

Impact of Negative Emotions on leader's Performance

(An empirical study of banking sector of Pakistan)

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Abstract

Organizations involve emotions and passions. The management of emotions is complex and unstable. Some emotions maybe controlled and some may be redirected, yet many have roots in unconscious origins. Exhibit of Negative emotions had a significant and negative affect on follower assessment of leader effectiveness as compared to neutral emotional display. This study focused on three main negative emotions like depression, anxiety and irritation that directly affect the leader's performance. This study uses questionnaire

approach in order to examine the extent to which these negative emotions affect the leader's performance. Results indicated that anxiety, irritation and depression have significant impact on leader's performance. There is an instruction for managers to create and keep a positive emotional climate in their workplaces rather than negative emotions.

Keywords: Negative emotions, Leader performance, Banking sector

I. Introduction

In today's dynamic world, leaders play an important role in every organization. As the competition between the service oriented organizations is very high, and there is the need of continuous change and development of these organizations especially for commercial banks where the only possibility to survive profitably and successfully is due to the effective and productive leadership. Leadership is process of social interaction where leaders attempt to influence the behavior of their followers (Yukl, 2002). Leadership originally was thought to be inherent in an individual. It was argued that leader was born not made (Bass, 1999). Leadership has been a hot topic of research for over 50 years. More than 15,000 articles and books have been published. Approximately organizations spend fifty billion dollars per year on leader's development (Fulmer and Conger, 2004). Regardless of this knowledge and investment many organizations feel that they have deficiency of effective leaders. Approximately fifty to seventy five percent leaders do not perform well (Hogan and Hogan, 2007), the reason behind this is a leader's negative emotions such as depression, anxiety and irritation; they usually show on the work place. For decades, relationship of leadership and emotions has been the topic of debate. Frijda (1988) defines emotions as an "action state produce by a mismatch between an organism's goal and some internal or environmental stimulus". Interest in emotions in the work place has

accelerated rapidly over decades. The study of emotions in the work settings has a long history. The starting point for modern research on emotion in organization seems to have been sociologist (Hochschild, 1983) seminal book on emotional labour: The Managed Heart. Emotions are known as an inescapable characteristic of organizational life. Emotions are learned aspects of behavior and are situation specific and they are generally not irrational but quiet practical. Negative emotions shown had a substantial and negative effect on overall organization (Kristi M. Lewis). This research also to find out the impact of irritation on leader effectiveness. Negative emotions could also affect follower's perception of leader's effectiveness and credibility (Congers and Kanungo, 1994). The objective of the study is to find out the impact of depression, anxiety and irritation on leader's performance. In this study focus is at how to deal with negative emotions of leaders in order to make them more effective and productive. The aim of this research was to find out the impact of depression on leader effectiveness. This research also aims to find out the impact of anxiety on leader performance of banking sector Pakistan. Research is going to conduct in Islamabad/Rawalpindi; different bank managers are surveyed through questionnaire to clearly examine the extent to which their negative emotions affect their performance. In this ever changing world of today it is difficult for the organization

to survive without effective leaders. As the competition is very high and the leader is responsible to bring change and continuous development in organizations especially for commercial banks. Leader's emotions cannot be denied in any field of life, especially in service sectors where the people are in direct relationship with them, such as health education and banking. As far as banking sector is concerned leader's negative emotions such as depression, anxiety, irritation, fear, anger, strain etc will directly affect their work. As in banks there are more complexed work, long timings, more routine and systematic activities, leader consider their job as a burden and usually show negative emotions like they become depressive, anxious, stressful, angry and irritating. The finding of this study would be how a leader must deal effectively end efficiently with his negative emotions in order to get maximum productivity and high performance outcomes in the banking sector. Most of the organizations in today's world have shortage of effective and efficient leaders in order to compete with other organizations. The leaders who mostly show negative emotions like anger, fear, depression etc always face difficulties in dealing with their employees as well as with their customers.

Leader's negative emotions effect his follower's perceptions of leader's effectiveness and credibility. The leader who shows these negative behaviors is most likely to be called an ineffective leader who becomes a liability for the organization despite of an asset. The purpose or rational of this study is to examine the impact of negative emotions on leader's performance and what measures should be taken by organizations so that leaders can overcome their negative emotions in order to improve their performance. Organizations must introduce some training programs or hire some consular that provides necessary skills to the leaders that how to control their negative emotions in their work place settings. In this way leaders will perform according to the expectations of organization. This study is build on the following research questions

1. What is the impact of depression on leader's performance?
2. What is the impact of anxiety on leader's performance?
3. What is the impact of irritation on leader's performance?

