Managerial performance models through decision making and emotional intelligence in public sector

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Abstract: Managerial performance may reflect organizational performance. The achievement of organizational goals closely related to managerial performance, but many researchers only look in terms of workforce performance, whereas managerial roles as leaders of organizations have a huge influence in making decisions. A leader also needs emotional intelligence related to how to make the right decisions according to the organization's goals. This study aims to determine and analyze the effect of emotional intelligence on managerial performance directly and indirectly through decision making. The sample in this study amounted to 44 regional device organizations leaders in Bungo Regency. Data analysis method using path analysis. The results of the study note that emotional intelligence and decision making simultaneously affect managerial performance, but partially decision making has a more dominant influence. The indirect effect of emotional intelligence on managerial performance through decision making is greater than the direct influence of emotional intelligence on managerial performance, thus decision making is able to be an intermediary variable for the influence of emotional intelligence on managerial performance. The implication of the study is that if a managerial has good emotional intelligence it will be able to produce the right decision, so that it will have an impact on managerial performance.

Keywords: emotional intelligence; decision making; managerial performance.

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Introduction

The success of an organization can be measure from the extent to which it is able to achieve its goals. A person is responsible for achieving this goal because

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the manager will carry the direction of travel of the organization as well as the government organization. (Abubakar, Elrehall, Alatailat, & Elçi, 2019; Ivanov & Avasilcă, 2014) For the manager must have proficiency in knowledge. In addition to an adequate level of competence, a manager’s emotional intelligence can also make it easier for a manager to make the right decisions. Managers with good competence will have a considerable opportunity to be able to carry out better tasks compared to those who do not have competencies. (Bourne, Melnyk, & Bititici, 2018; Santos & Brito, 2012; Veliu, Manxhari, Demiri, & Jahaj, 2017; Kinnunen et al., 2019)

Emotional intelligence needed by an employee or manager in supporting performance. Goleman (2003) showed some research evidence that intellectual intelligence contributes approximately 20% to factors that determine success in life, and another 80% filled by other forces, including emotional intelligence (Kerr, Garvin, Heaton, & Boyle, 2006; Saheed, 2012; Shahhosseini, 2012; Zaki, 2012).

Some research has been done stating that the emotional intelligence possessed by a leader is able to direct employee performance as to achieve the organization’s goals (Ahmed, Sabir, ur Rehman, Khosa, & Khan, 2016; Gong, Chen, & Wang, 2019; Javidparvar, Hosseini, & Berjisian, 2013; Kaur & Sharma, 2019; Kopp & Jekauc, 2018), but in this study instead want to see how managerial emotional intelligence in making decisions and their impact on managerial performance itself. This becomes important because the organization is conceptually dependent on the leader.

In government organizations in Indonesia measurements of managerial performance are rare (Bashor & Purnama, 2017). The success of an organization only seen from the amount of budget absorption in the implementation of activities contained in the Accountability and Performance Report. If the goal not achieved, then there is no evaluation of who is most responsible for the activity. Employee performance assessments only carried out to meet the demand for promotion.

In this study will be focus on assessing the influence of variables that are considered to reliable in determining managerial performance, namely emotional intelligence through variable moderating that is decision making.

1. Literature review

Performance measurement systems provide information relevant to decision making. Relevant information obtained from performance measuring instruments covering financial and non-financial aspects. The unification of measuring instruments covering an organization’s value chain believed to help managers to understand cross-functional relationships that lead to better and more precise problem solving and decision-making. This way performance measurement systems can guide the decision-making process and help evaluate past decisions (Al Khajeh, 2018; Bourne et al., 2018; Buschor, 2013; Androniceanu, 2019a).
Performance assessment is one of the important tasks for a manager or leader to improve personnel decisions and provide feedback to employees about the employee’s performance. Performance assessment is essentially a key factor in developing an effective and efficient organization (Androniceanu, 2019b). Performance is influenced by one of the factors of employee quality and ability, namely things related to education/training, work ethic, work motivation, mental attitude (read as emotional intelligence), and the physical condition of the employee; in addition to supporting factors and supra-means factors (Gadirajurrett, Srinivasan, Stevens, & Jeena, 2018; Jomah, 2016; Sholihin, Pike, & Mangena, 2010; Taylor, Abdul-Hamid, & Mohn-Sanusi, 2008; Androniceanu, 2019c; Ciobanu et al. 2019).

