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**MASTER'S THESIS**

**DEVELOPING EFFECTIVE LEADERSHIP THROUGH EMOTIONAL  
INTELLIGENCE TOOLS IN THE PUBLIC SECTOR MANAGEMENT**

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# TABLE OF CONTENTS

INTRODUCTION.....	1
1. EMOTIONAL INTELLIGENCE.....	4
1.1 Background and Definitions of Emotional Intelligence (EI).....	4
1.2 Context of Emotional Intelligence.....	7
1.3 Models of Emotional Intelligence .....	8
1.3.1 Ability Model of EI .....	8
1.3.2 Mixed Model of EI .....	10
1.3.3 Emotional Intelligence Trait Model .....	12
1.4 Emotions are contagious.....	122
2. EMOTIONAL INTELLIGENCE AT WORK .....	133
2.1 The Role and Functions of Human Resource Management .....	144
2.2 Organizational Climate and Culture .....	144
2.2.1 Measuring Organizational Climate.....	155
2.2.2 The Components of Organizational Culture.....	166
2.3 Emotional Intelligence and Communication .....	177
2.4 Emotional Intelligence and Organizational Effectiveness.....	188
2.5 Emotionally Intelligent Teams .....	19
3. LEADERSHIP CORRELATION TO EMOTIONAL INTELLIGENCE.....	20
3.1 Leadership .....	20
3.2 Theories of Leadership .....	22
3.2.1 The Great Man Theory and Trait Theory of Leadership .....	22
3.2.2 Behavioral Theories of Leadership.....	23
3.2.3 The Contingency Theory .....	244
3.2.4 Transformational Theory of Leadership.....	25
3.3 Leadership versus Management .....	255
3.4 Leadership Styles .....	266
3.5 Leadership’s connection to Emotional Intelligence .....	27
4. PUBLIC SECTOR LEADERSHIP .....	300
4.1 Public Sector Definition, Scope and Nature.....	300
4.2 Administrative Units of Public Sector.....	32

4.3 Leadership in Public Sector .....	33
4.4 Public Manager versus Public Leader .....	344
4.5 Developing Emotionally Intelligent Enviroment.....	37
5. RESEARCH about CORRELATION of EI and LEADERSHIP .....	38
5.1 Research Methodology .....	39
5.2 Research Design .....	40
5.3 Literature Search and Selection.....	41
5.4. Design of Interview Guide and Questioner .....	43
5.4.1 The Process of the Interviews.....	43
5.4.2 The Interviews .....	44
6. ANALSYS OF THE FINDINGS .....	455
6.1 Findings of the Interviews .....	499
6.2 Interview Results .....	51
6.3 Discussion of the Findings .....	533
6.3.1 Limitations of the Methods and Findings.....	56
6.4 Recommendation.....	566
CONCLUSION .....	599

**APPENDIXES**

**LIST OF FIGURES**

Figure 1: Sources of Managerial Power .....	21
Figure 2: Managerial Grid Mode .....	23
Figure 3: Administrative units of Public Sector.....	32
Figure 4: The Four Dimension of Leadership.....	33
Figure 5. Research Design .....	40

**LIST OF TABLES**

Table 1: Salovey & Mayer Ability Model of Emotional Intelligence.....	9
Table 2: Daniel Goleman Mixed Model of Emotional Intelligence.....	10
Table 3: The Norms of Effective Teams .....	19
Table 4: The Difference between Leaders and Managers .....	26
Table 5: Leadership styles by Daniel Goleman .....	30

Table 6: Critical attributes for Senior Executives ..... 35  
Table 7: The Leadership Assessment Zones for Improvement..... 35/36  
Table 8: Data about Participants ..... 43  
Table 9: Emotional Intelligence Assessment Questioner..... 44/45  
Table 10: Research Results Comparison..... 54

## INTRODUCTION

In the fast changing business environment the organizations aim to achieve their goals through innovative approach. While facing the biggest challenge in the history of business, major expansion in the form of globalization, what they need is a clear guide that brings up the best in the organizational culture and motivates its people to become a living part of organizational body. If we take a moment to ask our self , who or what could that be, it becomes more than clear that only effective leadership can take the organization to the next level, and inspire its people to move and enroll on the best possible way in achieving organizational goals.

Leadership has a potential to become a most valuable asset of the organization. In order to have positive outcome, organizations need leaders that are able to visualize the future, to motivate and inspire people and adapt the changing needs. The question is how should they do that? Can anything be done? If leaders are born how can we find and hold on to those special people who can help us change and become more efficient? According to leading behavioral scientists, it can be learned and developed. Research studies about leadership indicate that with right support, individuals with leadership potential can be developed into outstanding leaders. Competencies such as self – awareness, self – management, social management are maybe most challenging for leaders, but they often have greatest impact on leadership effectiveness. As emotionally intelligent leader develops, the profile becomes desirable for whole organization and affects organizational performance.

The aim of this master thesis is to understand, clarify, and explain concept of emotional intelligence and its influence on development of effective leadership. It is a goal of this master thesis to investigate what leaders need to do in order to achieve positive outcome and create effective working environment. Discussion about the concept of emotional intelligence emerged in 1995 with writings of psychologist and science journalist Daniel Goleman. His book, *Why it can matter more than IQ* argues that today we live in a world where emotions are ignored and neglected. In contrast, Goleman (1995) argues that emotions are positive contributors in everyday life, at work and in different relationships. According to Goleman (1998) emotions enables individuals to reach their goals, create a workflow, persuade others and come across as empathic and understanding. Goleman (1998, p.317) defines emotional intelligence as “capacity for recognizing our own feelings and those of others, for motivating ourselves, and for managing emotions well in ourselves and in our relationships”. According to Goleman (1998) emotional intelligence is based on five parameters: self-awareness, self-regulation, motivation, empathy and social skills. Empathy and social skills are later relabeled as social awareness and relationship management (Goleman, 2001).

Goleman (1995a) bases the concept of EI on Gardner's (1983) book: *Frames of Mind: The theory of multiple intelligences*. In the book, Gardner suggests that there exists not one but several intelligences (seven to be exact), and one of these intelligences is personal intelligence. Gardner's suggestion builds upon two branches, intra and inter-personal intelligence. Gardner (1999, p.43) defines intrapersonal intelligence as "capacity to understand oneself, to have an effective working model of one self – including one's own desires, fears, and capabilities – and to use such information effectively in regulating one's own life" On the other hand interpersonal intelligence is described as person's "capacity to understand intentions, motivations, and desires of other people and, consequently, to work effectively with others" (Gardner, 1999, p.43).

In 1990, Peter Salovey and John D. Mayer revealed a scientific work and introduced concept of *Emotional Intelligence*. In their article, they present five elements which outlines emotional intelligence:

- Awareness of one's emotions;
- Ability to manage one's own emotions;
- Attentive to the emotions of others;
- Ability to respond to and negotiate with other people emotionally;
- Ability to use emotions as motivation tool.

These elements are later modified and explained as "ability to perceive accurately, appraise, and express emotions; generate feelings when they facilitate thought; the ability to understand emotion and emotional knowledge; the ability to regulate emotions to promote emotional and intellectual growth" (Mayer & Salovey, 1997, p.5).

Purpose of this master thesis is to show connection between emotional intelligence and leadership in public sector. What this master thesis will hopefully provide is a theoretical framework regarding emotionally intelligent leadership and surrounding parameters which may affect the leadership style in an either positive or negative manner. This master thesis may offer new ways of understanding leadership in the context of emotional intelligence and provide opportunity for future public sector managers to become true leaders of their time. Following research questions are designed for investigation about the concept of emotional intelligence and leadership in public sector.

1. What level of emotional intelligence, assessed by the emotional intelligence categories is present within public leaders in BiH?

- Self – awareness;
- Self – management;
- Social – awareness;
- Social – management.

2. What is the relationship between emotional intelligence and leadership style?
3. What are the effects of emotional intelligence on the organizational performance?
4. How can emotionally intelligent leader improve the effectiveness of public sector organization?

The intention of this master thesis is to clarify the following: the context of emotional intelligence, leadership in the context of emotional intelligence, and public sector leadership. Moreover, this master thesis might discover potential concepts that have not been developed further, which, most definitely, could influence future research in this area.

- i. Examine the concept of emotional intelligence in the context of organizational development and leadership.
- ii. Examine the role of leadership in achievement of productivity in public sector organizations.
- iii. Identifying methods that leaders use to motivate and influence their employees to achieve productivity.
- iv. Examine the effects of different leadership style on the behavior and attitude of employees in public organizations.
- v. Analyze emotional intelligence concept and explore how does emotional intelligent leader influence on development of employee's full potential within organization and through that behavior strengthen productivity and create new leader in the future.
- vi. Explore how development of emotional intelligent employees rises positive atmosphere, improves human relationship and at the end creates healthy environment within organization.
- vii. Asses the way of creating organization desirable image that produces positive outcome and fulfill its mission.

To choose a certain method for a study requires some pre-understanding regarding, partly, the specific study area and the different methods, but also about the researcher him or herself. If approaching a social reality in a way that directly contradicts the method, the researcher will come to realize that the research simply cannot follow through. Likewise, if the method does not suit the researcher's beliefs or ways of interpreting the reality, the outcome would be the same. This chapter will present the methodology, along with some features, that are used in order to answer my previously presented research questions.

While quantitative research emphasizes measuring and analyzing relations between variables, the choice of this master thesis, qualitative research, stresses the connection, relation and interaction the researcher has to what is studied and how this nature is being socially shaped. It is argued that what speaks for qualitative research is that the researcher receives a greater and further developed experience of the study's participants. When seeing qualitative research as a process, it comes



down to three essential and correlated activities: theory, method and analysis. Due to the limited theoretical sampling that exists concerning emotionally intelligent leadership, a qualitative approach became the unquestionable choice in the matter of qualitative versus quantitative design, since that allows me to investigate specific objects to a greater extent and to fully understand them. The master thesis will be conducted by using primary data. The aim of research questioner is to assess organizational climate and leadership development. In addition, interviews with managers on senior and middle position will be conducted with aim to explore level of emotional intelligence and its application through leadership.

Main idea of the master thesis is to investigate emotional intelligence concept and its link with effective leadership. During the last couple of years a continuous effort was made to demonstrate the importance of developing proper leadership style in both public and private organization. This master thesis will try to put together the theoretical approach and critical thinking about the subject and within six chapters develop the idea of emotional intelligent public leader.

The master thesis is consisted out of six main chapters, starting from the overview of the emotional intelligence concept and definition. Overview of historical development of the concept and the latest trends in exploring contribution of emotional intelligence is described in the first chapter. Next chapter narrow down the organizational culture and human resource role in determining motivational factors in organization. It emphasizes importance of communication on the workplace and distinguishes positive and negative behavioural patterns. The third chapter discuss about leadership attributes, and different ways of leadership. It also works to explain correlation between emotional intelligence and different leadership styles.

## **1 EMOTIONAL INTELLIGENCE**

### **1.1 Background and Definitions of Emotional Intelligence (EI)**

In an attempt to evaluate human intelligence scientists explored cognitive processes and evaluated intelligent behavior in biological, environmental and social context. A number of research papers contributed to cognitive science and emerged some of the most valuable theories of the mind. Human intelligence is linked with many advantages such as educational achievement, employment and stability and for long was considered to be a predictor of success. An early definition that describes intelligence as ability of individual to consciously adjust his thinking to new requirements (Stern, 1912) during the years evolved to Wechsler (1958, p.7) definition which explains intelligent behavior as “aggregate or global capacity of the individual to act purposefully, to think rationally, and to deal effectively with environment”. Wechsler definition included areas of abstract thinking, spatial functions and social intelligence in intellectual processing.

Further demand for measuring intelligence resulted in shaping the concept of intelligence quotient (hereinafter: IQ). The term was presented by William Stern, a pioneer of psychology disciplines in the field of personality and became most widely used for understanding the differences in individual's mental development. Originally IQ test served to measure learning abilities of children in certain age group and potentially defined those that don't correspond on the same level of mental development. Later it evolved into most frequently used indicator of intellectual reasoning. Investigation of intelligence rapidly become center of psychology discipline and many measurable indicators of general intelligence can be captured by psychometric tests.

Cognitive abilities of the mind such as learning, developing ideas and problem solving capabilities are in correlation with academic excellence and high job performances. General welfare and wellbeing of the individuals is linked to these indicators and throughout the years IQ is used to emphasize importance of logical reasoning, verbal skills and problem solving abilities. But, during the years of research about success and general welfare of individuals, scientists noticed that something was missing. Though, IQ could predict results of complex math test or logical reasoning, there was no guarantee about the success in the social lives or inner wellbeing of individuals. This led to a conclusion that total intelligence cannot be measured until it includes some "non-intellective factor's" (Wechsler, 1943).

Non-intellective abilities were primarily discussed in Charles Darwin's work about the importance of emotional expression in the process of adjustment (Darwin, 1872). His book "The Expression of the Emotions in Man and Animals" takes in account significations of human emotion and discusses expression of emotion that is valid even today. Darwin wrote about genetically determined aspects of behavior and attempt to show connection between human and animal behavioral process.

Since the time of Darwin, many studies were used to describe socially competent behavior. In 1920 American psychologist Edward Thorndike defines social intelligence as " an ability to perceive one's own and other's internal states, motives and behavior, and to act toward them optimally on the bases of that information" (Thordnike 1920, p.228). In 1943 David Wechsler included "comprehension" and "picture arrangement" as measurements of social intelligence and argued that general intelligence test would be incomplete without factors that describes non – intelligent behavior (Wechsler, 1943). Writings in the area of social intelligence conducted by many prominent psychologists influenced understanding of interpersonal behavior and the role of effective adaptability. The results of these writings consequently led to coining the term "emotional intelligence".