II. Literature review

Leader's emotion in work place setting is hot topic in management today. Emotions are more important in work place than just emotional intelligence. The study of emotions in organizations settings has provided novel and important understanding of how people behave in the organization. And there is an instruction for managers to create and keep a positive emotional climate in their workplaces rather than negative emotions. Emotions in the work place settings have a long history and they are the inevitable features of organizational life. They are instrumental in defining relations of deference, position, status and authority. For decades, relationship of leadership and emotions has been the topic of debate, but in last ten years the relationship becomes clearer. Demonstration of leader's negative emotions had a substantial and severe effect on organization. As depression, anxiety, strain, irritation and fear have negative impact on leader's performance, covering both personal and professional aspect, the argument is supported by literature review. (Ronald J. Bruke, 2006) identified the everyday causes of failure and possible corrective actions. He also analyzed that leaders that failed to behave in a ways representative of their personality it limits their career. These flaws include arrogance,

insensitivity etc. (Twenge and Campbell, 2008) examined that the number of people being treated for depression is more than tripled in the ten years period from 1987 to 1997, jumping from 1.8 million to 6.3 million. The available evidence suggests that anxiety and depression are now common even apart from more diagnoses and treatment.

(Pablo Zognbi Manrique De Lara, 2006) analyzed that the general prediction in the organization and social psychological literature is the unfavorable perceptions of interactional justice that can generate the negative emotions such as anger, fear, resentments etc. He argued that fear is one of the basic negative emotion. (Sandi. Mann, 2006) identifies that particular type of emotional displays are often most essential for the teams and services work but there are some emotions that lead towards the potentially stressful work. He also examined that these emotions must be handled properly. (Alan D. Boss, 2008) analyzed that how emotional regulation and self leadership can help to move the experience of personal failure towards recovery. He also suggests that emotional regulation and self leadership can work together to help those who have experienced failure and move towards recovery so fast and smoothly

than those who are failed to do so. (Song Heyi and Mao Na Guo Dan, 2007) examine the relationship between the traits of leaders and the performance of the leader under different organizational cultures. He regarded that leader's trait as independent variable and performance as dependent variable; he found that the negative traits are directly and significantly related to the performance. (Bradley John Oslan and Nelson, 2006) identifies that work place violence like homicide is just the tip of ice berg. Work place aggression is the main problem that affects organizations. He also identifies those organizational and individual factors that affect both the sense making initiation and the connection between these initiations and aggressive behavior, and also incorporate a variety of aggressive behaviors such as violence, verbal abuse, refusal to return telephone calls etc that usually occurs in an organization. (Thomas W. kent, 2006) describes the relationship of effective leadership with the leader's ability to handle his or her state of emotions. (Linn Van Dyne, 2002) he analyses the magnitude of work and non-work sources of strain and work performance of the multi-dimensional nature . He conclude the results that support a positive relationship between work strain and employee individual sale performance and a negative relation between the home strain and employees creativity at work. (Judith Chapman, 2006) examined that the anxiety associated with a decision task always leads to defective decision making. He discussed that there are many reasons why managers sometimes make poor decisions. Understanding the underlying causes can be a confusing task, but for managers to learn from their mistakes, they need to do so. (Catherine and Ashkanasy, 2002) he discussed in his paper that the study of emotions in organizational settings has provided new and important insights in to the way in which the people in organization behave, and there is a advise for managers to enable them to develop and to maintain a positive emotional climate in their organization rather than negative emotions. (Kristi M. Lewis, 2000) observed a male or female leader express negative emotions which was proposed to influenced the observer's affective state and assessment of the leader's effectiveness. Kristi also analyzed that negative emotional display had a significant and negative main effect on participant's assessment of

