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The Impact of Emotional Intelligence in the Banking Sector

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**The Impact of Emotional Intelligence in
the Banking Sector**

By

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ABSTRACT

Emotional Intelligence (EI) is arguably one of the most passionately debated constructs in the field of social sciences. Yet to date, there has been a very little consensus on what it is, what it measures and its unique contribution to the prediction of meaningful outcomes.

The banking industry plays the role as a financial supplier to enterprises in the entire economy. Therefore, when ever changes occur in political or economic environment the industry is bound to get affected to some extent. Especially nowadays were the economic recession effects are making everyone's life more difficult it would withstand much higher risk on business operation than in any other industries.

This paper focuses on the impact of Emotional Intelligence in banking sector. Emotional intelligence is very crucial across all service sectors, particularly banks. Banks compete in the market place with undifferentiated products and the quality of service encounter is the fact that gives it a distinct marketing edge, resulting in better financial performance, competitive advantage, customer satisfaction, market share and most significant customer loyalty in a small (or close) society like Cyprus with various cultural particularities. Our approach is to identify the level of emotional intelligence among branch mangers' of a commercial bank in Cyprus examining possible gaps between managers performance and employees priority on several emotional intelligence competencies. The rather new concept of Emotional Intelligence encloses many of the key competencies that is required for a favorable service encounter but also can be a key for excellence in leadership and management. The concept of managers emotional intelligence is a critical aspect to an organization that is often overlooked as it is difficult to determine on a firms performance. Worldwide more and more companies have come to the realization of how critical it is and have invested resources to ensure that they have managers at workplaces, who are emotionally intelligent.

Keywords: emotional intelligence, self-awareness, empathy, leadership, importance-performance matrix, radar chart