Howard Gardner's book from 1983 called "Frames of Mind: The theory of multiple intelligence" proposes a new concept of "multiple intelligence" as opposed to a term of "general intelligence". Gardner suggests that there exist not one but several intelligence and proposes that humans have

different ways of learning information's and this appears to be independent of one another (Gardner, 1983). He builds his suggestion upon two branches, intra and inter – personal intelligence. According to Gardner (1999, p.43) intrapersonal intelligence involves the capacity to understand oneself, to have an effective working model of one self – including one's own desires, fears, and capabilities – and to use such information effectively in regulating one's own life. On the other hand interpersonal intelligence is described as "denotes a person's capacity to understand intentions, motivations, and desires of other people and, consequently, to work effectively with others" (Gardner, 1999, p.43).

During 20<sup>th</sup> century, research about various capabilities that included social and emotional factors resulted with development of Emotional Quotient Inventory (hereinafter: EQ-I). Clinical psychologist Reuven Bar-On started his research in 1980 with systematic review of interpersonal competencies (i.e. abilities, competencies, skills). Bar – On (1997) argued that these competencies when combined together can determine success in human lives. He proposes his definition of emotional intelligence as an “array of non-cognitive capabilities, competencies and skills that influence one's ability to succeed in coping with environmental demands and pressures” (Bar-On, 1997, p 14). EQ-I is used to measure emotionaly intelligent behavior. It was originally constructed as experimental instrument that will later serve as conceptual model of emotional intelligence together with psychometric properties. Main hypothesis of the construct over time was the belief that EQ can lead to a sense of psychological wellbeing.

Leading researchers from late twentieth century Peter Salovey and John D. Mayer wrote extensively about emotional intelligence. They define the concept as “a subset of social intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and action”(Salovey & Mayer,1990, p.5). Salovey and Mayer studies integrated emotional expression, verbal communication and empathy in order to emphasize importance of emotional intelligence. Mental process according to Solovey and Mayer (1990) includes:

- appraising and expressing emotions,
- regulating emotions in the self and others,
- using emotions in adaptive ways.

The true revolution of emotional intelligence concept starts with writings of Daniel Goleman, psychologist and science journalist. His book, “Emotional Intelligence: Why It Can Matter More than IQ”, describes complex emotional lives of individuals and emphasize how development of self – awareness and managing emotions facilitate psychological health. Goleman (1995) argues that raising awareness about emotional massages from oneself and surroundings are important factor for individual success. He also points the significance of emotions in the thought and decision making processes. Goleman (1998b, p.317) defines emotional intelligence “as capacity for recognizing our own feelings and those of others, for motivating ourselves, and for managing

emotions well in ourselves and in our relationships”. According to Goleman (1998b), traditional qualities such as intelligence, vision, and determination are required for business, but they are not enough. Within that context, leaders need to develop internal qualities such as resilience, initiative, optimism and adaptability (Goleman, 1999). Emotional intelligence includes development of self-awareness, self-regulation, motivation and most importantly empathy.

From Thorndike (1920) till present different studies were conducted on the topic of emotional and social intelligence. Development of different theories influenced further evaluation of management styles, attitudes and interpersonal skills. The concept initially described as “soft” became starting point in planning of human resources and management development.

## **1.2 Context of Emotional Intelligence**

Context of emotional intelligence is identified through several approaches to emotions. In the beginning of 20<sup>th</sup> century, emotions were seen as disruptive mental activities that must be controlled and often were described as "irrational". However, emotions consist from behavioral and psychological reactions represented in organized psychological system that arises as a response to a certain situation (Salovey & Mayer, 1990). Hence, emotions contains cognitive note and can be used in decision making process. Definition proposed by P. Solovey and J.D Mayer replaced traditional view of emotions and underlined their adaptive function that can lead to a transformation of social interaction into enriching experience (Solovey & Mayer, 1990 p.186). Cognitive approach to emotions indicates that whenever individuals must response to a certain event, they are engaged in different types of cognitive and emotional activity (Kleinginna & Kleinginna, 1981). Thus, emotions plays important role in our personal and social lives. Writings about signification of emotions influenced further research about their proper usage. As a result, Kleinginna and Kleinginna (1981) describe emotional activities as:

- sensing emotional stimulants and having effective experiences,
- generating cognitive processes,
- physiological adjustment to arousing conditions,
- expressive goal oriented behavior that often has adaptive function.

Thus, primary function of emotions is to act as guideline through the state of mind by sending and receiving messages from surrounding. Emotions are instrument that can serve as motivational force and can lead our behavior in positive direction. According to Salovey & Mayer (1990) emotional behavior is an organized response that crosses the lines of many psychological subsystems, including physiological, cognitive, motivational and experimental systems.

Recent studies show interesting facts that underline primary function of emotions – promoting sense of wellbeing and positive culture of the mind. Neuropsychology as an emerging field of science that studies complex brain mechanisms shows these connections. Experiments run by

behavioral neuroscientist gives outreach to acknowledgment about pre – frontal cortex of the brain. Studies indicates that people with damaged pre – frontal region of the brain cannot make most simple decisions, because they don't recognize how they feel about them. These facts influenced the belief that emotions plays key role in decision making process and social cognition (Goleman, 2001).

### 1.3 Models of Emotional Intelligence

Emotional Intelligence is one of the most powerful ideas that emerged in the field of management and behavioral science during the last few decades. Scientists have made a number of researches in attempt to understand how human beings perceive emotions, distinguish between them and express emotions.

Attempting to thoroughly understand the impact of emotional behavior on decision making process and usage of emotions, scientist developed three main models of emotional intelligence.

These models are:

- Ability model;
- Mixed model;
- Trait model.

#### 1.3.1 Ability Model of EI

Salovey & Mayer (1990) developed four branch models that describe emotional intelligence as the ability to perceive, use, understand and manage emotions. The so called ability model is presented in 1997 and outlines emotional intelligence as domain of intelligence that analyzes specific emotional and mental abilities. It also describes people's ability to sense and utilize emotions. According to this model, emotionally intelligent individual is not only capable to “feel” emotions of oneself and others, but also use that knowledge for charismatic influence and changing environments. Ability Model of emotional intelligence integrates several aspects of intelligence and defines emotions as convey of meaningful message about relationships (Mayer & Salovey & Caruso, 2000).

The first area of the model is presented as the ability to perceive emotions in the facial expression and voice of others. **Perceiving emotions** involves capability to detect emotions from surroundings and provides starting point for more advanced understanding of emotions (Mayer & Salovey, 1997).

The second area of the first one is **usage emotions** in context of facilitation of the thought and cognitive process of decision making (Mayer & Salovey, 1997). Emotions plays important role in decision making process and people respond emotionally to the things that are important to them.

Thus, sustaining a good system of emotional input can influence thinking process in a manner that promotes focus on the things that are truly important. Emotions drives information's and that is why understanding its right cause can lead to a correct reaction. According to Mayer and Salovey (1997) emotions reflects different states of mind and connect individuals with environment. Each emotion is associated with different massages and may be also responsible for emerge of creativity. Therefore, emotionally intelligent person can use changing moods in order to best fit the task that needs to be completed.

**Understanding emotions** is a third branch of emotional intelligence. Ability to understand emotional language and motives that lies behind certain behavior is a powerful tool in changing behavior (Mayer & Salovey, 1997). Using this knowledge can be a valuable asset in personal development. People with ability to understand their emotions, are good in decision making. They tend to embrace the opportunity for growth and they have enormous power in determining what are the right decisions and what are do wrong one. The ability to determine what is good for them and what is not enables them to be fair in making decision that affects either them or those from their environment.

Accepting the fact that emotions have great impact on our individual and social lives becomes a breaking point in managing emotions. Firm believers of the emotional intelligence concept consider that behavior can be modified in a way that helps improve individual lives. The capacity to know one's own emotions and to recognize emotional massages from other people can be used for promotion of social goals. Positive thinking emerges from managing feelings and vice versa. Within that context, **managing emotions** becomes the fourth branch of emotional intelligence.

Table 1. Salovey & Mayer Ability Model of Emotional Intelligence

<b>Perceiving Emotion</b>	The capacity to accurately identify one's own and other's emotions and feelings, as well as the ability to express them.
<b>Using Emotions</b>	The capacity to enhance the thinking process by using emotions.
<b>Understanding Emotions</b>	The capacity to comprehend complex emotions and how they operate in the social world.
<b>Managing Emotions</b>	The capacity to comprehend complex emotions and how they operate.

Source: J.D. Mayer & P. Salovey, *What is emotional intelligence?*, 1997, pp. 3-31.

Mayer and Salovey (1997) define emotional management as the ability to regulate emotions in ourselves and others. Managing emotions provides individuals opportunity to properly use emotions in achievement certain goals.

In attempt to measure four branches of EI model Mayer-Salovey and Caruso developed ability based model MSCEIT – Multifactor Emotional Intelligence Scale. Measurement tool consist of 141 items, and provides Total EI score, two Area scores, four Branch scores, and eight Task scores (eiconsortium.org). In addition to these 15 scores, ability model gives three Supplemental scores (Mayer, Salovey, & Caruso, 2002a).

### 1.3.2 Mixed Model of EI

Second methodology that describes contextual meaning of emotional intelligence is a mixed model proposed by Daniel Goleman in 1995. There are two abilities in this model: *personal skills*, that determines how individuals manage themselves and *social skills* that determines how individuals handle relationships (Goleman, 1995). These abilities are described under four main components of mixed model as: self – awareness, self – management, social – awareness, and relationship management. Mixed model of Daniel Goleman has a wider definition of emotional intelligence then one explained by ability model and takes in to account feelings and social capabilities.

Table 2. Daniel Goleman Mixed Model of Emotional Intelligence

<b>Self-Awareness</b>	<b>Social-Awareness</b>
The ability to identify and recognize one’s emotional state and to understand the link between emotions and performance.	The capacity to be sensitive to other people’s emotions, in order to achieve results in service and organizational contexts.
<b>Self-Management</b>	<b>Relationship Management</b>
The capacity to manage emotions, to control one’s emotions or to shift negative emotions to more positive emotions.	The ability to utilize social skills to build interpersonal relationships.

Source: D. Goleman, *The Emotional Intelligent Workplace*, 2001, p.28

In his original publication Goleman (1995a p.34) defines emotional intelligence as “ability to motivate oneself and persists in face of frustrations; to control impulses and delay gratification; to regulates one’s mood and keep distress from swamping the ability to think; to empathize and to hope”. The four dimensions of emotional intelligence are described by particular categories derived from number of sources. Emotional awareness, accurate self-assessment and self-confidence are three competencies that comprise the EI dimension of self- awareness (Goleman, 1998b).

**Self-awareness** is the ability to know one's internal state, preferences and intuition. It is a measure that provides honesty in regards to one's capabilities. According to Goleman (1998b) people with strong self-awareness have ability to realistically determine their own strengths and weaknesses. They don't fall under the influence of self – criticisms and they are not afraid to admit failures. In organizations it is important for these people to receive recognition and to work in positive environment where one can openly admit it's down side. Otherwise being exposed to micromanagement can weaken their ability and made them either to leave the company or adjust in terms of lacking trust.

**Self – management** is part of emotional intelligence that enables control of the inner states, impulses and emotions. According to Goleman (1995a) self – management is demonstrated by the ability to control negative emotions, to be trustworthy and conscientious, adaptable, to take initiative or to have a drive to achieve. Self – management is a main source of motivation which represents the guide for individuals in reaching their goals. Practicing self – management leads to developing ability to create new patterns of behavior and choose to react differently in the numerous situations. For leaders this is crucial capability because it makes them fair and reasonable and gives them ability to resolve conflict on the best possible way.

Social competences described by Goleman's mixed model are comprised from two dimensions: empathy and relationship management or social skills. **Empathy** represents critical component of social intelligence. It is demonstrated by the ability to perceive others feelings, anticipate their needs and cultivate opportunities through development of different approaches to people. Goleman (1998b) extends definition of empathy and includes intelligent usage of emotions for empowering interpersonal relationships and making better decisions. In the organizations empathy becomes very important competency in the situation where changes of policies or strategy occurs, or where some major merger would take place. In such circumstances where people are afraid for their future jobs, empathy can lead to not losing motivation and hope. It is also crucial in the multi environment where people are in the situation to work among other, different cultures. One of the major criticisms of the usage of empathy among business leaders is the question of making hard decision while feeling for everybody. According to Goleman, these leaders are not only "feeling for others", they find solutions, adjust and sometimes make difficult decisions that are not obvious, but in the end has more impact on the organization than expected (Goleman, 1998).

**Social awareness** is a capability connected with person's ability to form relationship with others. Scientists consider that socially skilled people tend to have ability to work with different people in wide circle of acquaintances (Porter & Angle & Allen, 2003). They also create positive environment and they have ability to deal with conflict. Social awareness consists of different levels of social skills such as general communication, the ability to influence others, manage conflict, inspire others, recognize change, collaborate and promote teamwork (Golman, 1998).



Based on the mixed model of Daniel Goleman following measurement tools were developed:

- Emotional competency inventory (Boyatzis, 1994.);
- Emotional intelligence appraisal (Bradberry, Greaves, Emmerling, et al., 2003.).