An organization if it wants to hire someone must dare to discard basic criteria such as intellectual intelligence (IQ) and technical skills but develop a competency model based on psychological factors namely emotional intelligence that has the power to motivate as a unique force in the form of the drive to achieve results, the ability to take initiatives or initiative, cooperation skills and group work. If this idea of emotional intelligence grows along with the drive to progress well as a unique force then given competency-appropriate training to set organizational goals and improve the individual’s competencies, and thus improve performance (Benková, Gallo, Balogová, & Nemec, 2020); Kawatu & Kewo, 2019; Pidd & Pidd, 2012; Androniceanu et al, 2019).

An approach to making decisions to maximize decision output can be: (1) determining the right criteria, (2) creating a general list of all alternatives, (3) an alternative evaluation of the criteria, (4) selecting the best solution, (5) applying alternatives, decision making referring to the results and options of a set of alternatives for problem solving (D, 2019; Systems, 2020).

Decision-making requires identification and choosing an alternative solution that will lead to the circumstances of the desired affair. Other opinions state that decision-making means making choice, and these choices are made by following the steps of the decision-making process described (Abood & Thabet, 2017; Jomah, 2016; Thapa, 2019).

There are six steps in this decision-making following the six-step rational decision-making model. 1) determine the problem, identify the problem criteria 3) allocate the weight of the criteria, 4) develop alternative, 5) evaluate the alternatives and 6) choose the best alternative (Fenton-O’Creery, Soane, Nicholson, & Willman, 2011).

Decision-making according to how managers have alternative decisions in acting because alternative ways are needed in making a decision if the manager is working under pressure and the manager has to make good planning. Meanwhile, decision-making theory is a theory that explains how to choose an alternative way that a decision can take and relates to a person’s character in the decision-making process. Decision-making in the organization is very closely related to personal characteristics, namely: emotional competence, status, prestige, economic,
personality, temperament, intelligent, energy, and attitude. Decision-making has a strong effect directly on an individual’s performance, and further affects the effectiveness of the organization (a, 2019).

Emotional intelligence is the ability to recognize feelings, attract and evoke feelings to help the mind, understand its feelings and meanings, and control feelings deeply thus aiding emotional and intellectual development. Important aspects of improving emotional intelligence in the workplace consist of five aspects, namely 1) Self-awareness, namely the ability to observe and recognize feelings owned by yourself; 2) Managing emotions, i.e. the ability to accurately manage emotions including unpleasant, and understand the reasons behind the emergence of such emotional attitudes; 3) Motivating oneself, namely the ability to control emotions to support the achievement of organizational goals; 4) Empathy, i.e. the ability to manage sensitivity, put yourself in the point of view of others while appreciating it; and 5) Handling relationship, which is the ability to interact and maintain healthy relationships with others, also called social or interpersonal abilities. The operational definition of emotional intelligence is the ability of one self to recognize the feelings of one’s self and others and be able to manage them well so that they can create good relationships with others (Cuéllar-Molina, García-Cabrera, & Déniz-Déniz, 2019; Kahtani, 2013; Scott-Ladd & Chan, 2004; Andronicaneau et al., 2020; Wajdi et al. 2019).

A positive expression of emotion in the workplace is positively associated with job satisfaction. A manager who expresses what he feels is related to decisions that have been taken while interacting with his clients or subordinates tends to be healthier, feel a stronger fulfilment of personal needs and feel more attached to his work (Chin, Suan, Tong, & Kin, 2015; Cotelnic & Timbaliuc, 2018; Dartey-Baah & Mekpor, 2017).

