

Daniel Goleman's Emotionally Intelligent Contribution to Organizational Theory

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Abstract

Emotional Intelligence, notably developed for a business environment by Daniel Goleman in 1995, builds on Classical Organizational Theory, adds to Behavioral Management Theory, and is highly relevant in today's current business environment. The benefits of Emotional Intelligence can be categorized into self-awareness, emotional management, and social management. Emotionally intelligent business managers use these skills to enhance their own performance and manage others in a way that minimizes conflict and improves efficiency. Daniel Goleman was not the founder nor the only researcher for Emotional Intelligence; however, this paper explains why Goleman's work on Emotional Intelligence is strongly related to the fundamentals of the Human Relations Movement and why Goleman's work should be recognized as a useful and enduring Behavioral Management Theory.

Keywords: Emotional Intelligence, Behavioral Management, Human Relations

Emotional Intelligence Fundamentals

Emotional Intelligence (EQ) is a theory of human behavior and interpersonal interaction that was notably developed for the business world by Daniel Goleman in 1995 with his book, *Emotional Intelligence, Why it Can Matter More than IQ* (Kannaiah, 2015).

People who have high Emotional Intelligence are able to understand their own emotions and are more cognizant of how those emotions are impacting their own performance and their interactions with others (Segal et al., 2018). Segal et al. explain that those with high Emotional Intelligence are better able to manage stress, overcome challenges, empathize with others, and defuse conflict. Stated more simply, Segal et al. write, "If you have high emotional intelligence you are able to recognize your own emotional state and the emotional states of others, and engage with people in a way that draws them to you."

Daniel Goleman was certainly not the only researcher to develop Emotional Intelligence; however, he is the most widely recognized researcher in the field (Riopel, 2021), and this paper will credit him as the central figure in proliferating a theory of Emotional Intelligence that is relevant to organizational theory. In 1985, Wayne Leon Payne made the first academic reference to Emotional Intelligence in his doctoral dissertation (Riopel, 2021). However, the true founders of

Emotional Intelligence are believed to be Peter Salovey & John Mayer in 1990 (Bracket et al., 2021; Riopel, 2021). Salovey & Mayer found that some research subjects had a better understanding of their own feelings and the feelings of others; these subjects were better at solving problems relating to emotional issues (Riopel, 2021). The original model by Salovey & Mayer in 1990 was followed by a wealth of literature and alternative models for understanding Emotional Intelligence (Petrides & Furnham, 2020). While there is academic and professional debate, some researchers suggest that the growth and popularity of Emotional Intelligence was due to the way that Goleman connected Emotional Intelligence to professional success (Brackett et al., 2021). And this article will contend that Goleman's contributions to Emotional Intelligence are the primary reason that it should be considered as an important organizational theory. Goleman's research and books have helped millions of people understand the concept and the importance of Emotional Intelligence (Riopel, 2021).

Daniel Goleman conducted extensive research into the factors that contribute to an employee's success in a business environment, and he categorized those factors into intelligence (IQ), job skills, and Emotional Intelligence (EQ). Using various testing constructs, Goleman found that a person's EQ accounts for 67%-85% of their job performance (Goleman, 1995); and Goleman found that EQ matters

more and more as employees take on more management responsibility. Goleman explained that an employee needs intelligence and jobs skill to excel at entry-level jobs, but as an employee gains more responsibility, most of an employee's success would be determined by her or his ability to use good Emotional Intelligence.

A key concept in Emotional Intelligence is a person's ability to avoid what Daniel Goleman calls an emotional hijack. Goleman explains that when a person goes into emotional hijack, they are experiencing a fight or flight response. During this response, a person's heart rate becomes elevated, and they become short of breath as their body uses oxygen and blood to prepare the body for a physical confrontation. This reaction can be very helpful if a person's life is in physical danger; however, this reaction is generally detrimental to a person's judgment in a business environment.