leader's effectiveness compared to a more neutral emotional display. (Fisher and Ashkanasy, 2000) analyzed the relationship of mood to job characteristics and to job satisfaction also the manifestation of anger, perceptions and effects of emotional labor, emotional intelligence in selection interviews , and the effects of display of sadness and anger by leaders. Fisher also explores the relationship between real time mood and emotions while working in an organization. (Gabriel and Griffiths, 2002) argues that the management of emotions is problematic. Some emotions may be contained or redirected but many arise from deeper unconscious sources and are in previous to learning of two specific emotions anxiety and love. (Marie T. Dasborough, 2002) he examined that member's attributions about their leader's intentions influence how the members evaluate, interpret and eventually label the leader's influence attempts as either 'true' or 'pseudo' transformational leadership. These attributions are determined by and they influence the member's emotions. (Michele J. Schmidt, 2010) he argued that leadership preparation programs in the new millennium should be required to train leaders emotionally as well as cognitively. (Mchugo, 1991) he examined that attitudes can moderate viewer's reactions to the expressive displays of a political leader. The study focus on three indicators that are negative effects, revenge behavior and burnout. (Harvey and Martinko, 2006) they analyzed that there is a need to develop the conceptual modal that predicts the influence based causal explanation for subordinates behavior and outcomes on a leader's functional and the quality of leader-member relationship. (Mchugo, Lanzetta, Bush, 1991) they examined that expressive display of emotions are information -laden and evocative. They are dispositional and situational information and can produce the emotional reactions. In addition to their role as social signals expressions of emotions can evoke facial muscles and autonomic responses in observer. (Hunter, Tate, Dzieweczynski, Avers, 2011) they examined that errors make up a substantial portion of the fabric of leadership; there is a very little knowledge about how and why they occur. The results of the effort reveal several key themes, including the negative impact of timeframe, complex influence of expertise, causes of rigidity in problem solving, and the

key role of the subordinate in minimizing the negative impacts of error. A closer consideration of these themes reveals several practical and theoretical implications for reducing the frequency and severity of leader errors. (Little, Simmons and Nelson, 2007) they analyzed that the health of an organization's leader has profound implications not only for the leader, but also for the organization itself and for its members. In this study they focused on the positive stress response in three indicators (negative effect, burnout, revenge behavior) of distress, the negative stress response, in relation to the health of pastors, whose jobs closely parallel those of leaders in all types of organizations. They analyzed that the results indicated that both positive affect and revenge behavior were significantly related to health. A post-hoc analysis indicated that work-family conflict was negatively related to revenge behavior, while family-work conflict was positively related to revenge behavior, and that

engagement was negatively related to revenge behavior. (Tassinary and Cacioppo, 2011) examined that analyses of overt facial actions in emotion have contributed in myriad ways to theory and research on emotion. The sensitivity of the problem has been diminished by the use of facial electro-myography (EMG). They analyzed that overt facial expressions are the result of varied and specific movements of the facial skin and connective tissue caused by the contraction of facial muscles which are created due to negative emotions. These movements create folds, lines, and wrinkles in the skin and the movement of facial land-marks, such as the brows and corners of the mouth.

- H1:** anxiety has significant impact on leader's performance
- H2:** irritation has significant impact on leader's performance
- H3:** depression has significant impact on leader's performance

III. Methodology

Primary data is obtained from the managers of banks operating in Rawalpindi/Islamabad through self administered survey questionnaires. Target population included branch managers as well as operational managers, non probability sampling is used, and sample includes all levels / categories of 100 managers by using convenience sampling method. It is quantitative study, data is collected from leaders and managers working in their normal routine, no changes are made in their work setting. The 5 point likert scale is used to measure level of impact; 1) strongly disagree 2) disagree 3)

neither agree/nor disagree 4) agree 5) strongly agree, for the collection of data: The questionnaire comprises of two parts; part 1 comprising items seeking negative emotions such as anger, anxiety, depression, irritation. Part 2 consists of items, which sought to collect information about the independent variables leader's performance which include leader's effectiveness. The subjects will be given the questionnaire in their place of work. Instructions on how to fill the questionnaire are given. Confidential treatment of information will be assured.

IV. RESULTS:

Table 1

	MEAN	STD. DEVIATION
Leader performance	3.6986	1.02934
Anxiety	2.9300	.76383
Depression	3.1550	.99480
Irritation	2.8133	.79182

This table shows mean scores and standard deviation of leadership performance, depression, anxiety and Irritation. The mean score for leadership performance is 3.6986 which shows that respondents are little agree to the leadership performance items in banking sector. The mean score for anxiety is 2.9300, which shows that respondents are neutral with the leadership performance. The mean score for depression is 3.1550, which shows that respondents are

slightly are neutral with statement of leader performance. The mean score for Irritation is 2.8133, which shows that respondents are slightly are neutral with statement of leader performance. Standard deviation shows the deviation from the mean of each dimension (leadership performance, Anxiety, depression, Irritation) values are 1.02934, 76383, 99480 and 79182 respectively.