ECI is a multi – rater tool designed to provide insight in emotional competencies of individuals and it is created based on measurement of 20 competencies organized according to Goleman’s model. ECI provides measurement of leader’s effectiveness through evaluation of: self-awareness, social awareness, self-management, and social skills (Goleman, 1995a).

EIA uses 28 items to obtain a total score of four components of the mixed model. Model focuses on range of leadership skills that impact performance. EIA use six point frequency scales where 1 display “never” exhibiting a behavior and 6 reflects “always” exhibiting a behavior.

### **1.3.3 Emotional Intelligence Trait Model**

Research about models of emotional intelligence acknowledges two different constructs based on the type of measurement. According to Petrides and Furnham (2000) different EI abilities can be distinguished by the method used to identify them. Unlike Ability model of emotional intelligence that concerns with cognitive side of emotions measured by performance test, Trait EI is measured by personality questioner. Trait EI is defined as a “constellation of self-perceptions located at the lower levels of personality hierarchies” (Petrides, 2001 p.137). This model describes emotional intelligence as a self-perception of emotional ability and collection of individual traits. It then shows how these traits influence individual’s state of mind: predict happiness, life expectations and coping with stressful events. The model focuses on interpersonal life of individuals and works to construct mindset that is able to cope with environment challenges.

Although it is wrong to believe that EI can overlook technical competences and IQ, it still becomes ingredient necessary for development of effective leadership and positive organizational behavior. The concept of emotional intelligence generated number of research in the short period of time and throughout the years became one of the most popular psychological construct. Current conceptualization of emotional intelligence is related to the fields such as behavioral psychology and theory of human motivation. Thus, it became a basis of modern leadership theories.

### **1.5 Emotions are contagious**

Organizations are places where number of people comes in interaction every day. In dynamic business process that takes place in global markets, communicating with different customers has become a daily activity. In such environment it is essential to recognize importance of managing emotions that happens every time communication between parties takes place. Within that

context some researches extensively discussed about "exchange of moods". It is argued that in any circumstances proper exchange of moods happens and more often this goes without being noticed.

During the years the phenomena of catching other people moods in human interaction such as joy and enthusiasm, or fear and anxiety is studied intensively. Emotional contagious refers to being exposed to interaction with other individual or a group of people and being caught up in their moods. It is defined "as tendency to automatically mimic and synchronize expressions, vocalizations, postures, and movements with those of another person's and, consequently, to converge emotionally" (Hatfield & Cacioppo & Rapson, 1993, p.5). Definition explains influence that people's automatically expression or movements have on their environment.

According to Hatfield (1993) emotional experience is influenced by:

- Central nervous system commands that direct mimicry;
- Afferent feedback from facial, verbal, or postural mimicry/synchrony;
- Conscious self-perception processes, the ability of individuals to evaluate their own emotional states on the basis of their own expressive behavior.

The exchange of moods can be very productive in places where positive people are leaders of team work and extremely dangerous when they are toxic. According to Goleman (2011) emotions transfers between people and the person that is more expressive have bigger influence. In his book Leadership the Power of Emotional Intelligence, he explains how in organizational settings hierarchic mood is spread even faster and most powerful person has major influence on the rest of the group (Goleman, 2011). Being able to recognize signs of emotional hijack is what makes person emotionally intelligent (Goleman, 2011). According to Goleman (2011) these common behaviors on work place are having substantially negative effects on overall dynamic. Toxic emotions affect work performance and learning abilities and they are silently shaping attitudes and motivation (Goleman, 2011).

## **2 EMOTIONAL INTELLIGENCE AT WORK**

Concept of emotional intelligence started whole new chapter of recognizing capacity of organizations and appraising its workforce. Scientists have argued that emotionally intelligent individuals succeed highly in the organizations they work in. Furthermore, organizations as a place of constant dynamic between individuals appraise job satisfaction and wellbeing of their employees. Motivated employees will work at their best and deliver results that highly influence overall image of the organizations. New concept of human resource management is moving away from traditional function of hiring people and dealing with administration. Emerging economies and global markets points out the importance of hiring good people who will work for the vision of the organization and more importantly keeping them in their pool. That is way appraising

satisfaction and wellbeing of employees is becoming the matter of future employee relations and emotionally intelligent workplace.

## **2.1 The Role and Functions of Human Resource Management**

Role of human resource that began in early years of 20<sup>th</sup> century applied to keeping track of personal files in the industrial companies. From that time functions of Human Resource (hereinafter: HR) moved from the traditional role to one of the most important functions of every organization. Human resource is defined as strategic and coherent approach to the management of an organization's most valued assets, their employees, who individually and collectively contribute to the achievement of organization's objectives (Armstrong, 2006, p.3). Number of definitions that describe human resource management (hereinafter: HRM) recognize distinct differences between the terms of HRM. On one hand HRM can be used in generic context that denotes any approach to employment management, and on the other hand refers to one specific and arguably minority form of approach to employment management (Storey, 2007).

Key organizational resources are employees and practise of HRM is oriented to developing effective strategies that ensure organizational success. Armstrong argues (2006) that aim of HRM strategies is to support programs in areas of knowledge management, retention of talent and creating good working atmosphere. According to Purcell et al (2003) this idea is supported by clear vision and set of integrated values. Role of HRM is creating sustainable value of organization and collection of human talent that becomes a source of competitive advantage in the area such as market share, revenue growth and profitability (Urlich et al, 2012).

## **2.2 Organizational Climate and Culture**

New trends in global economy are setting standards for role of HR departments. Management aligns the strategies of many organizations in compliance with competitive market. In the "human era" one of the main duties of HR is to set the rules of organizational behavior that works to ensure that these goals has been met. One of the main methods of doing that comes in the form of setting the organizational culture on the right track.

According to Schein (1984, p.3) organizational culture is the pattern of basic assumptions that a given group has invented, discovered or developed in learning to cope with its problems of external adaptation and internal integration. Definition represents the true nature of organizational culture. Schein (1990, p.111) emphasize that the strength and degree of internal consistency of a culture are function of stability of the group, the length of time the group has existed, the intensity of the groups experience of learning, the mechanism by which the learning has taken a place (i.e., positive reinforcement or avoidance conditioning), and the strength and clarity of the assumptions held by the founders and the leaders of the group. Thus, leader's influence on any kind of change requires full acknowledgment of environmental norms in the

organization. Organizational culture is the force that stands behind official code of conduct and best way of influencing people is to understand true nature of organizational routine.

While culture represents the foundation of the organization itself, climate is a psychological phenomenon of organization represented by the employee experience about their environment (Schneider, 2000). These hidden norms have the most important influence on the behavior of employees. Within that context, Schein (1984, p.13) defines organizational climate as a measure of employees' expectations about working atmosphere in the organization. According to Schein (1984) organizational climate most importantly measures whether these expectations have been met. The definition of organizational climate reviles the core relationship that employees have with their environment. Empirical studies show high correlation between job satisfaction and "picture" one has about their working environment. Perception of formal and informal organizational policies, practices, and procedures gives inside look of "what people think about organization" (Reichers & Schneider, 1990).

Although approach to organizational culture and climate was made from different aspects, the primary goal is to show the way employees interpret organizations behavior. The concept itself has its roots in anthropology and every research about organizational culture was conducted by using qualitative methods. Interviews, participant observation and historical facts are primarily used to describe how culture provides a context for understanding individual and social behavior within organization. Main conclusion is that every company has its policies and forms, but the true perception of the organization is the reflection of the employee's behavior and their inner feeling about their working environment. This is why it is highly important for organizations to enhance positive culture, motivate employees and maintain the positive attitude. In order to do that, without creating in forcing of "wanted behavior", organizations need skillful employees who are able to move company forward. These employees create the "hidden view of an organization". From theoretical perspective, the relationship between people and their social environment was framed in the formulation "behavior is a function of person and environment" (Lewin, 1951).

### **2.2.2 Measuring Organizational Climate**

The dimension of organizational climate is divided to: a) organizational and b) individual and described by three main methods of measurement :

- Multiple measurement – organizational attribute approach (MMOAA);
- Perceptual measurement – organizational attribute approach (PMOAA);
- Perceptual measurement – individual attribute approach (PMIAA); (James & Jones, 1974).

MMOA approach assume that every organization have a set of climate characteristics that are different from attributes of other organizations and those characteristics influence employee's

behavior (Forehand & Gilmar, 1964). Model measures attributes such as size, structure and leadership style. This approach is oriented to the structural differences between organization and cannot be influenced by employee behaviors or turnover of staff (Forehand & Gilmar, 1964).

The second measurement PMOAA views organization climate as set of perceptual variables that combines the organizations attributes with perception of its employees. There are four parameters of organization climate that are taken in to account for measuring its attributes: a) structural properties b) environmental characteristics c) organizational climate and d) formal role (Campbell & Dunnette & Lawler & Weick, 1970).

Perceptual approach PMIAA refers to as individual perception of organizations based on their personality and previous work experience and asses attributes that are psychologically important to employees that work in organization (Jones & James, 1979). It is also turned to selection-attraction – attrition approach referring to recruiting process where organizations would select people with values that are consistent with values represented by organization (Schneider & Reichers,1983).

Positive relationship between organizational climate and job satisfaction is reported in number of research studies. Schneider (1975, p.318) defines job satisfaction as a “personal evaluation of conditions present in the job, or outcomes that arise as a result of having a job”. Employees value job characteristic according to what they perceive to be important to them on the same way organizations values characteristics or performance attributes required for their efficiency. Thus, job satisfaction is important for organizations as well as for the employees. Many research papers evaluate the idea of leadership influence on the organizational climate and job satisfaction. According to Schein (1984) leaders beliefs and values influence perception of employees and they influence on the image of organization through various methods such as mentoring, coolaboration and teaching.

### **2.2.1 The Components of Organizational Culture**

Schein (1990) distinguishes three main levels of manifestation of the culture:

- Physical – visible aspects of the organization;
- Values – beliefs and norms that shape daily behavior;
- Basic underlying assumptions – cultural component of organization determined by the vision, mission and code of conduct.

To understand organizational culture in the context, it is important to consider how these three components are connected and how internal and external factors affect the organization members. The underlying assumption of the effective leadership is being able to understand importance each of these components and maintain its correlation with strategy.

## 2.3 Emotionally Intelligence and Communication

The process of underlying emotional intelligence are initiated when emotions enters to perceptual system. Since time of Darwin (1872) the role of emotional adaption influenced a number of scientists. Accurate expression of emotions and the process of rethinking individual perception contribute to communication and enhance social correlation. This is why crucial part of emotional intelligence is described as an ability to perceive emotions. Communication of certain emotional states has it adaptive role and individuals who displays positive respond to massages received from environment can manage emotions on a proper way. This coordination of emotional transmit can be verbal and nonverbal. Verbal expression of emotions, as a medium of emotions, are appraised and expressed in form of language (Salovey & Mayer, 1990). Words used to express feelings are represented as act of judgment and appraises actions of individuals. They are important mediator about state of minds and in case they are wrongly expressed they can lead to misconfusion. In communication, verbal expression of emotion is crucially important because it determines further course of action. Being emotionally intelligent enables individuals to clearly express their emotional state and lead the conversation in positive direction.

Nonverbal communication is defined as “the process by which nonverbal behaviors are used, either singly or in combination with verbal behaviors, in the exchange and interpretation of messages within a given situation or context” (Malandro & Baker & Baker, 1989, p.5). Nonverbal expression of emotions includes body language such as facial expression, gestures, eye contact and even the tone of the voice (Malandro, et all 1989). The ability to understand and use nonverbal communication becomes very powerful tool in connecting with others.

Nonverbal communication has five main functions:

- Accenting – underline verbal massage, emphasizing particular point in verbal message;
- Complementing – a nonverbal message changes the meaning of the verbal message by adding additional insights or information;
- Contradicting – sending different massage from the verbal one;
- Substitution – non-verbal massage is sent in place of verbal message;
- Repeating – repeating massage said verbally (Malandro, et al. 1989).

Some psychologists claims that expression of emotions maybe overlooked as mental ability because it often take place on nonverbal level. Communication is a complex system and involves different modes of sending and receiving massage. Within the context of emotional intelligence enhanced communication leads to a higher level of understanding different situations in life. The importance of developing effective communication as a leadership trait becomes a necessary part of every organization.

The importance of communication at work is described throughout the literature in various contexts and has become extremely important part of organizational environment dynamic. After concept of emotional intelligence emerged among researchers effective communication gain more attention.

Some of the most valuable tips related to emotional intelligent communication are:

- Being able to listen carefully what is said;
- Being attentive to body language;
- Consider what are communication preferences, email or verbal communication;
- Giving rational feedback. Leaders must provide feedback to their employees, but being able to provide constructive feedback can empower employees and strengthen the position of organization;
- Get to know colleagues;
- Communication is something that can always get better.

Communication at work has a value and influence on the development of social relationship. In the global environment where different scope of activities mainly depends on communicating with number of stakeholders this becomes one of the crucial points for maintaining organizational workflow. In some cases the ability to communicate effectively can become the asset of organization. Emotionally intelligent communication is mainly related to tips previously stated, but it also includes the ability to identify emotions during the conversation. This ability can ensure that the course of any conversation remain positive. Individuals with high EQ are able to identify the emotions behind the words and can also “catch up” non-verbal signs that usually goes behind every conversation. This way they are able to influence their own reaction and act with flexibility if needed.

## **2.4 Emotional Intelligence and Organizational Effectiveness**

Organizational effectiveness represents a key driver of business performance. In order to achieve excellence organizations are today faced with challenge of developing effective leadership and recruiting valuable work force. Fast changing environment both in public and private sector demands from leaders to develop broader knowledge in monitoring and managing emotional reactions of their own and others around them.

