

Social Intelligence and Business Performance of Managers at Agriculture Banks in Ardabil province

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Abstract

The study has been done in order to determine the relationship between relationship social intelligence dimensions (social information processing, social skills, social awareness, and social desirability) as independent variables and business performance (behavioral performance, in-role performance, extra-role performance, results-based performance) of managers as dependent variable. This has done Agriculture Bank in Ardabil province. We determined the amount of the sample size with the used of Cochran sampling method which the statistical sample is 102 of this Bank managers which have been selected through the simple random sampling method. To gathering of data, we used questionnaires with 43 items. Questionnaires reliability was estimated by calculating Cronbach's Alpha. In order to analyze the data resulted from collected questionnaires deductive and descriptive statistical methods are used. The results Kolmogorov-Smirnov Test shows the test distribution is Normal. So we can use Pearson Correlation coefficients to test the hypothesis of the research. In order to determine the relationship between the variables of the study, the SPSS tool has been used. Findings show that relationship between relationship social intelligence dimensions and business performance of managers at Agriculture Bank in Ardabil province.

Keywords: *social information processing, social skills, social awareness, and social desirability, business performance,*

INTRODUCTION

Emotional intelligence has become a major topic of interest in scientific circles as well as in the lay public since the publication of a bestseller by the same name in 1995 (Goleman). Despite this heightened level of interest in this *new idea* over the past decade, scholars have been studying this construct for the greater part of the twentieth century; and the historical roots of this wider area can actually be traced back to the nineteenth century. Publications began appearing in the

twentieth century with the work of Edward Thorndike on *social intelligence* in 1920. Many of these early studies focused on describing, defining and assessing socially competent behavior (Edgar Doll published the first instrument designed to measure socially intelligent behavior in young children (1935). Possibly influenced by Thorndike and Doll, David Wechsler included two subscales (“Comprehension” and “Picture Arrangement”) in his well-known test of cognitive intelligence that appear to have been designed to measure aspects of social intelligence. A year after the first publication of this test in 1939, Wechsler described the influence of *non-intellective factors* on intelligent behavior which was yet another reference to this construct (1940). In the first of a number of publications following this early description moreover, he argued that our models of intelligence would not be complete until we can adequately describe these factors (1943) (Bar-On, 2005).

Scholars began to shift their attention from describing and assessing social intelligence to understanding the purpose of interpersonal behavior and the role it plays in effective adaptability. This line of research helped define human effectiveness from the social perspective as well as strengthened one very important aspect of Wechsler’s (1958) definition of general intelligence: “The capacity of the individual to act purposefully”. Additionally, this helped position social intelligence as part of general intelligence (Bar-On, 2005).

Social intelligence is the capacity to effectively negotiate complex social relationships and environments. Psychologist and professor at the London School of Economics Nicholas Humphrey believes that it is social intelligence, rather than quantitative intelligence, that defines humans. Social scientist Ross Honeywill believes social intelligence is an aggregated measure of self- and social-awareness, evolved social beliefs and attitudes, and a capacity and appetite to manage complex social change. A person with a high social intelligence quotient (SQ) is no better or worse than someone with a low SQ, but they have different attitudes, hopes, interests and desires.

The original definition, “*the ability to understand and manage men and women, boys and girls, to act wisely in human relations*”(Thorndike, 1920) refers to the ability of humans to interact among each other. It has been applied for many years to the process that societies and large, complex human groups go through to become better and grow together.

Until now, it has not had a practical application in the world of business with few exceptions. A case can be made for massively-large organizations like GE, IBM and Microsoft – since the scale was there to justify the concept.

However, as businesses become more social and their sphere of influence and group size goes from only employees to a mixture of employees, partner, consumers, and customers in very large communities we find the concepts and theories of Social Intelligence apply to these larger groups. Until now we had not had the need to automate them or provide tools and technologies to use them – they were simply a place to exchange views and knowledge. As the social business evolves, it needs to leverage the value in these communities to fuel its understanding of how to do better.