In his 1995 work, Goleman explains that a person's normal decision process is compromised during an emotional hijack. Goleman describes how people normally interpret information through the brain's visual thalamus, then the information is processed through the brain's cerebral cortex, and then a rational reaction decision will be made. The decision is then processed through the brain's amygdala, which sends messages down the spinal cord. The messages sent down the spinal cord are translated into movements, words, and actions

that are the person's response. However, during an emotional hijack, the brain's amygdala takes information directly from the visual thalamus and sends panic messages down the spinal cord. The result is that a person will take actions that have not been processed through the cerebral cortex. Furthermore, a person's ability to consider multiple variables compromised because the brain is intently focused on the one variable that poses a perceived threat. The decisions made during this reaction represent compromised rational thinking that is designed to protect a person's safety or save her or his life, but these decisions can lead to counterproductive results for a person's career path.

The Institute for Health and Human Potential (2009) estimates that during an emotional hijack, a person's working memory, and thus the ability to analyze more than one variable, is compromised for 18 minutes; additionally, the adrenaline present during an emotional hijack stays in a person's body for three to four hours, creating a state of physical toxicity that affects a person's physical performance and social interaction. Additionally, the Institute for Health and Human Potential (2009) suggests the event that caused the emotional hijack can result in emotional distress that will leave a person more susceptible to future emotional hijacks. This is sometimes referred to as a trigger that will cause a panic reaction.

In his 1995 work, Daniel Goleman suggests ways of avoiding an emotional hijack, and the components of what Goleman describes as good Emotional Intelligence can be categorized in terms of self-awareness, emotional management, and social management. These categories can be viewed as benefits or as areas of training necessary to achieve good Emotional Intelligence. Individuals who are self-aware understand the emotions that they experience, and they understand the effects that those emotion might have on their behavior. For example, they understand when they are angry with co-workers or managers, and they realized that that might not be the best time to engage in a difficult conversation because they might make rash statements that will make the situation worse. Self-aware individuals also display congruent verbal and non-verbal actions; this means that the individual will not send mixed verbal and non-verbal messages and that people who interact with the individual will have a clearer understanding of the individual's sincere feelings. Lastly, people who are self-aware will have a good understanding of their needs, strengths, weaknesses, values, and goals; and that awareness is likely to lead to more self-acceptance and self-confidence.

The second broad category of Daniel Goleman's benefits of Emotional Intelligence is emotional management. Stated simply this means the ability to maintain rational thought. An emotional hijack

compromises the ability to think rationally, and people who can manage or avoid an emotional hijack will have a greater ability to make sound decisions. Goleman advocates a good understanding of one's personal triggers and the early warning signs of an emotional hijack to increase emotional management. People who can increase their ability to manage their emotions will have greater resiliency, patience, flexibility, confidence, self-motivation, and better physical and mental health. Resiliency is an important quality in a changing business environment, and those who are able to manage emotions associated with disappointing events and perform well despite setbacks exemplify the benefits of Emotional Intelligence in a business environment. Those with high Emotional Intelligence are also able to be more patient and more flexible because they are less likely to be derailed by an emotional hijack caused by changing or disappointing circumstances. Individuals with that ability are also able to maintain their motivation and confidence despite challenges. Lastly, Goleman suggests that people who successfully manage their emotions will have better physical and mental health because they will be less stressed, have less of the toxic symptoms associated with an emotional hijack, and they will spend less mental energy occupied with stressful situations.

The third area of Emotional Intelligence deals with social management. As Goleman's theory became more well-known, he divided social management into an entirely new theory and called it Social Intelligence (Harvard Business Review, 2008). However, his original work in 1995 includes all the components of Social Intelligence under the banner of Emotional Intelligence. This social management aspect includes a person's ability to empathize and relate with other people. Empathetic people have developed their ability to experience and understand a situation from someone else's point of view. For example, better empathy allows us to better appreciate the perspective of a co-worker or a subordinate. We might be better able to realize that someone is having a bad day or that they are nervous about an impending change; that understanding might allow us to realize the true cause of a problem and possibly avoid unnecessary conflict. This level of empathy allows emotionally intelligent people to relate to other people from a perspective of understanding and gain insight into the best way to approach the relationship.

A core concept of social management (and what Goleman would later define as Social Intelligence) is understanding the difference between intentions and impact (Goleman, 1995). Goleman explains that people take actions with certain intentions; unfortunately, those

actions often have a different impact than intended. The problem is often compounded by the fact that people tend to judge themselves by their intentions because they have a clear understanding of those intentions, and people tend to judge others by the impact associated with their actions. For example, a manager might approach her subordinates with the intention of supporting their work and seeing if they need help; however, the impact felt by the employees could be more related to micromanagement and mistrust. Goleman describes the need to be aware of this issue because it is so important to positive social interactions, and he discusses strategies to clarify and label intentions and to properly address undesirable impacts. If a manager is able label her or his intentions and achieve the desired impact, this can result in better understanding, less defensiveness, and less chance of an emotional hijack.