Organizational effectiveness is achieved throughout integrated framework that addresses following organizational elements:

- Strategy – the role, purpose, and strategic direction that summarizes the work of the organization and/or division being clear and appropriate;

- Structure, capacity, and capability – capable people doing the right work through a “fit for purpose” structure and clearly described role of accountabilities and relationships;
- Leadership – leaders have the capability and capacity to drive sustainable business success;
- People systems & processes – leaders need to be supported by systems that enables working process such as information sharing and creates consistency and trust;
- Culture & values – a set of shared, basic assumptions about how to behave and carry out work within the organization that is aligned to a business strategy;
- Employee engagement – high numbers of engaged employees whose hearts and minds are aligned with both the job that they do and the organization that they work for (Right Management, 2010).

## 2.5 Emotionally Intelligent Teams

The concept of emotional intelligence considers that organizational effectiveness depends on EQ at least as much as it does on IQ. Important message of the whole idea is introduction of a positive change and creating more effective work environment. Customer service orientation requires from organizations to have effective teams. Individuals working together with firm commitment to common goal, capable of identifying task process and having good communication skills are the one that move their organizations to the top. To achieve that team need to develop emotional competencies.

Table 3. Characteristics of effective team work

Organizational Structure	Individual Contribution	Team Process
Clear purpose	Self-knowledge	Coordination
Appropriate culture	Trust	Communication
Specified task	Commitment	Cohesion
Distinct roles	Flexibility	Decision making
Suitable leadership		Social relationship
Relevant members		Performance feedback

*Source:* S.Michan & S.Rodger, Characteristics of effective teams: a literature review. *Australian Health Review*, 2000, 23(3), 201-208. Retrieved January 25, 2013 from web page: <http://www.ncbi.nlm.nih.gov/pubmed/11186055>

To have emotional competences like customer services or conflict management it’s required for teams to underline emotional intelligence abilities specifically Social Awareness and Relationship Management (Goleman, 2001). Research shows that most creative and productive teams are able to achieve high level of participation, cooperation and collaboration between members. In order to do that team must work to develop trust between them, ensure feeling of group identity and ability to recognize individuality. Development of collaboration and team



work become one of the most important trends in organizations. According to Goleman (2001, p.38) most effective collaboration is present when EI competencies are developed on team level.

A key of successful teamwork is collaboration achieved in desire to perform common goals and support success of the team as whole. In the core of this behavior lies emotion. Effective teams explore their emotions; they bring them to the surface and don't have fear of conflict. Goleman (2001, p.138) refer this to emotion – behavior cycle that is explained through “self-reinforcing spiral of positive or negative emotions” that during time creates norms of team behavior; builds trust, develop group identity and create a key to team efficacy. Norms of group that are developed to facilitate awareness of individual needs and that regulate behavior will have positive impact on group effectiveness (Goleman, 2001).

### **3 LEADERSHIP CORRELATION TO EMOTIONAL INTELLIGENCE**

#### **3.1 Leadership**

A large number of research papers and books were published on the subject of leadership. During the years it became one of the most discussed and debated topics in social science. Initial context of leadership is attributed to the concept of “greatness”. According to Galton and Eysenck (1869) individual effectiveness depends on the attributes or biological traits that differs leaders from nonreaders. Chambers (1997) argues that leadership is a process of social influence that enables one person to support others in accomplishment of common tasks. Most recognized attributes of leaders are: integrity, trustworthiness, ability to inspire and influence positively.

Leadership involves establishing clear vision that other will follow willingly, provide information's and methods to realize that vision and coordinate with interests of different stakeholders (Business dictionary,2012). Scientists describe personal traits needed for effective leadership and refer to them as “traits of leadership”. Stogdil (1948) argues that personal traits of leaders must be consistent with characteristics of their followers. According to Gibb (1954, p.914) leader is identified through:

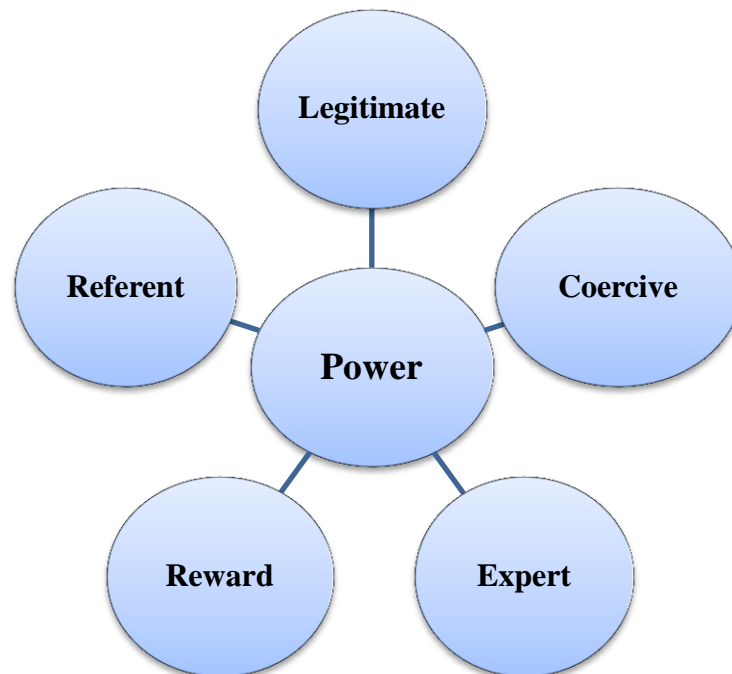
- traits and motives of a leader,
- public image of a leader,
- the feature of the role that leader plays,
- specific leadership style.

Beyond personal traits, leaders must be able to develop skills that include effective communication, motivation and planning. Description of leadership is seen through the personal attributes, cultural differences and situational perspectives. In an attempt to understand different leadership styles number of theories emerged throughout the years and described leadership through power of influence and control.

According to French & Raven (1959) in order to maintain control leader must have following types of power: legitimate, coercive, expert, reward and referent power.

- **Legitimate power** is a managers "position power" that gives him authority to hire new employees, assign projects, monitor their work and appraise their performance.
- **Reward power** is possibility to give or withhold rewards based on performance and represents major source of power that allows manager to keep motivated work force. Effective management uses their reward power to motivate their employees, and on the other hand, ineffective managers will use it for creating controlling environment.
- **Coercive power** comes from forced action and manager ability to punish others. Manager use this kind of influence when they are faced with inappropriate behavior or lack of technical competencies needed for the job performance. It can come in the form of warning or actual dismissal of the employees.
- **Expert power** represents special skills that managers have and that gives them power of influence. Effective leaders maintain their expertise by being well informed and by obtaining additional trainings and education. The expert power in effective manner is used for coaching purposes and on the other hand if used ineffectively it comes in the form of arrogance.
- **Referent power** is influence power of more informal nature that comes from personal traits of leader. It comes in the form of loyalty and respect of subordinates and "co-workers" and their identification with the leader. This kind of power can be vital in situation when leader's charisma is needed to motivate employees.

Figure 1. Five Sources of Managerial Power



Source: Small Business, 2013

## 3.2 Theories of Leadership

Leadership theories were the source of many research papers. From 1930 when leadership was interpreted solely through efficiency and motivation to the present day when leadership is seen through inspiration and building capacities, leadership theories were described through five main theories. Most famous of them are:

- Great man theory;
- Trait theory of leadership;
- Behavior theories – the managerial grid and theory X and Y;
- Contingency theory;
- Transformational theory.

### 3.2.1 The Great Man Theory and Trait Theory of Leadership

True leaders are born and not made and their influence does not rely on their intellectual geniuses or omniscient prophets, but they are naturally equipped with everything that makes a great leader. This orientation in leadership theories is known as “Great Man Theory”. The theory was popularized in the 1840s by Scottish writer Thomas Carlyle, and further developed in 1860 by Herbert Spencer (Wikipedia.org). The theory discusses about inherited abilities of great leaders with emphasis on inspirational influence of many leaders that shaped human history.

The Great Man Theory drew attention to a **personality traits** that shaped leadership. Research conducted in the last decades of 20 th century identified core set of personal values that makes an effective leader. Following six traits makes a true, naturally born leader:

- Intelligence – reasoning, perceptual speed and strong working memory;
- Self-confidence – awareness about personal competencies and skills;
- Determination – act firmly in achieving wanted results;
- Sociability – leader’s inclination to seek out pleasant social relationships (Stogdil, 1948);
- Integrity – honesty and trustworthiness; strong set of principles and responsibility for their actions (Kirkpatrick & Locke, 1991).

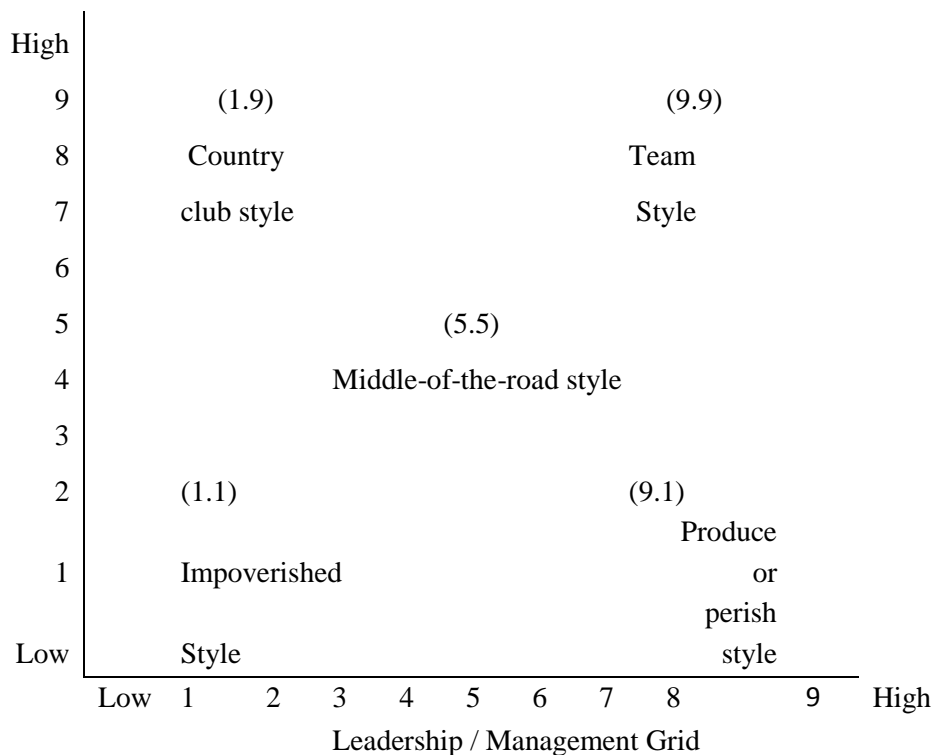
However these personality traits don't identify whether a person will be successful leader or not but rather are seen as preconditions that endow people with leadership potential. It is considered that even people with born natural leadership abilities needs to be trained and developed in order to successfully lead. This kind of thinking led to numerous attempts to identify behavioral characteristics of effective leadership.

### 3.2.2 Behavioral Theories of Leadership

**Behavioral theory** is oriented to developing leadership qualities through learning. Advocates of behavioral approach believe that people should be in the center of the organizational attention. According to Kreitner (2001) technology and work standards don't guarantee good performance, but instead success depends on motivated and skilled individuals who are committed to organizational goals. The theory is based on two major concepts: concern for people and concern for production. The concept of **managerial grid model** is composed of five different leadership styles that underline relations between a manager's concern for people, production and motivation. According to Blake and Mouton (1946) they are described as:

- Indifferent – leaders have minimum concern for people and production;
- The country club or accommodating – leaders have a high concern for people and low concern for production;
- Dictatorial – based on X theory of Douglas McGregor, this style have high concern for production and finds that needs of employees are not important;
- The status quo or Middle-of-the-road – balancing between needs of the employee and productivity of organization;
- Team style – considers leader's high concern both for the people and production.

Figure 2. Managerial Grid Model



Source: Managerial Grid Model, 2013

**Theory of X-Y** was proposed by social psychologist Douglas McGregor and published in the book “The Human Side of Enterprise” in 1960. This approach refers to a management, motivation and leadership in terms of organizational development and culture. Two styles represent natural way of organizational life and identify how leadership influences on motivation and performance.

According to McGregor (1960) **Theory X** claims:

- The average person dislikes work and will avoid it whenever its possible;
- The average person prefers to be directed;
- The average person is relatively unambitious and wants security above all else.

According to McGregor (1960) **Theory Y** claims:

- Effort in work is as natural as work and play;
- People will apply self-control and self-direction in the pursuit of organizational objectives, without external control or the threat of punishment;
- Commitment to objectives is a function of rewards associated with their achievement;
- People usually accept and often seek responsibility;
- Capacity to use a high degree of imagination, ingenuity and creativity in solving organizational problems are widely, not narrowly, distributed in the population;
- Industry only partly utilizes intellectual potential of the average person.

### 3.2.3 The Contingency Theory

Most widely recognized and used theory of leadership is developed 1969 by K. Blanchard and P. Hersey. The basic premises of the theory are that different situations demands different approaches to leadership (Scott, 1981). This theory is widely used in organizations for training and development.