Social Intelligence, as applied to these business groups, refers to the tools and practices used by organizations to aggregate social data (gathered via social media monitoring tools and social analytics engines) with existing data and integrate with systems of records and real-time analytics engines. The results are actionable insights that provide brands with new information on their customers, their products, and even their campaigns that they can use to improve what

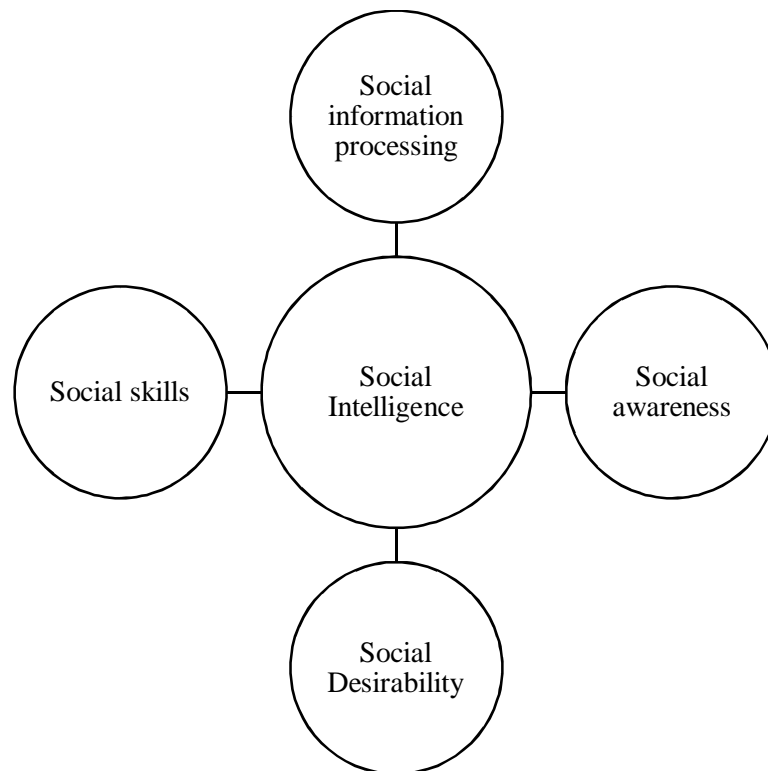
they do and how they do it. Using this information to proactively predict and anticipate customers needs, and deliver on their specific wants and desires, is the value of Social Intelligence (wikipedia)¹

Silvera, Martinussen and Dahl (2001), pointing out the fact that few tests for social intelligence are available, reviewed the existing measures evidencing two major problems: a) many of them are time consuming and difficult to administer; b) different types of social intelligence measures are often not highly correlated with one another, mainly because of disagreement in the definition of social intelligence and possible biases in self-reports (Gini, 2005).

These authors, therefore, constructed a new scale for the assessment of social intelligence that could overcome these limitations: the Troms Social Intelligence Scale (TSIS). The scale measures three areas of social intelligence:

- a) Social information processing, that is the ability to understand and predict other peoples' behaviors and feelings;
- b) Social skills, that stresses the behavioral aspects of the construct by assessing the ability to enter new social situations and social adaptation;
- c) Social awareness, that measures the tendency to be unaware of or surprised by events in social situations (Gini, 2005).
- d) Social Desirability, the tendency to respond in a socially desirable fashion was controlled using a short version of the Marlowe and Crowne scale (Crowne & Marlowe, 1960).

Fig 1- Social Intelligence Scales



¹http://en.wikipedia.org/wiki/Social_intelligence

According to Marr and Schiuma (2003) the field of Business Performance Measurement (BPM) lacks a cohesive body of knowledge. Researchers like Neely (2002); Franco-Santos and Bourne (2005) in areas as diverse as strategy management, operations management, human resources, organizational behavior, information systems, marketing, and management accounting and control are contributing to the field of performance measurement. While diverse and multi-disciplinary research is appealing, it can also foster complications. These different approaches towards performance measurement have led to numerous definitions of a BPM system, and there is little consensus regarding its main components and characteristics (Franco-Santos et al, 2007).