Emotional Intelligence in the Context of Organizational Theory

Daniel Goleman's theory of Emotional Intelligence can be viewed as an extension of Classical Organizational Theory and as an important contribution to Human Relations Theory. Classical Organizational Theory is a key foundation to constructing strong organizations and to understanding organizational behavior; similarly, Daniel Goleman stresses that the foundation required for good Emotional Intelligence is high intelligence and good job skills. Just as

Human Relations Theory represents a more refined view of Classical Organizational Theory, Emotional Intelligence represents a more refined level of personal management ability.

Classical Organization Theory represents the intelligence and job skill aspect of Emotional Intelligence in the sense that it provides a foundation for good business practices. Frederick Taylor, Henri Fayol, and Max Weber contributed to a body of work that advocated the efficient design of business organizations that came to be known as Classical Organizational Theory (McGuigan, 2021). Frederick Taylor discussed a very rational approach to business in his paper entitled, *The Principles of Scientific Management* in 1911 (Akindel et al., 2016). Taylor discussed things like the efficient organization of job functions and motion studies that would reveal the ideal motions necessary for manual job functions (Haveman & Wetts, 2018). Taylor's work was aimed at finding one, rational, ideal way for conducting business (Akindel et al., 2016). While this approach may be theoretically efficient, it does not address the important principles of Emotional Intelligence. Like Frederick Taylor, Henry Fayol contributed greatly to modern administration with his works that laid out principles of command, coordination, organization, and foresight for business administration (Schermerhorn, 2012). In the same vein, Max Weber

developed systems for procedures and workplace rules as well as hierarchy of authority and division of labor (Haveman & Wetts, 2018).

The work developed by Taylor, Fayol, and Weber represents a one-right-way approach of conducting business; it does not consider unique personal preferences, and it certainly does not consider varying emotional states of the individual workers involved.

Nonetheless, Daniel Goleman has always stressed the importance of the mastery of job skills as a key component of Emotional Intelligence. As such, it is important to credit the structures created by Classical Organizational Theory as the foundation for Emotional Intelligence.

One of the most direct foundations of the more enlightened aspects of Emotional Intelligence can be found in the Work of Elton Mayo. Elton Mayo started the Human Relations Movement with his contribution to the famous Hawthorne Studies in the 1920s (Akindel et al., 2016), and many of the management theories after the Human Relations Movement became known as Behavioral Management Theories. In the Hawthorne Studies, Mayo and his colleagues found that employees responded positively to any change in the work environment, and Mayo concluded that the workers were responding to the attention from management (Haveman & Wetts, 2018). The workers may have performed better because they felt that their needs were being addressed, and/or they may have performed better

because they were being monitored; in either case, the conclusion was that workers were affected by social and/or emotional variables (Haveman & Wetts, 2018). This is exactly the type of lesson that Daniel Goleman would promote in his work with Emotional Intelligence. Goleman explains that the unique feelings of workers must be addressed before managers can lead in a way that will draw employees to them (Goleman, 1995). Furthermore, the work of Elton Mayo acknowledges the importance of structure and efficiency; the whole point of Mayo's work was to improve efficiency, and Mayo found that addressing human needs was a key way to achieve better efficiency, and thus began the Human Relations Movement in the early 20th century (Akindel et al., 2016). Similarly, Goleman is always quick to stress that his work in Emotional Intelligence is focused on improving business results. It is a misconception that Emotional Intelligence is simply a way of avoiding confrontation and making everyone feel better; instead, the principles developed by Goleman are about achieving business results (Goleman, 1995).