Fiedler (1967) recognizes two dimension of this approach:

- **Supportive** – managers develop a good relationship with employees and they are directly involved in organizing team work;
- **Directive** – managers focus on task accomplishment and monitor job performance. making sure that each job gets done. This autocratic leadership style is more oriented to accomplishing goals, meeting deadlines, organizing work flow and accurate definition of roles.

### 3.2.4 Transformational Theory of Leadership

**Transformational theory** explains leadership as a process that secures mutual growth of leaders and followers (Burns, 1978) and it has a great influence on motivation and performance of employees (Bass, 1985). Transformational leadership is oriented to people and focuses on the capabilities of every team member. This type of leadership increases motivation and leads to achievement of high productivity. According to Bass (1985) transformational leadership occurs in following elements:

- **Individualized consideration** – leader attends needs of the employees, act as mentor that coaches and develops employee’s capacities;
- **Intellectual stimulation** – leader supports employees with intellectual independency and support creative ideas and learning possibilities;
- **Inspirational motivation** – leader set high standards of performance and motivates employees to become orientated to the strategic goals while spreading the idea of “mutual accomplishment;”
- **Idealized influence** – leader is a role model for high ethical standards and articulate respect and trust among team members.

Main construct of transformational theory is the ability of leaders to transform their employees. Rather than creating a culture of pre – determined expectations, transformational leaders creates a sense of vision and inspire employees to become even more productive. Finally, transformational leadership enhances capacities by supporting motives and drives of every individual and creates an atmosphere of mutual stimulation (Burns, 1978).

### 3.3 Leadership versus Management

Organizations work to accomplish their goals toward strategy and vision of its core existence. Every business or public organization is oriented to be responsive to its environment. Once efficient organization structure is developed, maintaining the system becomes crucial in everyday activities. The primary job of managers is to accomplish proper functioning of the system. This represents the core of good management. By contrast leadership is attached to an influence, a guideline toward vision and inspirational behavior. According to Bennis (1997) difference between management and leadership is profound but both are very important. Bennis (1997, p.21) argues that managing is represented with accomplishment of the task or goal, responsibility for particular process and ability to successfully conduct an activity, while to lead, means to “guide an action” or “to lead an opinion”.

Table 4. The Difference between Leaders and Managers

Subject	Manager	Leader
Attitude toward goals	Impersonal and passive outlook	Take personal and active outlook
Conception of the work	Negotiate and coerce	Take fresh approaches to work and take risk
Relationship to others	With people with minimum attachments	Attracted to ideas and describe subordinates with emotionally rich adjectives
Sense of self	Strong in the company an feels as part of organization	Feels separate from the organization

Source: *The WritePass Journal*, 2013

Complex global markets need effective leaders that possess both manager and leader characteristics. According to Kotter (1999) management or leadership process is viewed in the same time as distinctive and complementary, but both necessary for a success of an organization.

Bennis (2009) argues that differences between managers and leaders can be described through the four characteristics that are displayed in their behavior:

- **Vision** – the sense of shared meaning. True leaders have ability to engage others to persuade their own vision. This is an example of many famous leaders in history of mankind.
- **Authentic voice** – this means that leaders have the self – confidence or the sense of them self that enables their followers to understand the true meaning of the message they are sending. This “characteristic” is most closely connected with empathy.
- **Integrity** – strong moral compass, a belief in something that is greater than them self. These beliefs ensure leaders capability to always act in the direction that has larger purpose.
- **Adaptability** – the capacity to act in adaptive manner toward any change. This allows a leader to act and adjust according to results of their actions.

### 3.4 Leadership Styles

Primary role of leaders is to provide direction, to implement organizational plans, strategy and to develop a sense of vision and to motivate people. Strategic vision of the organization often provides a proper leadership style and determines what kind of leadership can achieve best possible results. However, leadership style sometimes depends on the personal preferences of leaders and their dedication to organization goals. According to Lewin (1939) there are three most used leadership styles: autocratic, democratic and laissez-fair.

- **Autocratic leadership** decisions are made without consulting with others. According to Lewin (1939) this style is suitable in cases where decision making process depends on rules and will not change depending on inputs and also it is applicable when motivation of employees is not affected by style of leadership.
- **Laissez-faire** minimizes the leader involvement in decision-making process and works best with highly professional employees that are capable and motivated to make their own decisions.
- **Participative or democratic style** includes others in the process of decision making and results with incensement of motivation and work efficiency ( Lewin & Lippit & White 1939).

Form of democratic leadership style is **servant leadership**. This term was coined in the 1970 by Robert Greenleaf and refers to leading by meeting the needs of others in the organization. This way leader achieves power on the basis of his own values and ideals (Greenleaf, 1977). A leader that uses participative leadership style involves all team members in workflow process. Leader encourages participation in decision making process, considers inputs from team members and reinforces development of the group. Consequently, these behaviors lead to forming a team with high moral and secure efficiency or general performance.

### 3.5 Leadership's connection to Emotional Intelligence

Great leaders are seen through their ability to enhance positive culture of working environment. Research show that those who lead with emotional intelligence are able to create climate of trust, information sharing and healthy risk taking (Goleman & Boyatzis & McKee, 2002). Thus, organizational climate depends on the influence of the leaders and their emotional competencies. Goleman (1998b) explains that a framework of emotional intelligence (self – awareness, self – management, social – awareness and social – management) represents the basis for mastering capabilities that results in outstanding performance.

According to Goleman (2001) higher levels of emotional intelligence are associated with:

- Accurate self – assessment;
- Self – awareness and self – confidence;
- Initiative and drive for achievement;
- Trustworthiness;
- Service orientation and empathy;
- Organizational awareness;
- Participative management;
- Building relationships;
- Visionary leadership;



- Conflict management;
- Change management;
- Building teamwork and collaboration.

Emotional intelligence is seen through wide range of competencies that distinguishes top leaders from average one. Key issues that contribute to achievement of leadership effectiveness can be seen through emotional intelligence framework. Within that context, self – awareness becomes first ability firmly related to leadership. According to Boyatzis (1982) accurate self – assessment is the key of superior performance. Leaders who are aware of their strengths and weaknesses are not afraid to admit their mistakes, they learn from the experience and seek for help and support in strengthening their capabilities (Goleman, 2001). Furthermore, they are more likely to have control over their impulses and use emotional state to rationalize every situation. Other characteristics such as straightforwardness, doing whatever it takes, and confronting problematic employees are related to stress tolerance, assertiveness and ability of leader to solve conflicts.

Second key performance indicator belongs to self – management cluster and encompasses six competencies: self – confidence, trustworthiness, conscientiousness, adaptability, the drive for achievement and initiative (Goleman, 2001). Leaders who have sufficient level of self – confidence manifest their ability mostly through an absence of stress and negative feelings in variety of situations (Goleman, 2001). Trustworthiness is connected with leader’s internal values that are consistent with one’s actions. These characteristics influence positively on the organizational environment since employees can know what to expect from their leader in any given situation. Outstanding performance depends on the responsibility that leader takes while performing particular task. Leaders with this ability score high points in working performance. Another important ingredient of effective leadership is adaptability. To be able to adapt to any situation is very important for any employee, but for leaders this capacity is even more important. They don’t accept “status quo” and they are comfortable in letting go assumptions how things should be done (Goleman, 2001). Therefore, leaders are able to enter another significant area, initiative and self – drive (drive for achievement). Goleman (2001) argues that leaders with initiative are able to take anticipatory action to avoid potential issues or to take an advantage of opportunities before they are visible to others.

The other key issue of leadership connection with emotional intelligence comes in the form of empathy. Empathy belongs to a social awareness cluster and as previously discussed determines leader’s sensitivity to others. This ability is crucial for outstanding performance whenever there is a focus on interaction with people. Leaders with empathic skills are able to derive subtle messages that they pick up during the communication and to understand the real meaning that is often hidden behind particular behavior. Social awareness also plays a key role in developing competences such as: customer service orientation and organizational awareness. According to Goleman (2001) in any organizational settings where employees interact with customers this

ability can enable development of long – term perspective and trade immediate gains for customer satisfaction. On the other hand, organizational awareness allows a leader to interact with individuals from their working environment, to create valuable connection and network in order to spread their influence.

The Relationship Management represents the final, but not less important part of emotional intelligence cluster. It includes set of competencies essential for development of social skills: developing others, influence competency, communication skills, conflict management, visionary leadership, change management and building cooperative relationships. According to Goleman (2000b) developing others is not only important for the front – line managers but also for senior leadership. Once leader is able to effectively manage emotions in others, it is possible to influence on their behavior. This competence emerge high level of efficiency, but only when it is used for the collective goals. Otherwise, influence can become manipulation (Goleman, 2001).

Organizational climate depends on the ability of leaders to create atmosphere of openness. This is why effective communication becomes a key ingredient of organizational success. According to Goleman (2001) effective communication is represented in leader’s ability to effectively share information. Leaders foster openness and stay receptive to any news regardless of the emotional message behind it. This ability is strongly connected with self – awareness and self- management. Furthermore, it allows a possibility to develop conflict management skills. This competence is connected with empathy, ability to listen and understand others points of view and it is crucial for long – term relationships with others (Goleman, 2001). Building collaborative relationships between employees in the organization sets the stage for performance excellence. Most productive teams are able to function equally in any circumstances and they share good and bad moods without distraction to their performance. Final competence of relationship cluster is ability of leader to inspire others to work for common goal. Outstanding leaders are able to work with enthusiasm and to share the vision and mission of organization to their employees. They are able to “infect” others with their vision of the future and they display high level of positive emotions (Goleman, 2001).

In regards to emotional intelligence competencies, Goleman (2002) identified six leadership styles. Goleman (2002) argues that leaders with emotional intelligence strengths have the ability to switch between different styles as situation requires. Additionally, leaders who practice emotional intelligence competencies are more effective in building organizational climate. Leadership style model summarize techniques and scenarios that works best in the organizations.

Table 5. Leadership styles by Daniel Goleman

	<b>Commanding</b>	<b>Visionary</b>	<b>Affiliative</b>	<b>Democratic</b>	<b>Pacesetting</b>	<b>Coaching</b>
The leaders modus operandi	Demands immediate compliance	Mobilizes people towards vision	Creates harmony	Forges consensus through participation	Sets high standards for performance	Develops people for the future
The style in a phrase	"Do what I tell you"	"Come with me"	"People come first"	"What do you think"	"Do as I do now"	"Try this"
Underlying EQ competencies	Drive to achieve, initiative, self-control	Self-confidence, empathy, change catalyst	Empathy, building connection, communication	Collaboration, team leadership, communication.	Conscientiousness, drive to achieve, initiative	Developing others, empathy, self-awareness.
When the style works best	In a crisis, to kick start a turnaround or with problem employees	When changes require a new vision, or when clear direction is needed	To motivate people during stressful circumstances	To build consensus or to get valuable input from employee	To get quick results from a highly motivated and competent team	To help employee improve performance
Impact on climate	Negative	Most strongly positive	Positive	Positive	Negative	Positive

Source: D.Goleman, *Leadership that gets results*, 2000

Research shows that all six leadership styles affect working atmosphere and have a measurable impact on each aspect of climate, financial results and overall performance of organization (Goleman, 2000). Within that context, organizations that use leadership styles that positively affect the working climate have better financial results. The results presented in the study explored organizations that performed in same economic conditions and in stable environment.

## 4 PUBLIC SECTOR LEADERSHIP

### 4.1 Public Sector Definition, Scope and Nature

Public administration emerged as relatively new and separate discipline of social science. During the years definition of public administration was consistent and referred to implementation of government policy. Public administration is also defined as academic discipline that studies implementation process and prepares civil servants for working in the public service (Random House Unabridged Dictionary). The term public administration is derived from Latin words *Ad* and *Ministrare*, that means to serve and look after. Public administration as academic discipline receives attention in 1855 by writings of German professor Von Stein from Vienna. He wrote about the public administration in the context of scientific integration of many different disciplines.

In the US Woodrow Wilson advocated four concepts of public administration work:

- Separation of politics and administration;
- Comparative analysis of political and private organizations;
- Improving efficiency with business – like practices and attitudes toward daily operations;
- Improving the effectiveness of public service through management and by training civil servants, merit-based assessment (Wilson, 1887).

According to Wilson (1887) public administration have two important roles, first as an activity it is obligated to discover what a government can successfully do, and secondly to do these things with most possible efficiency. Other definitions of public administration describe the scope of administrative work as operations that have a purpose to fulfill or enforce public polices White (in Weber, 1996). According to Pfiffener (1960) public administration is organized unit of human and material resources that works to achieve desired outputs. Max Weber introduced the term bureaucracy that originally implied rules incorporated in law which may be controlled on rational and legal way, following hierarchy from the top (Weber, 1946).

The separation between politics and administration advocated by Wilson was continued by the work of Luther Gulick who was a pioneer of new generation of public administrators. Together with Henry Fayol, Frederick Taylor and Frank Goodnow he created contemporary approach to public administration theory and practise. Gulick summarized the duties of administrators with an acronym; POSDCORB, which stands for planning, organizing, staffing, directing, coordinating, reporting, and budgeting (Gullick & Urwick, 1937). In the following years role of public sector is seen through interventions of government as a respond to some private sector inefficiencies and continues to develop through New Public Management (hereinafter: NPM). These theories emerged in late 80ies and represented an answer to rapid changes in social, political, economic and technological environments. They were created with goal to improve the efficiency of public work. Major shift came with coining the term public management instead of public administration, emphasizing this way importance of developing new system focused on market orientation and customer service.