Bourne, et al. (2003) state that “A business performance measurement system refers the use of a multi-dimensional set of performance measures for the planning and management of a business”. Traditionally, businesses used financial measures as the sole basis for determining the level of their business' performance, but increasing competition has motivated them to develop a variety of metrics in order to determine the status of additional important areas of business that could not be reported by financial indicators. The Balanced scorecard approach is a highly popular framework for Performance Measurement that was introduced by Kaplan & Norton (1992). It suggests that financial indicators be accompanied by a measured view of operational status, customer perception and capability for innovation within the company. Neely et al. (2002) proposed the Performance Prism which suggested that measurements of stakeholder satisfaction, stakeholder contribution, strategies, process and capabilities of the organization also be taken into account. These new areas of consideration could help to give managers a more holistic report of the company's performance and allow them to plan for wider improvements across the company that were originally beyond the view of financial measures. However, it must be noted that there is no definitive evidence that suggests that there would need to be an equal weighting of the importance of the areas of measurement (Trickett, 2011).

According to Ittner, et al., (2003) A Performance Measurement System (PMS) provides the information necessary for organizations to identify strategies that may offer the greatest potential for achieving the organizations set objectives. PMS “aligns management processes, such as target setting, decision-making, and performance evaluation” (Ittner, et al., 2003).

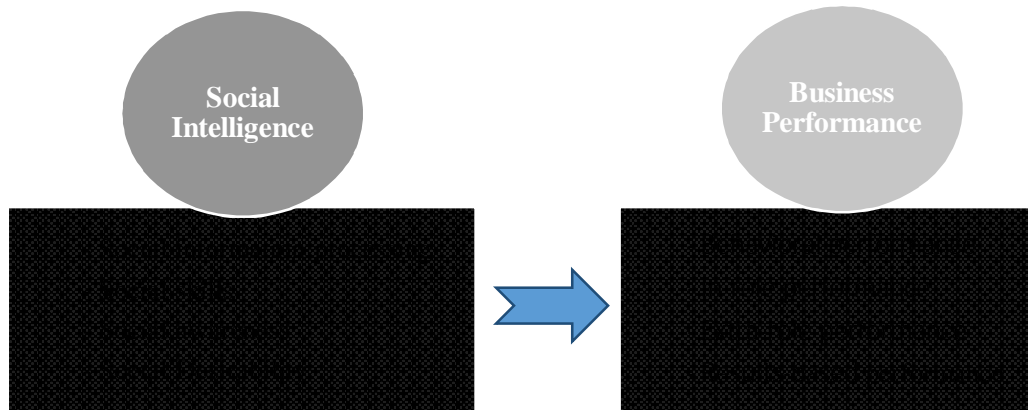
There are four dimensions for Business Performance:

1. *Behavioral performance* - Personal or professional knowledge, advice, wisdom, skill, self-reliance, time correct management, curiosity to know, befriend, recognizing or identifying persons; effectiveness, real knowledge of our customers, asking the right questions, sell a good product to the customer, consistent with the detail, willingness to work (Durif et al, 2013).
2. *In-role performance* - Customer confidence, identifying by target customers, sharing knowledge and or information with colleagues, tracking, team spirit, customer loyalty, working well, positive impact on the work, excellent understanding of Clients (Durif et al, 2013).
3. *Extra-role performance* - behaviors are certain behaviors of employees, which are not part of their formal job requirements as they cannot be prescribed or required in advance for a given job but they help in the smooth functioning of the organization as a social system. Some of the extra role performance behavior are: helping coworkers with a job related problem; accepting orders without fuss; tolerating temporary impositions without complaint; maintaining cleanliness and physical hygiene of the work place; promoting a work climate that is tolerable and minimizes the distractions created by

interpersonal conflict; and protecting and conserving organizational resources etc. (Bateman & Organ, 1983).