During the Human Relations Movement in the 20th century, the Hierarchy of Needs Theory developed by Abraham Maslow in 1943 (Schermerhorn, 2012) provided an important context for Emotional Intelligence in two important ways; first, Maslow's theory demonstrated that different people would be motivated by different

things depending on met and unmet needs (Akindel et al., 2016), and two, Maslow's theory is a way for individuals to reflect on their own needs and understand how those met and unmet needs are affecting their own emotional state. Maslow's Hierarchy of Needs Theory is an important part of the Human Relations Movement because it addresses how the one-size-fits-all thinking of Classical Theory can be improved. Managers who seek to use Emotional Intelligence need tools to understand the emotions and needs of their employees, and Maslow's theory provides some of those tools. Maslow Deficit principle and Progression principle are two specific lessons that will benefit managers seeking Emotional Intelligence. The Deficit principle specifies that workers will only be satisfied by unmet needs, and Progression principle specifies that workers will not be motivated by a need that has already been satisfied (Schermerhorn, 2012). Taken literally, these two principles indicate that there is only a very narrow way to motivate any particular employee, and this also implies that energy spent improperly motivating an employee will be wasted. These principles are key understandings for an emotionally intelligent manager who needs to specify her or his leadership style to the individual needs of employees.

The second important aspect of Maslow's theory is that it will help a manager understand their own needs. A fundamental aspect of

Emotional Intelligence is that a person understands their own emotional state and how it is affecting their performance. Goleman explains that a successful employee or manager needs to be aware of their needs and their emotional state first and foremost; a manager who does not understand how their emotions affect their performance is not self-aware and is at risk of being unable to successfully manager their emotions. Maslow's theory is a tool that allows one to have a greater understanding of their own needs and thus allows that person to be more emotionally intelligent.

Theory X and Theory Y developed by Douglas McGregor and the Theory of Adult Personality developed by Chris Argyris are also important to mention because these theories were important contributions during the Human Relations Movement, and these theories stress the need to view employees as individuals and to assume that employees have self-actualizing desires (Akindel et al., 2016). Douglas McGregor stated that a manager would create a self-fulfilling prophecy by treating employees in accordance with Theory X or Theory Y; Theory X stipulates that employees dislike work and need to be constantly monitored, and Theory Y stipulates that employees have an internal desire to do quality work and to use work as a means of achieving self-actualization (Akindel et al., 2016). With this work, McGregor provided a foundation for Emotional Intelligence by

suggesting that managers should assume positive intentions from employees and by suggesting that managers could achieve different results with a unique approach to each employee. Chris Argyris also provided groundwork for Emotional Intelligence with his Theory of Adult Personality that stressed the need to treat workers as responsible adults rather than as workers who could be motivated with a one-size-fits-all classical systematic theory.

There are two important theories from Modern Organizational Theory that provided a context and foundation for Goleman's work in Emotional Intelligence: Contingency Theory and Situational Leadership. As will be discussed, both of these theories stress the flexibility of management that is necessary for an emotionally intelligent style of leadership. The Contingency Leadership Theory developed by Fred Fiedler in 1967 specifies that management style should be situationally contingent (Waters, 2013). And the Hersey-Blanchard Situational Leadership Model developed in 1977 by Paul Hersey and Ken Blanchard offers alternative leadership styles based on characteristics of the task and of the employees (Meier, 2016). Both theories of leadership are relevant to Emotional Intelligence; Contingency Leadership acknowledges treating each situation from a unique perspective, which is a key point of flexibility in Emotional Intelligence. Situational leadership is also relevant to Emotional

Intelligence because it provides a system for evaluating common situations that might trigger an emotional hijack. Daniel Goleman suggested that individuals should carefully think through situations that could trigger stress and be prepared with useful strategies for maintaining emotional management (Goleman 1995). This preparation is a key part of the self-awareness that Goleman advocates, and the Hersey-Blanchard model is an effective preparation tool.

Emotional Intelligence in the Current Business Environment

Today's current business environment is rife with examples of how Emotional Intelligence can be useful. Gerald F. Davis and Christopher Marquis, authors of the 2005 article "Prospects for Organization Theory in the Early Twenty-First Century: Institutional Fields and Mechanisms" discuss a shift in the relevant qualities of organizational theory, and those authors suggest that the principles and lessons from organizational theories are not useful given today's unique and complex challenges. In such an environment, Emotional Intelligence is essential for good business management; savvy leaders will need the patience, flexibility, and resilience that comes from practicing good emotional management. Davis and Marquis (2005) suggest that business managers should focus their attention on understanding unique problems rather than understanding the past

paradigms of organizational theory. This focus on unique situations is a core principle of Emotional Intelligence (Goleman 1995).