Main characteristics of NPM identified by Hood (1991) are:

- Professional management;
- Development of explicit standards and measures of performance;
- Providing the systems for greater control of outputs;
- Disaggregation of units in the public sector;
- Shift to greater competition in public sector;
- Practising private – sector styles of management;
- Introduction of discipline and parsimony in using resources.

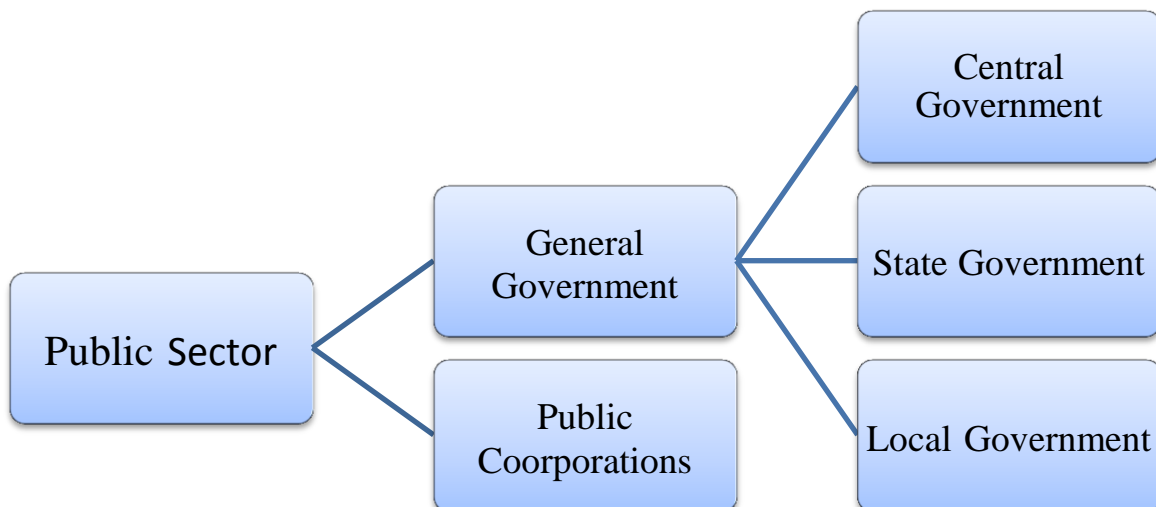
### 4.3 Administrative Units of Public Sector

Examples of public services represent range of activities that have goal of delivering different kind of services to citizens. According to a manual of Institute of Internal Auditors (2011) public sector consists of governments and all publicly controlled or publicly funded agencies, enterprises, and other entities that deliver public programs, goods, or services. These units work together to ensure variety of services are delivered to the citizens.

According to European System of Accounts, general government sector have four sub – sectors:

- Central government – administrative departments of the state and other central agencies whose responsibilities cover the whole economic territory of country, except for the administration of social security funds;
- State government – defined as the separate institutional units that exercise some government functions below those units at central government level and above those units at local government level, excluding the administration of social security fund;
- Local government – consists of all types of public administration whose responsibility covers only a local part of the economic territory, apart from local agencies of social security funds;
- Social security funds – central, state or local institutional unit whose main activity is to provide social benefits (Eurostat Glossary).

Figure 3. Administrative Units of Public Sector

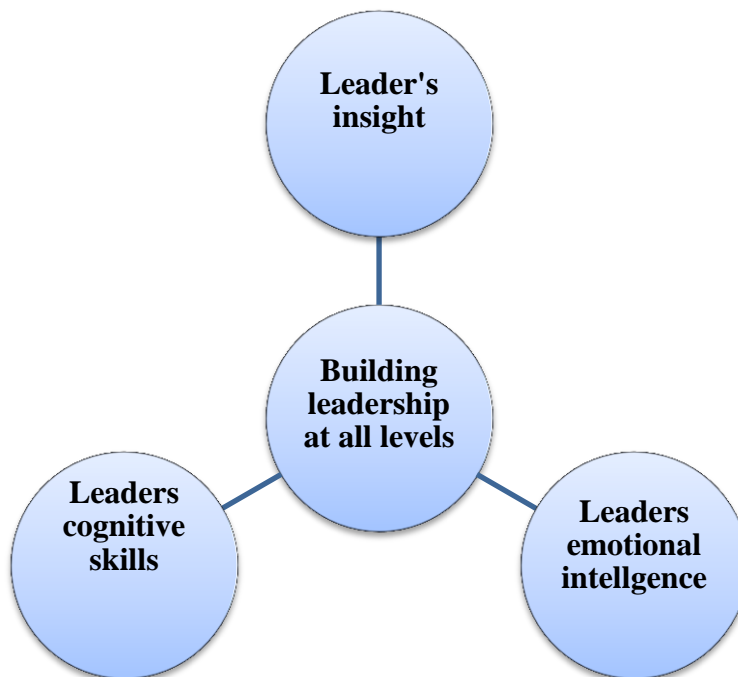


For the purpose of this thesis leadership skills will be explored in different public organizations responsible for providing direct services to citizens. Although leaders are very much needed in every segment of government bodies this research would provide an opportunity for in – depth analyses of leadership effectiveness. This work will further on focus on importance of developing leadership skills on all levels of administrative service.

#### **4.2 Leadership in Public Sector**

Most important role of public leaders is to promote public interest. For years role of leaders in public and private sectors was traditionally considered to be different. Despite the fact that differences between these two sectors exists, new trends in leadership theories recognize that traditional role of public leaders must be changed. There is a need for institutional adaption as well as promotion of certain government values. These changes require moving from operational role of public leaders toward collaborative and networked public leadership. Traditionally, public service is considered to be a tool for maintaining law and collecting revenues with small scope of welfare activities. Ideally, new leaders will be moved from “position power” to influence or “personal power”. In order to carry out this complex process government need to support new generation of leaders that will guide public spiritedness and collaborate more effectively.

Figure 4. The Four Dimension of Leadership



Source: Deloitte LLP, 2010

According to OECD<sup>1</sup> report (2001) general trends in leadership development through governmental institutions are moving toward:

- Developing comprehensive strategies – strategic plans for leadership development across the public sector;
- Organizing institutions that will provide opportunities for leadership development – identifying future leaders;
- Linking existing management training to leadership development.

In this process, public administration must improve organizational performance, enhance productivity and develop strong customer service orientation.

According to report, presented by audit and financial advisory group, Deloitte (2010) following elements are necessary to support the change process:

- Leader's insight necessary for change of complex systems;
- Leader's cognitive skills to manage demanding environment;
- Leader's emotional intelligence to motivate people through the time of change;
- Leader's ability to build leadership on all organizational levels – building capacities and developing strong relationship that will enhance their influence.

#### **4.4 Public Manager versus Public Leader**

According to OECD report (2001) leadership represent the core of good governance. Managing public sector today becomes complex, heterogeneous and multi – faceted activity that underlay values of public service and promotes the interests of the citizens they serve. New trends in managerial theories see management and leadership as two side of same coin and emphasize the importance of developing effective administrators on all levels of the public organizations. John Kotter (1999, p.10) describes leadership as development of vision and strategies, the alignment of relevant people behind those strategies, and the empowerment of individuals to make the vision happen, despite obstacles.

According to Kotter (1999) main purpose of leadership is to establish direction for an organization, then motivate and inspire people to move in that direction. On the other hand management involves keeping the current system operating through planning, budgeting, organizing, staffing, controlling, and problem solving (Kotter, 1999). While highlighting these differences, scientists emphasize the importance of having both set of skills for establishing effective organizations. Others consider that arguing distinction between two terms is not

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<sup>1</sup> OECD stands for The Organization for Economic Co-operation and Development

productive. According to Van Wart (2005) challenges of great leadership is balancing between operational dimension and visionary leadership functions.

Table 6. Critical attributes for Senior Executives

<b>Leadership attributes</b>	<b>% Rating attribute as highly important</b>
Adaptability/flexibility	72%
Accountability	69%
Vision and strategic thinking	64%
Customer orientation	58%
Commitment to public service	55%
Management of financial resources	44%
Ability to establish networks and alliances	41%
Value of cultural diversity	39%
Technical expertise	37%
Management of information technology	23%

Source: Pricewaterhouse Coopers Research center, 1999

Public reform is important for strengthening public sector performance and requires openness to change, adaptability and modernized procedures. This is why it must be done under supervision of proper leadership. Reform involves two most important aspects: change and people. According to OECD report from 2001 the core of changing organizations is changing people's behavior and leadership support is needed for establishing system of values among public sector employees. Public service development requires government executives with excellent managerial qualifications as well as leadership attributes. This range of necessary attributes refers to a zone for improvement and represents so called model of public administration actions in 21 st century.

Table 7. The Leadership Assessment Zones for Improvement

<b>Zone</b>	<b>Traditional view</b>	<b>New trends</b>
Reflection	Made mistakes due to over-confidence in their own knowledge and abilities.	Recognize and take steps to expand the limits of their knowledge and abilities.
Society	Neglected the health of the economy, society, and environment.	Promote their own success by acting with the greater good in mind.

*Table continues*



<i>Table continued</i>		
<b>Zone</b>	<b>Traditional view</b>	<b>New trends</b>
Ingenuity	Focused ingenuity mainly on ways to preserve the status quo.	Re-think core assumptions to respond to new threats and opportunities.
People	Motivated people mainly with incentives and rational argument	Motivate people through strong relationships based on mutual trust.
Business	Sacrificed almost everything for short-term performance.	Make the plans and hard decisions to sustain long-term success.

Source: *Achiveglobal, 2010*

In organization, leadership provides sense of vision, helps to create motivated work force and support organizational culture that lead to more efficient delivery of goods and services. In the public sector this becomes crucial as well. Being far moved from traditional way of administrating bureaucracy to alignment with environmental issues, leadership of new public policies seek healthy mechanism that can lead to innovation, creativity and vision toward providing better service to citizens. With rising of public awareness through media and internet, focus of many aspects of democracy has been enhanced and made leadership more difficult (Henton & Melville & Walesh, 1997).

Although number of theories explored leadership in private sector, there is no much literature and research done about leadership in public services. Some scientists find that highly instrumental approach to leadership in public sector is the main reason. Another reason could be found in the large bureaucracy who lies beyond the power of administrative leaders. However, NPM theories brought to attention importance of developing effective leadership that fundamentally transforms governmental organizations. The adoption of new trends demands from public administration to move from managerial function to inspiring leadership. Thus, some management activities are necessary because of the administrative nature of public service, leadership skills are becoming more needed than ever. Effective leadership provides higher quality and more efficient delivery of goods and service and ensures motivation and direction of organization.

## **4.5 Developing Emotionally Intelligent Environment**

While technical competencies and management skills represent critical attributes for running complex administrative body, nature of human relationship became equally important for productive work environment. From 1940 and beginning of “human era” more emphasis is put on the development of positive culture of behavior. In public sector it is mainly represented with "putting customers at ease" and creating trustworthy connections. While private sector measures success with level of income, public sector, begins its measurement by the level of efficiency and satisfaction of citizens. By building a system that can ensure positive working environment public sector can create social capital and accordingly deliver effective service. According to Wiegand (1997) social capital refers to a bond of mutual respect among members of the working environment and allows reducing the transaction costs of economic exchange.

Positive effects of emotional competencies have influence on the leadership, team performance and overall dynamic of working environment. According to Goleman (2001) emotions arise whenever a group of people works together. This is why it is crucial for public leaders to be able to recognize emotional states in one self and in others. In public service these abilities can lead to creating improved working conditions and providing a better service. According to Abraham (1999) emotional intelligence reinforces altruistic behavior and enables employees to comprehend their co-workers' feelings. Employees with high EQ respond better in numerous situations than employees with low EQ because of their ability to easily shift from negative to positive moods (Abraham, 1999). This ability becomes crucial in the cases where service is directly connected to citizen support. Hence it is essential for employees to be able to manage interactions with citizens with high levels of emotional intelligence. Otherwise, customer service can suffer and government service can be viewed as negative (Guy & Newman 2004).

Emotional intelligence is defined through a set of capabilities that enables mastering emotions and socially acceptable behavior (Goleman 1995a, 1998b). Within the context of leadership and public service it is most important to be able to understand the correlation between these two factors. Consequently, it becomes a crucial point in understanding the term of “servicing the public good”. Leaders' capability to identify customers' needs is derived from the ability to identify oneself with others. These characteristics are previously explained through the concept of empathy. Since public service is all about meeting the needs of others, skill of empathy becomes critical in every form of interaction with people and one of the most effective strategies for improving administrative work. Service competence discussed by Goleman (2001) through the key elements of social awareness is explained through ability to understand customer needs and match them with product or service.

Processes of mastering emotional behavior and implementing emotional intelligence programs can be used for the purpose of building organizational effectiveness. Leadership capabilities are seen through relationships with environment. They depend on the knowledge that one has about

their employees and emotional response to the environmental demands. According to Goleman (2001) good leaders are able to balance between those two factors, they are able to confront their emotions and as a result their employees trust them and feel good working with them. Thus, emotional intelligence is a tool for successful management of emotions and it benefits organization (Meier & Mastracci & Wilson, 2006). Finally, programs that enables employees to master their emotional intelligence skills (e.g. through feedback, training, etc.) are certainly as important as developing technical skills needed for performing administrative services.