4. *Results-based performance* - Results, enhanced performance, high power of authority, more key clients (Durif et al, 2013).

The conceptual formwork of this study on Business Performance according to Durif et al, 2013 and on Social Intelligence according to Silvera, Martinussen and Dahl (2001).



METHODOLOGY

In this work, we analysis the relationship between social intelligence dimensions and business performance of managers. This has done Agriculture Bank in Ardabil province. We determined the amount of the sample size with the used of Cochran sampling method which the statistical sample is 102 of this Bank managers which have been selected through the simple random sampling method. To gathering of data, we used questionnaires with 43 items. Questionnaires reliability was estimated by calculating Cronbach's Alpha. Table 1 shows the number of question and Cronbach's Alpha for each dimensions of research.

Table 1 shows the number of question and Cronbach's Alpha for each dimensions:

Dimensions	No. Of Items	<i>Alpha</i>
Behavioural performance	5	0.79
In-role performance	3	0.896
Extra-role performance	3	0.75
Results-based performance	3	0.84
<i>Business Performance</i>	<i>14</i>	<i>0.91</i>
Social skills	7	0.73
Social information processing	9	0.81
Social awareness	9	0.79

Social Desirability	4	0.82
<i>Social Intelligence</i>	29	0.84
All	43	-

In order to analyze the data resulted from collected questionnaires deductive and descriptive statistical methods are used. The results Kolmogorov-Smirnov Test shows the test distribution is Normal. So we can use Pearson Correlation coefficients to test the hypothesis of the research. In order to determine the relationship between the variables of the study, the SPSS tool has been used.

RESULTS

Eighty percent of responders are male and twenty three are female. Ninety-five percent are married. The responder's degree show that one percent of managers have PhD degree, 8 percent have MA, 60 percent BA and 31 percent have AD degree.

From the precedence point of view about one percent of responders have less than 5 years' experience, 11 percent have between 6 -10, 20 percent have between 11-15, 41 percent have between 16-20, and finally 27 percent have experience more than 21 years of. It shows that all the managers have good experience.

The following table shows the statistical parameters such as mean, standard deviation. The in-role performance and social desirability have the average of the minimum (2.70) and maximum (2.98) with a greater distance from other variables.

Table 2. Statistical parameters of variables

Variables	S.D	Mean
Social information processing	.41409	2.8405
Social skills	.419537	2.90316
Social awareness	.60428	2.9100
Social Desirability	.469468	2.98106
Behavioural performance	.38312	2.9073
In-role performance	.43575	2.70590
Extra-role performance	.43307	2.9325
Results-based performance	.53748	2.9458

Hypothesis 1. *There is significant relationship between social intelligence dimensions and behavioral performance of managers at Agriculture Bank in Ardabil province*

Correlation analysis has been done in order to determine the relationship between relationship social intelligence dimensions as independent variables and behavioral performance of managers as dependent variable. The correlation analysis result between these variables is shown in table 1.

Table 3: Results of Correlation coefficient of Hypothesis 1.

Independent variable	dependent variable	R	P-value	Result
Social information processing	behavioural performance	.153	.007	Confirm H ₁
Social skills		.167	.003	Confirm H ₁
Social awareness		.275	.000	Confirm H ₁
Social Desirability		.173	.002	Confirm H ₁

Due to the significant level achieved about variables are lower than 0.05, we can reject H₀ and accepted H₁ hypothesis with 99% confidence. So, we can say that there is a direct relationship between the social information processing, social skills, social awareness, social desirability and behavioral performance of managers at Agriculture Bank in Ardabil province. The strongest positive relationship is between social awareness and behavioral performance.