Emotional intelligence and personality traits are simultaneously and partially significant with employee performance. On the other hand, between intellectual intelligence, emotional intelligence, and spiritual intelligence variables, the most positive and dominant effect on performance is the emotional intelligence variable. Emotional Intelligence component consists of 5 dimensions/components they are: self-awareness, means that one can recognize one selves so that he can judge himself, know the weaknesses and advantages in him, self-regulation that is a situation where one can master himself and be able to think calmly, motivation that is something that encourages one to continue to progress towards the goal / target, empathy where one can participate in the feeling of a situation / environment faced by others so that the sense of care and sympathy will arise that makes one not become selfish and the latter is a social skills skill with social skills one will be able and ready to face the actual social situation. Emotional intelligence is the ability to sense, understand, and selectively apply emotional power and sensitivity as a human source of energy and influence (Santoso, 2018).
2. Research Method

This type of research causality research directed to describe the existence of a causal relationship between several situations that are described in the variable and on that basis then will be drawn general conclusions.

Sample in this study were all managerial or leaders of the Regional Device Organization in the Bungo Regency, amounting to forty-four samples, with a census sampling method in which the entire population was sampled.

In this research several terms are used so that they are defined operational in order to be a guide in this study. The operational definitions are:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotional Intelligence (X)</td>
<td>1. Self-Introduction</td>
</tr>
<tr>
<td>Goleman (2002)</td>
<td>2. Self Control</td>
</tr>
<tr>
<td></td>
<td>3. Motivation</td>
</tr>
<tr>
<td></td>
<td>4. Empathy</td>
</tr>
<tr>
<td></td>
<td>5. Skills</td>
</tr>
<tr>
<td>Decision-making (Y)</td>
<td>1. Emotional Competence</td>
</tr>
<tr>
<td>Robbin and Judge (2011)</td>
<td>2. Status</td>
</tr>
<tr>
<td></td>
<td>3. Prestige</td>
</tr>
<tr>
<td></td>
<td>4. Economy</td>
</tr>
<tr>
<td></td>
<td>5. Personal</td>
</tr>
<tr>
<td></td>
<td>6. Temperament</td>
</tr>
<tr>
<td></td>
<td>7. Intelligence</td>
</tr>
<tr>
<td></td>
<td>8. Energy</td>
</tr>
<tr>
<td></td>
<td>9. Ethics</td>
</tr>
<tr>
<td>Managerial Performance (Z)</td>
<td>1. Planning</td>
</tr>
<tr>
<td>Desler (2007)</td>
<td>2. Investigation</td>
</tr>
<tr>
<td></td>
<td>3. Coordination</td>
</tr>
<tr>
<td></td>
<td>4. Evaluation</td>
</tr>
<tr>
<td></td>
<td>5. Supervision</td>
</tr>
<tr>
<td></td>
<td>6. Staff Selection</td>
</tr>
<tr>
<td></td>
<td>7. Negotiations</td>
</tr>
<tr>
<td></td>
<td>8. Representative</td>
</tr>
</tbody>
</table>

(Source: Author’s selection)

Before a regression test was conducted in this study, a classic assumption prerequisite test was conducted. The multiple linear regression model can be called a good model if it meets the assumptions of data normality and is free from classical assumptions, both normality, multicollinearity, autocorrelation and heteroscedasticity.

Multiple linear regression outputs produced through the SPSS program need to be carried out simultaneously with the F-test, and a partial test with t-test, the explanation for each of these tests is as follows:
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To test intervening variables, the path analysis method is used. Path analysis is an extension of multiple linear regression analysis, path analysis is the use of regression analysis to estimate causal relationships between variables (causal) that have been predetermined based on theory, arrows will show the relationships between variables:

**Figure 1. Conceptual Framework**

![Conceptual Framework Diagram](image)

(Source: Authors, 2020)

3. Result and Discussion

The R Square test results are obtained as in Table 2 below:

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Change Statistics</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>R Square Change</th>
<th>F Change</th>
<th>df1</th>
<th>df2</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>R</td>
<td>R Square</td>
<td>.954</td>
<td>.910</td>
<td>.906</td>
<td>1.34283</td>
<td>.910</td>
<td>207.305</td>
<td>2</td>
<td>41</td>
<td>.000</td>
</tr>
</tbody>
</table>

(Source: Data processed, 2020)

Based on the model summary table above, an R Square figure of 0.910 or 91% is obtained. This shows that the percentage contribution of the influence of the independent variable Emotional Intelligence (X) and Decision Making (Y) Managerial Performance (Z) of 91%. While the rest: 100-91% = 9% influenced or explained by other variables not included in this research model.
In this study the contribution of each variable is emotional intelligence and decision-making to managerial performance can be categorized highly, meaning that managerial performance will be very good when supported by good emotional intelligence and appropriate decision making.

**F Value Analysis**

F value or F test is performed to determine whether all independent variables included in the model have a joint effect (SIMULTAN) on the dependent variable. The F Value obtained in the following Table 3:

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>747.615</td>
<td>2</td>
<td>373.808</td>
<td>207.305</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>73.930</td>
<td>41</td>
<td>1.803</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>821.545</td>
<td>43</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Managerial Performance  
b. Predictors: (Constant), Emotional Intelligent, Decision Making  
(Source: Own determination)

From Table 3 Anova above obtained F value of 207.305 with a sig value of 0.000, meaning that the independent variable Emotional Intelligence (X) and Decision Making (Y) have a significant effect on Managerial Performance (Z) simultaneously.

**Variable Coefficient Value**

The coefficient values of each variable can be seen in Table 4 below:

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>.95.0% Confidence Interval for B</th>
<th>Correlations</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>Lower Bound</td>
<td>Upper Bound</td>
<td>Zero-</td>
<td>Partial</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>-5.18</td>
<td>1.436</td>
<td>-4.30</td>
<td>.000</td>
<td>-8.19</td>
<td>3.283</td>
<td>.319</td>
</tr>
<tr>
<td>Decision</td>
<td>.698</td>
<td>.077</td>
<td>.749</td>
<td>5.032</td>
<td>.000</td>
<td>.542</td>
<td>.854</td>
</tr>
<tr>
<td>Emotional</td>
<td>.371</td>
<td>.130</td>
<td>.237</td>
<td>2.851</td>
<td>.007</td>
<td>.101</td>
<td>.534</td>
</tr>
</tbody>
</table>

(Source: Own determination)
Statistically the output coefficients table above obtained the following equation.

\[ Y = P_{zx} \times X + P_{zy} \times Y + e_1 \]  

(1)

\[ Y = 0.237 \times X + 0.749 \times Y + e_1 \]  

(2)

From the above equation it is known that Decision Making (Y) has a dominant influence on Managerial Performance (Z) with a coefficient value of 0.749. The results of the above equation are entered into the structural equation image as Figure 2:

Figure 2. Path Analysis

\[ \text{The direct effect of } X \text{ on } Y \]

\[ X \rightarrow Z = X \times X \]  

(3)

\[ = (P_{zx}) (P_{zx}) \]
\[ = (0.237) (0.237) = 0.056 = 5.6\% \]

The indirect effect of X1 on Y

\[ \text{X with respect to } Z \text{ through } Y = X1 \Omega Y \rightarrow Z \]  

(4)

\[ = (P_{zx}) (r_{xy}) (P_{zy}) \]
\[ = (0.237) (0.825) (0.749) = 0.146 = 14.6\% \]

Total direct and indirect effects = 0.056 + 0.146 = 0.202 = 20.2%

The relationship between Emotional Intelligence and Decision Making has a correlation coefficient of 0.825 or 82.5% which means it has a strong relationship.
The partial effect of Emotional Intelligence on Managerial Performance has a path coefficient of 0.237 or 23.7% and the influence of Decision Making on Managerial Performance has a path coefficient of 0.749 or 74.9%, thus the path coefficient (0.749 > 0.0.237) and can be stated that the Decision Making variable is more influential than Emotional Intelligence.