## **5 RESEARCH ABOUT CORRELATION OF EI AND LEADERSHIP**

Research study begins with selection of the topic and methodology used for interpretation of data. Two most recognized methods for research are: qualitative and quantitative methods. Findings of quantitative methods are derived from large – scale surveys, while qualitative method use words rather than data, to describe particular findings. According to Aliaga & Gunderson (2002) quantitative research explain particular topic by collecting data that are further analyzed by mathematical calculations. Key elements of quantitative methods are further evaluated as:

- Experiments characterized by determining cause effect between variables and uses random assignments of the groups;
- Quasi – experimental research that is similar to experiments except it involves non – randomized assignments of the groups;
- Surveys – designed questionnaires for data collection with aim of identifying common characteristics of a large scale population (Chnri,n.d.).

**Qualitative research** as a method of inquiry is traditionally used in social sciences, but can be employed in different academic disciplines, market research and other contexts. Qualitative methodology is interpretive approach to a subject matter (Denzin & Lincon, 2005). It is used for in – depth analysis of the human behavior and explores different attitudes. This research methodology enables data that are real experience and provides opportunity for understanding particular topic in its own terms rather than by predefined measures and hypotheses.

Three most recognized types of qualitative methods are:

- Case study where the researcher explores a single entity in the real – life circumstances within particular time frame and this way gathers detailed information about group or event;
- Ethnographic studies – study of certain cultural group over a period of time and in their natural settings;
- Phenomenological studies where human factor is examined by detailed description of particular company or people (Chnri,n.d).

Over the years many discussion was made about approach that offers more scientific results and various opinions are provided, but researchers considered that proper methodology depends solely on the based problem of interest, available resources or particular skills of (Bryman & Bell, 2007).

## **5.1 Research Methodology**

This study was conducted by using most common qualitative method, interview. Qualitative research provides the possibility to get in – depth understanding of the topic and evaluate existing circumstances along with developing opportunity for further research. Some of the major challenges that can occur during the interview process are: generalizing findings, subjective perception of the researcher and results in the form of specialized findings that are less generalizable. The researcher is the main instrument of data collection and what is observed and how the data is interpreted depends on what the researcher favors and decides to focus on (Bryman & Bell, 2007).

Two main two types of interviews that are used in qualitative research are: unstructured and semi – structured. Unstructured interview is a set without any format (Businessdictionary,n.d.). Interview questions in unstructured format can be formulated in advance, but they are flexible and interview proceeds in a friendly manner. In the semi-structured interview the researcher has a list of questions that covers on specific topic (Qualitative Interview Guide, 2009). This is also referred to as an interview guide. Other questions that are not included in the guide can be asked during the interview as the interviewer gets to know things that can be relevant. In both cases the interview process is flexible and it is important to ensure participants understand the topic.

Qualitative research often entails a study of a small group of individuals sharing certain characteristics such as same position in companies. Reliability is the extent to which an experiment, test, or any measuring procedure yields the same result on repeated trials. If the results are the same from all the respondents then the reliability is high. Validity on the other hand, refers to the degree to which a study accurately reflects or assesses the specific concept that the researcher is attempting to measure (Brians & Willnat & Manheim & Rich, 2011). While reliability is concerned with the accuracy of the actual measuring instrument or procedure, validity is concerned with the study's success at measuring the results (Bryman & Bell, 2007). This was kept in mind while conducting the research.

The interviews conducted for this research paper were semi – structured. Semi – structured interview have pre – defined questions, but also is considered to be adjustable and gives researcher opportunity to move in certain direction. Main purpose of interviewing public leaders was to explore their views, beliefs and motivation about specific circumstances they operate in and get the inside detail of the chosen topic. The request for an interview was made by email and telephone announcement was made. Email was sent to the participants with a brief explanation

about the purpose of this study. Some of the major difficulties were arranging convenient time for conducting the interview. Interview guide was used to keep in mind all relevant data and notes are taken to ensure accuracy of data.

When conducting the interview it is important to create relax atmosphere and listen carefully to respondent. In some cases questions needs further explanations, so returning to previous remarks and asking questions in passive form can be used. This ensures necessary information's are collected with respect to a participant. These elements were kept in mind during the interview. For the purpose of this interview process, twelve questions were formulated. Interview was guided through the particular areas of emotional intelligence and evaluated through the relevant issues that have impact on leadership style of the participants. The questions and the interviews are shown in appendices at the end of the paper. Questioner was made by usage of EQ Interview – Employees with Emotional Intelligence, through assessment of five key areas of emotional intelligence: Self – Awareness, Self – Management, Social – Awareness and Relationship – Management (Lynn, 2008). Interview question were designed to evaluate emotional capabilities of the public leaders.

## 5.2 Research Design

Design of research is presented in the stages of research and represents research topic, research sample, data collection, procedure and techniques used to analyze the data.

Figure 5. Research Design



### 5.3 Literature Search and Selection

Many theories have been proposed to explain correlation between leadership and emotional intelligence. In fact some of the authors consider that in order to become a good leader it is essential to develop a high level of emotional intelligence. Although literature covers wild variety of such theories, this literature review will focus on following areas:

- emotional intelligence,
- emotional intelligence and leadership effectiveness,
- leadership and public sector management

Emotional Intelligence is widely used term described in many scientific works, but mostly popularized by Daniel Golman in 1995. Thorndike (1920) defines social intelligence as ability to understand and manage men and women, boys and girls – to act wisely in human relations. Gardner includes interpersonal and intrapersonal intelligences as a part of his study about multiple intelligences (Gardner, 1983). Peter Salovey and John Mayer (1990) first formally identified the term Emotional Intelligence (EI) and defines it as ability to monitor one's own and feelings of other's, to discriminate among them and to use this information to guide one's thinking and actions (Salovey&Mayer,1990). Daniel Goleman popularized EI through his works Emotional Intelligence (1995) and Working with Emotional Intelligence (1998b). Goleman (1998b, p.317) defines emotional intelligence as capacity for recognizing our own feelings and those of others, for motivating ourselves and for managing emotions well in us and in our relationships. Since then, three primary models of EI have emerged. Firstly, Bar- On Model emerged as a trait approach to EI where specific characteristics are related to adaption and coping with change (Bar – On, 1997). Secondly, Salovey-Mayer Model, described EI as the skill to perceive, understand, manage and utilize emotions. This so called ability model conceptualized EI as mental skill assessed through a performance test Mayer- Salovey-Caruso Emotional Intelligence Test (MSCEIT Mayer & Salovey& Caruso, 2002a). Finally, Goleman Model (Goleman, 1998b; Goleman et al., 2002b) defines EI as set of emotional and social competencies that leads to effective performance.

Truly effective leaders are distinguished by a high degree of emotional intelligence (Goleman,1998b) and those who report exhibiting these behaviors are assumed to be more effective in the workplace (Goleman et al, 2002a). Fundamental task of good leaders is to prime good feelings in those they lead. Many organizations are working on strategic development of effective leadership. In public service, development of proper leadership style is becoming one of the most important issues. According to OECD reports, leadership represents critical component of a well-developed public administration. Literature review shows that the topic is discussed in many reports, research papers and published books during the 20 th centuries. In 1995, Larry Terry noted the neglect of administrative or “bureaucratic leadership” in the public-sector literature. In that context Van Wart (2003) examines following questions:

- Is the study of administrative leadership important?
- What are the reasons that lay behind neglecting administrative leadership and what are the difficulties associated with this type of research?
- Has the administrative leadership literature made significant strides since Terry's observation in 1995? If not, why?
- What are the specific strengths and weaknesses of the literature and how does it compare with the mainstream, largely private-sector-focused literature?
- What areas are ripe for research?

During the nineties several books were published to describe meaning of public leadership. Their goal was to emphasize the importance of collaborative and ethical leadership in public organization. Van Wart's *Dynamics of Leadership in the Public Service* (2005) describes in detail ten traits, six "meta – skills," and twenty – one behaviors to total thirty – seven competencies for developing organizational leadership in the public sector. His research interest included administrative ethic, public management, human resource and leadership. Number of research studies conducted during past twenty years explored link between public sector organizational performance and its leadership practices. It was argued by Morse .R. and Buss.T. (2009) that public sector leaders are often selected by their technical expertise and that most public organization overlook explicit efforts to develop staff leadership skills. Van Wart (2003) considers that focus on technical skills is a practice that remains from the early 20th.

Public sector organizations with strong leadership capacity exhibit increased adaptability, innovation, effectiveness and efficiency compared to their counterparts with weaker leadership capacity (Andrews & Boyne, 2010). In global economy complexity of government process is constantly increasing and effective leadership can make crucial difference between performances of services. Van Wart (2003, p.214) argues that effective leadership provides higher quality and more efficient goods and services; it provides a sense of cohesiveness, personal development and higher levels of satisfaction among those conducting the work; and it provides an overarching sense of direction and vision and alignment with the environment, a healthy mechanism for innovation and creativity, and a resource for invigorating the organizational culture. Leadership is a critical skill in public service, but it's argued by Rainey and Bozeman (2000) that public sector leadership is more complex and ambiguous than leadership in the profit sector. This is due to the fact public organizations have more complex goals, they operate with multiple sources of authority and they have more rigid structure with formalized rules and processes (Rainey & Bozeman, 2000). Developing proper leadership style in public organizations requires building capacity that can enhance organizational performance.

Position made leadership has become more controversial than ever. Public administration is still facing enormous challenges with managers that has technical competencies but yet has no leadership skills what so ever. In the growing economies and complex political environment the

need for well-trained leaders is becoming a crucial point that enhances development of organization. Policy makers are in need for building accountability, trust and enhance positive spirit that can lead organizations in right direction. Leaders who are capable of putting their own personal success in the hands of wellbeing of the organization can put the organizational development in different perspective. There is need for leaders to embody "the Spirit of Performance" by exhibiting high levels of integrity in their moral and ethical conduct; focusing on results; building on strengths; and leading beyond borders to meet the requirements of stakeholders, ultimately serving the common good (Drucker , 1990). Public service has a primary goal, serving its stakeholders. In order to do that they need to develop set of competencies and personal attributes such as systems thinking and sense of mutuality and further more behaviors such as stakeholder identification and strategic issue framing?

## 5.4. Design of Interview Guide and Questionnaire

### 5.4.1 The Process of the Interviews

The purpose of this research was to examine the level of emotional intelligence in public sector managers and their influence on leadership style. Bearing in mind research questions and the goals of this study, fifteen participants from senior and middle management positions were chosen. Research was done in five public service organizations. In the beginning of the process contact was made with organization to identify potential participants and their interest in being a part of the study. When agreed telephone contact was made to appoint arrival. The questions and concept of the emotional intelligence was sent by email, so participants can have a look of them before the interview. Participant’s characteristics are listed below. Because of anonymity of informants and organizations only description of general characteristics is used.

Table 8. Data about Participants

Characteristics of the participants	Number of the participants
<b>Current position</b>	
Top manger	5
First-level manager	10
<b>Work experience</b>	
0 – 5	2
5 – 10	8
10 – 15	5
<b>Size of the organizations</b>	
Small (0 – 49 employees)	3
Medium (50 – 249)	10
Large (over 250)	2



### 5.4.2 The Interviews

The interview was done three days after email announcement was sent to the participants. Working with five different institutions the whole process was finished during eight weeks. Participants were asked about their closeness with the context of emotional intelligence. Most of the participants were familiar with the term, but were not informed enough about the concept. In order to establish quality of the process interview notes were taken. Interview guide is designed to asses' key areas of emotional intelligence and to provide answers to the questions which are consistent with the objectives of this study. Table 9 provides a list of all questions that are used in semi – structured interview and their relation with theoretic model and research goals.

Table 9. Emotional Intelligence Assessment Questioner

Questions	Relation with theoretic model and research problem
<ol style="list-style-type: none"> <li>1. Can you tell me about yourself (profession and years of service)? –</li> <li>2. Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know? –</li> <li>3. Do you have some situations at work where you feel angry or frustrated at work? How do you know that you were feeling this way?</li> <li>4. Have you ever noticed the employee or co-worker is under the stress? What did you do? –</li> <li>5. Do you have good relationship with your colleagues? – Describe your present responsibility for building and maintaining relationship with co-workers!</li> <li>6. Do you share information about the workflow with your employees? Do you have example of working with employee to improve his/her job? –</li> </ol>	<p><b>Self – Awareness</b> – Impact on Others</p> <p><b>Self – Management</b> – Emotional Expression</p> <p><b>Empathy</b> – Respectful Listening and Concern for Others</p> <p><b>Social Expertness</b> – Building Relationships and Collaboration</p> <p><b>Social Expertness</b> – Building Relationships and Collaboration</p> <p style="text-align: right;"><i>(table continues)</i></p>

<p style="text-align: center;"><b>Questions</b></p>	<p style="text-align: right;"><i>(table continued)</i></p> <p style="text-align: center;"><b>Relation with theoretic model and research problem</b></p>
<p>7. Have you ever had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them? –</p>	<p><b>Social Expertness – Conflict Resolution</b></p>
<p>8. Have you ever experienced a time when somebody questioned your ability to lead? –</p>	
<p>9. Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?</p>	<p><b>Personal Influence – Initiative and Accountability</b></p>
<p>10. Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?</p>	<p><b>Personal Influence – Goal Orientation</b></p>
<p>11. Describe a climate in your working place, what do you do create a positive working climate?</p>	<p><b>Personal Influence – Creating Positive Working Environment</b></p>
<p>12. According to your opinion are "people skills" important as technical skills in performing your work?</p>	
<p>13. Please add any other questions or comments you have!</p>	

## 6 ANALYSIS OF THE FINDINGS

Interview summaries are a brief written version of the interviews where participant's attitudes and behaviors are stated.