Hypothesis2. *There is significant relationship between social intelligence dimensions and in-role performance of managers at Agriculture Bank in Ardabil province*

Correlation analysis has been done in order to determine the relationship between relationship social intelligence dimensions as independent variables and in-role performance of managers as dependent variable. The correlation analysis result between these variables is shown in table 1.

Table 3: Results of Correlation coefficient of Hypothesis 2.

Independent variable	dependent variable	R	P-value	Result
Social information processing	in-role performance	.202	.000	Confirm H ₁
Social skills		.182	.001	Confirm H ₁
Social awareness		.182	.001	Confirm H ₁
Social Desirability		.185	.001	Confirm H ₁

Due to the significant level achieved about variables are lower than 0.05, we can reject H₀ and accepted H₁ hypothesis with 99% confidence. So, we can say that there is a direct relationship between the social information processing, social skills, social awareness, social desirability and in-role performance of managers at Agriculture Bank in Ardabil province. The strongest positive relationship is between social information processing and in-role performance.

Hypothesis3. *There is significant relationship between social intelligence dimensions and extra role performance of managers at Agriculture Bank in Ardabil province*

Correlation analysis has been done in order to determine the relationship between relationship social intelligence dimensions as independent variables and extra -role performance of managers as dependent variable. The correlation analysis result between these variables is shown in table 1.

Table 3: Results of Correlation coefficient of Hypothesis 2.

Independent variable	dependent variable	R	P-value	Result
Social information processing	extra -role	.530	.000	Confirm H ₁

Social skills	performance	.174	.002	Confirm H ₁
Social awareness		.134	.019	Confirm H ₁
Social Desirability		.324	.000	Confirm H ₁

Due to the significant level achieved about variables are lower than 0.05, we can reject H₀ and accepted H₁ hypothesis with 99% confidence. So, we can say that there is a direct relationship between the social information processing, social skills, social awareness, social desirability and extra-role performance of managers at Agriculture Bank in Ardabil province. The strongest positive relationship is between social information processing and extra role performance.

Hypothesis4. There is significant relationship between social intelligence dimensions and results-based performance of managers atAgriculture Bank in Ardabil province

Correlation analysis has been done in order to determine the relationship betweenrelationship social intelligence dimensions as independent variables and results-based performance of managers asdependent variable. The correlation analysis resultbetween these variables is shown in table 1.

Table 3: Results of Correlation coefficient of Hypothesis 2.

Independent variable	dependent variable	R	P-value	Result
Social information processing	results-based performance	.149	.009	Confirm H ₁
Social skills		.178	.002	Confirm H ₁
Social awareness		.285	.000	Confirm H ₁
Social Desirability		.215	.000	Confirm H ₁

Due to the significant level achieved about variables are lower than 0.05, we can reject H₀ and accepted H₁ hypothesis with 99% confidence. So, we can say that there is a direct relationship between the social information processing, social skills, social awareness, social desirability and results-based performance of managers at Agriculture Bank in Ardabil province. The strongest positive relationship is between social awareness and results-based performance.

CONCLUSION

The study has been done in order to determine the relationship betweenrelationship social intelligence dimensions (social information processing, social skills, social awareness, and social desirability) as independent variables and business performance (behavioral performance, in-role performance, extra-role performance, results-based performance) of managers asdependent variable.

Findings show thatrelationship betweenrelationship social intelligence dimensionsand business performanceof managers atAgriculture Bank in Ardabil province.

1. There is significant relationship between social intelligence dimensions and behavioral performance of managers atAgriculture Bank in Ardabil province.

2. There is significant relationship between social intelligence dimensions and in-role performance of managers atAgriculture Bank in Ardabil province.
3. There is significant relationship between social intelligence dimensions and extra role performance of managers atAgriculture Bank in Ardabil province.
4. There is significant relationship between social intelligence dimensions and results-based performance of managers atAgriculture Bank in Ardabil province.

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