A recent example of a specific company that dealt with complex challenges and may have benefited from emotionally intelligent managers is British Petroleum (BP). In 2012, then Chief Executive Officer of BP, Victoria Smill announced that she planned to change the company's organizational structure by cutting perhaps thousands of jobs and shedding up to four levels of management (IB Business and Management, 2012). There are a number of organizational theories and Emotional Intelligence concepts that are relevant to the potential changes at BP. Those theories and concepts include the role of Emotional Intelligence in resistance to change, the choice between Participatory and Non-Participatory Change, and the additional emotional strains on managers in flatter organizations.

Resistance to change can come in many forms; authors Hitt et al. (2009) define four categories of resistance to change as lack of understanding, different assessments, self-interest, and low tolerance for change. Lack of understanding and different assessments can be addressed with emotionally intelligent communication. Additionally, the gap between a communicator's intentions and impact could contribute directly to miscommunication during change and could be addressed by labelling intentions in a way that avoids an emotional

hijack (Goleman, 1995). It is also important to note that managers must choose carefully between Participatory and Non-Participatory Change and carefully consider the emotional impacts of resistance to change; Participatory Change is a bottom-up approach that includes employee input, and Non-Participatory Change is a top-down approach directed by management (Hitt et al., 2009). Hitt et al. (2009) explain that the degree of support for the proposed change and type of leadership power present in an organization are important when considering between Participatory and Non-Participatory change. Consideration of these factors represents emotionally intelligent planning. Managers using a classical style of management might fail to consider how employees would respond to change, but Hitt et al. (2009) demonstrate that an understanding of the mental and emotional states of employees is essential to successful change. While this paper does not conduct specific research on the organizational change at BP, this paper will assert that any emotional intelligence techniques used by Victoria Smill during the transition would have been well advised.

Former BP CEO Victoria Smill may have also considered that her proposed change in organizational structure may have likely to lead to additional emotional strains on managers due to the resulting flatter organizational structure (Meehan 2018). Author Colette

Meehan (2018) discusses the confusion that can result from a flat organizational structure; this confusion often leads to more stress on managers with a larger span of control; managers face more demanding challenges from the variety personnel interactions as well as the larger span of technical expertise that is required. As Daniel Goleman states, managers need more Emotional Intelligence as they move up in management authority (Goleman 1995). In the case of the rapid change suggested by Victoria Smaill, the BP managers stood to gain responsibility very quickly, and they may or may not have had the required Emotional Intelligence, which as Goleman contends will determine between 67%-85% of a manager's success (Goleman, 1995).

Conclusion

Daniel Goleman has demonstrated that Emotional Intelligence has a profound impact on a business professional's ability to perform and manage other employees; and Goleman has supported his assertions with data that illustrate that up to 85% of a manager's success will be determined by her or his capability in Emotional Intelligence. The benefits of Emotional Intelligence include self-awareness, emotional management, and social management. Managers who are self-aware understand how emotions will affect them, and they understand variables that might trigger an emotional

hijack. This self-awareness also helps managers to be more adept at emotional management; managers with a strong ability to manage emotions have better resiliency, patience, flexibility, motivation, and confidence. The social management aspect of Emotional Intelligence is so important that Daniel Goleman would later define this aspect as an entirely new theory called Social Intelligence. The benefits of Social Intelligence include the ability to use self-awareness and emotional management to successfully interact with and manage other people.

Emotional Intelligence has a strong foundation in Classical Organizational Theory, and Goleman's work represents an important contribution to Human Relations Theory; furthermore, Emotional Intelligence is highly relevant to today's current business environment. Goleman stresses that business managers need a solid understanding of business fundamentals and job skills; similarly, Classical Organizational Theory stresses the need for appropriate structures and efficient designs. But what Classical Organizational Theory does not do is allow for specific consideration of individual needs and unique situations. Emotional Intelligence is thus relevant to the Human Relations Movement because Emotional Intelligence considers the emotions of individuals. Daniel Goleman's impactful work built on the important foundation of classical theorists such as

Frederick Taylor, Henri Fayol, and Max Weber, and Daniel Goleman added to the more refined work of behavioral management theorists and modern theorists such as Abraham Maslow, Douglas McGregor, Chris Argyris, Fred Fiedler, Paul Hersey, and Ken Blanchard.

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