The partial effect of Decision Making (Y) on Managerial Performance (Z) has a path coefficient of 0.749 or 74.9% and it is stated that the Decision Making variable (Y) has a strong relationship to Managerial Performance (Z).

Thus, in the managerial process of the firm, its decision-making component occupies a particularly important position. The decision is the element that has the most pronounced managerial specificity and a great impact in all plans of the company's activities and results. In management, the purpose of the decisional act is to consciously guide the economic and social activity of the organization. Through its content, nature and role, the decision is stated as the vital nerve of unit economy management. Decision making is a process of changing the reality, of the natural, financial and human resources of the unit, it contributes to the modification of the objective system of needs and, implicitly, to the realization of the economic and social optimum of the organization. In their day-to-day work, managers are forced to take a lot of decisions: from operative to strategic. Managers mentioned that they are the ones who have to make decisions and do not feel comfortable when others are involved in this activity. Regretfully, the subordinates see the situation differently. They are of the opinion that their managers would feel comfortable if someone would take the decisions in their place (D, 2019; Dartey-Baah & Mekpor, 2017; Ejimambo, 2015; Jayaratna & Weerakkody, 2016; Mustaffa, 2012).

Result have found that as far as management functions are concerned, the level of emotional intelligence is found to be important in the skills of a manager, along with analytical intelligence, whether we are referring to planning, organization, decision, training or control. Thus, managers who are emotionally intelligent use their feelings to adapt their plans. They do not ignore the inconvenient facts; their intelligent emotional behaviour is helping them to plan better. In terms of organization and teamwork, another way how emotional intelligence can help is that it can generate new and creative ideas and viable solutions to problems. Managers must make decisions day by day. Decisions based on strong feelings, when emotions are not controlled in a constructive way, can be wrong decisions. Emotional intelligent managers make good decisions because of their control over their own emotions and the objectivity conferred by this component (Callahan, 2017; Göndör, 2015; Issah, 2018; Kerr et al., 2006; Qadar, Maimoona, Gohar, & ASma, 2014; Sholihin et al., 2010; Zaki, 2012).

The approach in this research selected has a limitation. Efficient process management as a process cannot reduced to the sum of managerial functions achieved. So, here is not taken into account the principle of the systematically and consistency of the individual elements that form a whole - the management activity
within the organization. At the same time, such an approach seems to us to be extremely useful in terms of highlighting the essence of the influence of the manager's emotional intelligence on certain features and aspects of managerial activity.

4. Conclusions

The correlation between Emotional Intelligence and decision making in this study is strong with a value of 0.825. Variable Emotional Intelligence and Decision Making have a significant and partial effect simultaneously on Managerial Performance. But partially the influence of Decision Making is more dominant influence on Managerial Performance

The magnitude of the indirect effect of Emotional Intelligence on Managerial Performance through Decision Making is greater when compared to the direct effect of Emotional Intelligence on Managerial Performance, this means that Decision Making variables are able to be intermediaries or intervening (Haseeb et al., 2019).

Although the research conducted found a significant influence on Emotional Intelligence and Decision Making on Managerial Performance, both partially and simultaneously, this research has several limitations, namely first, the research was conducted by data collection techniques using a set of questionnaires specifically designed for this purpose. The items in the questionnaire may not fully reflect what is in each variable. Second, the answers that have been given may not all reflect the real reality so it is still questionable and sought further. Third, respondents have different social settings, so respondents have different intensities of knowledge, both at the level of understanding and in practice. Another limitation in this study is that many other factors are thought to influence managerial performance in addition to emotional intelligence and decision making so that future research can add other variables.

Authors Contributions

The authors listed have made a substantial, direct and intellectual contribution to the work, and approved it for publication.

Conflict of Interest Statement

The authors declare that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.
References


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