant), Emotional Intelligence, Emotional Labour
c Dependent Variable: High Performance Work System

#### Method of Data Analysis

The data collected were analysed using multiple regression.

<table>
<thead>
<tr>
<th>Step</th>
<th>Independent</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
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<th>Sig.</th>
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</thead>
<tbody>
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<td></td>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
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<td>.245</td>
<td>12.620</td>
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<td></td>
<td>Emotional Intelligence</td>
<td>.305</td>
<td>.056</td>
<td>.235</td>
<td>5.437</td>
</tr>
<tr>
<td>Step 2</td>
<td>(Constant)</td>
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<td>.272</td>
<td>11.378</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Emotional Intelligence</td>
<td>-.008</td>
<td>.095</td>
<td>-.004</td>
<td>-.083</td>
</tr>
<tr>
<td></td>
<td>Emotional Labour</td>
<td>.308</td>
<td>.068</td>
<td>.237</td>
<td>4.540</td>
</tr>
</tbody>
</table>

a Dependent Variable: High Performance Work System
The above table shows that a significant relationship was found between Emotional Intelligence and High Performance Work System ($\beta = .235$, $p = .000$). This shows that high Emotional Intelligence resulted in increased high performance work system.

Mediating role of Emotional Labour between Emotional Intelligence and High Performance Work System was examined by conducting step-wise multiple regressions (Baron & Kenny, 1986) with Emotional Intelligence as the independent variable, Emotional Labour as the potential mediator and High Performance Work System as the dependent variable. In step 1, a regression analysis with Emotional Intelligence predicting High Performance Work System was conducted and it indicated a significant relationship ($\beta = 0.235$, $t = 5.437$, $p = .000$). In step 2, Emotional Intelligence predicts Emotional Labour showed a significant relationship ($\beta = 0.056$, $t = 3.088$, $p <0.000$).

In the third step, Emotional Labour predicts High Performance Work System also indicated a significant relationship ($\beta = 0.237$, $t = 4.540$, $p = .000$). Based on the significant results of step 1 to 3, a fourth step was conducted with Emotional Intelligence and Emotional Labour predicting High Performance Work System (Baron & Kenny, 1986). As showed in above table, Emotional Intelligence was significant after controlling for Emotional Labour ($\beta = -0.004$, $t = -0.083$, $p = 0.934$) indicating full mediation.

V. CONCLUSION

For the present study, emotional intelligence and emotional labour were taken to predict the high performance work system. The mediation was tested using Baron and Kenny’s procedure using hierarchical regression. The result showed that, emotional intelligence was positively associated with emotional labour. This study fulfilled the requirements of baron and kenny’s mediation process. Emotional labour fully mediates the relationship between emotional intelligence and high performance work system.

REFERENCE