Table 2

		Leader performance	Anxiety	depression
Anxiety	Pearson Correlation	-.728**		
depression	Pearson Correlation	-.754**	-.713**	
irritation	Pearson Correlation	-.473**	-.574**	-.719**

Pearson Correlation results are shown in Table 2. Correlation shows the relationship among the variables. The results indicate that anxiety has a significant and negative relationship with leader performance($r = -.728, p=000$). The results of anxiety has a negative and significant relationship with depression($r=-.713, p=000$). The results of anxiety has a negative and significant relationship with Irritation ($r=-.574, p=000$), this particular finding proved hypothesis H1 anxiety have significant impact on leader

performance. The results of depression has a negative and significant relationship with leader performance($r=-.754, p=000$), this particular finding proved hypothesis H2 depression have significant impact on leader performance. The results of Irritation has a negative and significant relationship with leader performance($r=-.473, p=000$), this particular finding proved hypothesis H3 irritation has significant impact on leader's performance.

TABLE 3

R	R SQUARE	ADJUSTED R SQUARE	STD. ERROR OF THE ESTIMATE
.813 ^a	.661	.650	.60880

TABLE 4

				T	Sig.
		B	Std. Error		
1	(Constant)	.826	.263	3.138	.002
	Anxiety	-.555	.115	-4.815	.000
	Depression	-.623	.104	-5.975	.000
	irritation	-.255	.112	-2.275	.025

Regression analysis

According to regression model, all variables are significance. Coefficient, anxiety which means, decrease in 1 unit of anxiety, leader performance will increase by 0.555 units. Coefficients of depression are negative and depression beta value is 0.623. It means, if there is decrease in 1 unit of depression will increase 0.623 units in leader performance in banking sector. Coefficients of irritation is negative , It means, if there is decrease in 1 unit of irritation will increase 0.255 unit in leader performance in

banking sector. This table explains the percentage of variations in leader performance is explained by the variables entered in regression equation (R-Squared=66.1%, Adjusted R-square= 65.0%). Hence 66.1% variation in the leader performance is explained by the anxiety, depression and irritation. F-value is statistically significant at 0.000. It shows the fitness of the model. According to these findings we are able to accept H1, H2 and H3.

V. Discussion:

Our data suggest that negative emotions have a significant impact on the leadership performance of the banking sector. There are three elements which measure the negative emotions of banking sector top management like anxiety, depression and Irritation. It provides a realistic help to the argument that anxiety decreases the performance of top management of the banking sector. The finding shows that tendency of managers have the same opinion that anxiety decreases their performance. The relationship between anxiety and leadership performance keep the management of banking sector in social frame of mind. Depression has significant and negative

relation with top management of banking sector it provides a realistic help to hypotheses that relationship between depression and leader performance effects effectiveness in performance of top management in banking sector. Results indicates that Irritation decreases the performance of the top management of banking sector because when he fell angry he take wrong decisions and failed to motivate the subordinates which leads to decreases the performance and also effects the leader productivity. When leader fell annoyed it impact on his communications skills due to which coordination is difficult and negative effect the leader performance.

VI. Conclusion

All of us experience failure many times in our lives. Some fail miserably and get over it quickly, while others let it completely take over their lives. However, failure is not a

Permanent state, and there are actions that can facilitate recovery. Most of the organizations in today's world have shortage of effective and efficient leaders in order to

Compete with other organizations and this is the biggest reason behind their failure. The leaders who mostly show negative emotions always face difficulties in their work place settings. This study analyses that leader's negative emotions such as anxiety, irritation and fear effect his follower's perceptions of leader's effectiveness and credibility. Leader's negative emotional display had a significant and drastic effect on organization as well as on leader's performance. In particular, individuals who are expert to control their negative emotions create their own opportunity to emerge from failure and return to an equilibrium state of recovery. Leadership preparation programs are, more than ever before, key factors in preparing leaders of today, not only by including discussions about the nature of emotions as researched in the literature, but also by providing safe venues in which to discuss ways to face the changing landscape in education

and, in particular, by preparing administrators to Manage a complex role that has the potential of being both emotionally exhilarating and dangerously emotionally debilitating. Organizations must introduce some training programs or hire some counselor who provides necessary skills to the leaders that how to control their negative emotions in their work place settings. In this way leaders will perform according to the expectations of organization. We conclude that the study of emotions in organizational settings has provided new and important insights into the way in which people in organizations behave. We offer advice for managers to enable them to develop and to maintain a positive emotional climate in their organization because the organizations with negative emotional climate are often less effective and low productive.

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