**Person A** – discussed about situations that made him aware of the impact he has on others. It was briefly explained that a person could tell by the behavior of others that his words and actions caused concern. "It depends on the situation, but I mostly try to resolve any issue by sharing my conclusion with other parties"- stated person A. Participant further discussed about the frustration

that he sometimes feels because of the work:” I am sometimes really stressed about deadlines and I must try hard not to express my anger”. Because of the nature of the job it is important that employees work together to accomplish particular work tasks. “Most of the relationship with colleagues can be described as good, although in some cases it is very difficult to cooperate with some persons”. Also, participant A explained that lack of communication skills can sometimes reflect on the performance. Information’s related to work are shared on the meetings. Person A shared example of the dispute with colleague and explained it was solved with conversation. Most of the work in the organization is already determined by the law, and participant expressed the feeling that particular leaders don’t have enough influence on the process.

**Person B** – reflected on the situations that had impact on others and explained that he usually note changes in behavior of other person. In particular situation Person B is mostly frustrated by the lack of good communication. Person B considers that these situations can be resolved only if other parties makes the same effort in fostering team collaboration. Information flow is necessary and providing support to other team members is crucially important. Person B also reflected on the experience about particular conflict and explained that in those circumstances he usually deals with the issue by having a conversation. Also, he was not able to point any situation where his team members had conflict between them. In regards to improving services, person B stated that the nature of their job occasionally requires some improvement in the work flows, but also pointed that most of the procedures are determined by law and internal policies. Organization doesn’t have HR function well developed and there is no practice of monitoring performance.

**Person C** discussed his view about what impact his behavior has to others.” When I am having a bad day, I try to avoid situations that can cause disturbance for others “. There are occasionally periods that, due to nature of the job, can be described as stressful and organization doesn’t have any particular programs that educate employees stress management tools – pointed person C. As person C said: ”I guess we use individual technics to cope with stressful periods”. Person B also pointed that there is no formal practice that serves for capacity, but in the case of need, he states that collaboration between colleagues can be described as very good. Improvement of some particular practices is present but organization doesn’t have development programs, performance plans and evaluation of work flow.

**Person D** was able to come up with several examples of situations that caused a reaction with others and said that he “approaches to a problem depending of the nature of particular issue”. Person D states that most of the issues that cause frustration on the job come from the lack of the results in requested time frame. Person D have good relationship with his colleagues and in the situation when some employees need help to overcome difficulties, he provides help. In the organization culture there is no practice of establishing formal meetings used for capacity building, but information flow is presented whenever it is necessary. Person D points his colleagues have a long working experience and they are proficient in their work. Working conditions are considered to be good as they provide a good work – life balance. There is no performance plans or setting goals for the future work and improvement of services is done according to regulation of the organization.

**Person E** discussed about behavioral changes within some of their employees. She pointed that in those situation conversation with particular person mostly settles the conflict, but also in some cases it is hard to establish positive communication. Person E thinks that behavior and lack of communication can sometimes lead to delay in the work flow and it becomes frustrating. She describes the situation in their department as being collaborative and points out those stressful situations mostly apply to the nature of the work. Organization doesn't have any practice of developing personal review for the employees. Person E states that most of the work is pre – determined and there are no possibilities for the individual influence. According to person E it is very important to have good people skills in order to create good working atmosphere.

**Person F** states that in his job it is very important to have people skills well developed and to be able to notice verbal and nonverbal cues of communication. This person considers his job very stressful and he uses personal technics to cope with it. Organization doesn't have any programs or developed strategies that educate employees about stress management. In those circumstances, it is not unusual to come in touch with other people that don't handle stress very well, considers person F. Also, this person states that from time to time he faces with lack of trust between colleagues and he is not sure how to resolve this issue. Organizational practice doesn't include any performance evaluation plans.

**Person G** considers his job to be very stressful and finds people skills to be highly important. With number of stressful situation team work is very important and information flow is crucial for the performance. Disagreements at work happen sometimes, but it cannot affect professional relationship – states person G. “In this very complex job, it is very important to learn how to recognize when others are under stress and collaborative atmosphere is crucial” – said person G. Being responsible for the work of others, Person G shares every relevant information with his colleagues. The organization unit has its own meetings where they discuss relevant issues. Nature of the work determines goals of each performer and there is no formal practice that establishes, evaluate and monitor progress or professional development.

**Person H** explains that he can be found in the situation where his behavior influence others and he sometimes notice the changes in person behavior, but he can't remember that there is some significant disturbance in his relationship with others. He also states that he has good relationship with his co – workers and he offers support whenever it is appropriate. Person H couldn't think of any particular situations where his authority was questioned. Organization doesn't have practice of performance appraisals but they sometimes internally discussed about the ways to improve service.

**Person I** discussed about situations that made her aware of the positive or negative impact on other's person behavior. Person H also states that she often uses reflective abilities to understand how some of her words or actions influence others, but recognize that in some cases she is not able to determine what are the steps she needs to take. Usually she resolves conflict issues with conversation or “things get back to normal after a while”. In regards to workflow this person states that it is often frustrating to do a job where there is no significant influence on the output

and states that changes in the department are done only if they receive official request for implementation of new procedures. The organization has no practice in measuring performance and they don't have performance goals. Relationship with colleagues is described in a positive manner and team work is present when needed.

**Person J** considers that he can tell by changes in person's behavior whether his influence is positive or negative. This person states that most of the frustration comes from the inability to cope with assignments in the given time frame, so he works toward improving organizational skills in order to avoid stress. When in contact with others who are under pressure person J states he is always "willing to help if applicable". Relationships with colleagues are described as good. Person J also considers that sharing information is necessary and he states that he don't have any particular example where he was in the chance to work with somebody on developing employees skills. It was also stated that most of the conflict issues are resolved with conversation, but in the case where it is difficult to establish appropriate conversation, he often avoids any contact. There is no formal policy that sets up goals for the employees or follows their performance.

**Person K** states that during her professional experience she avoided anything that could cause negative effects on others. Experience with other colleagues from her department was described as good. Person couldn't think of any particular example of having a dispute with co-workers. She also stated that "Most of our work is formally pre – determined, but our organization is working toward some changes that will increase quality of our services." Organization doesn't have performance plans and there are no formal monitoring of people skills.

**Person L** described a few situations where her behavior influenced others and also gave an example where she felt wrong and offered apology to other party. Mostly the source of frustration is lack of inappropriate communication. In regards to monitoring other people stress levels person L stated "Yes, we had a new employee who was struggling with his daily duties, so I offered assistance in some particular area of expertise that was a part of my previous position." The relationship with colleagues is described as good, but also in some cases there are difficulties in the communication. Person L works hard to not let any issue influence her professional duties. Dispute with colleagues is often resolved with conversation, and she doesn't have any example where somebody would question her ability to lead. Working in the good condition, person L believes that it would be even helpful if the organization would offer performance evaluation, identified gaps and offered improvement plan.

**Person M** explains that he had many situations where he influenced other's behavior. This person states "to prevent negative effects of some actions I have been keeping myself accountable to all directly or indirectly affected with the action." Having motivated co – workers is very important and in order to achieve this, person K uses positive affection to keep his employees satisfied. This person describes that in order to complete all processes in timely and effective manner he learned to control negative emotions and used them as his own motivation in completing all required tasks. Person K gave an example of his reaction to the stress he notice within his employees: "When noticing the stress with my colleagues I am trying to help them

identify the real cause of it, discuss it with them and help them to minimize influence of the root cause of the stress.” Building professional relationship with his peers is very important and he had no unresolved conflict issues or authority check. During his career person K had number of opportunities in providing better services that included improvement of procedures or business process. He also stated that although there is no formal procedure in the organization to work on performance, they have regular meetings where he discusses with his peers what the best possible ways for professional growth are.

**Person N** states that she has a number of situations where her behavior influences others. Reaction is usually seen through the face expression and other gestures. “I like open discussions on what is going on and deal with rather than to hide the situation under the carpet” states person N. Person N also states that she offers her support whenever she notice somebody is under stress and if appropriate a plan for further similar issues. Relationships with colleagues are described as good, but person N describes a situation with a colleague where she was not able to deal with person’s behaviour and ask for interference of other authorities. She also explains that she dislikes conflict and usually it affects her on negative way. Person N explains that some functions of HR department exist, but they are not well developed. Workflow is predetermined and measuring performance, rewarding and motivating employees is not applied. There is no space for individual contribution for the upgrade of service.

**Person O** reflects both on positive and negative situations that had impact on others and states that in situations where she becomes aware that her actions had a negative impact to others she feels really bad. Person O also states that situations that are frustrating for her on the job are when she is not consulted about particular task or ignored completely. When she faces with others that are having some problems on the job, she offers support through conversation. However, she doesn’t feel that with her colleagues “trust is at the same level”. Information flow in department is good but in some cases there are disputes in communication channels that causes conflict situation. Person O finds such situations very unpleasant and disturbing. Mostly the job is predetermined but efforts for cutting costs of some services were main improvement in the department. Performance goals are not settled by the policy of the organization. Person O also stated that she would enjoy if she would have opportunity for improvement of her people skills.

## **6.1 Findings of the Interviews**

This chapter deals with the categorized data and data analysis from the interviews obtained from the fieldwork. The data are displayed in the text below.

**In the question one** the participants made an introduction about the positions, years of experience and told a few things about them self. Two participants had 2-5 years of experience. Eight participants had from 5-10 years of experience in leading positions. Five participants had over 10 years of experience in leading position.

**In the question two** participants discussed about situation where they said or did something that had positive or negative impact on others. The purpose of this question is to provide a key info about participant's awareness about their own emotions. This type of mindfulness provides opportunity to development emotional management skills. Awareness about emotional triggers leads to better understanding of one's self level of tolerance and provides opportunity for learning about actions that can have more positive outcome.

**Question three** – participants was asked about particular situations on their job that was frustrating for them. Main purpose of this question is to assess the awareness of the triggers that caused frustration. Also the question serves to determine how participants express their anger and what influence does it have it on their working relationships.

**In the question four** participants discussed about the stress levels of their colleagues and about their help in solving potential issues. The purpose of this question is to assess whether participants possess ability to listen to others, to interpret verbal and nonverbal cues and notice differences in people's behavior. Leader's attention cannot rely only on the obvious occurrences, instead it displayed in the ability to understands and express empathy toward others. Answer's to this question also indicates willingness of participants to serve outside their regular job description.

**Questions five and six** were introduced to participants to assess the relationship that participants have with their co-workers. Also, participants were required to show the example of dealing with team members they don't generally agree with. Purpose of this question was to explore two main things: actions that participant took to encourage and support collaboration and actions that demonstrate that participant's collaborate effectively with others.

**Questions seven and eight** address conflict issues. Main goal of this type of question is to find out how participants deal with conflict and what actions do they take in order to resolve potential issues. Also the answers to these questions show the level of tolerance and points how well participants deal with diversity issues.

The purpose of **question nine** is to evaluate how participants feel about innovation and whether they did something that influenced on the improvement of the services or their department performance.

In the **question ten** participants were asked whether their departments set up performance goals for distinct period of time. The purpose of this question is to evaluate weather organization applies HR responsibilities and to assess how participants influence on the capacity building.

In the **question eleven** participants were asked to describe their working climate. Leadership skills are mostly seen through the one's ability to create positive working environment. Positive environment is displayed by satisfied and motivated employees. The aim of the question is to

recognize what actions do participants take to create positive climate. Answers to this question can be also a good indicator that can determine whether participants take responsibility for employee's satisfaction.

**Question twelve** was introduced to get learn about participant's ability to evaluate their own skills. Also this question is able to provide information about how organizations recruit and develop their workforce.

## **6.2 Interview Results**

**Question One** – participant's spent enough number of years and their knowledge about the way organization function is very good. Participant's also spent number of years on leading positions and they are able to provide information's about leadership skills.

**Question two** – the findings in the second question are mostly in accordance with the theory. The key information's provided by this question is how participants evaluate their own emotions and the impact of their behavior to others (EQ Questioner). Self – Awareness is a capability for recognizing one's own feelings and the impact on others. It is also a key point for developing self – regulation. Leaders from well-developed organizations foster positive development both with self-awareness and self-regulation (Goleman 1998b; Goleman 2001; Avolio, 1999; Bass, 1985, 1998). The interview with participant's shows that level of emotional awareness is present through self – reflection. Participants are able to analyze their influence and recognize emotional responses of others. All except one participant gave an example of something that did caused concern in others.

**Question three** – the purpose of the question is to reflect on the participant awareness about the reasons that triggers anger or frustration. Focus of this question is the way participants express their anger. Whether anger is expressed in a way that serves to maintain positive relationship and address conflict? – represents the basis for evaluation of the answers. Four participants responded in compliance with the theory. They have addressed issue and maintained positive relationship. Other participants expressed the ability to understand the underlying causes of their frustration or anger, but they don't take further steps to address the issue. Theory of emotional intelligence refers to a self – management in a manner that enables individual's to create new patterns of behavior and act differently in numerous situations. However, the ability to recognize inner states and impulses represents a foundation for developing emotional managing skills that leads to positive approach to various issues.

**Question four** – empathy is the most important trait of emotional intelligence and it is used as an active tool for strengthening relationships between team members. Theory and research shows that empathic behavior has significant role in increasing motivation. It also represents one of the main characteristics of the effective leadership and helps build trust. During the interview , questions are formulated to determine how participants reads nonverbal cues, notice differences



in other people behavior and approaches to the person with willingness to help. This particular skill is very important in the relationship that leaders have with their employees. Results of interview analyses show that eight of fifteen participants are able to recognize the level of stress in their employees and offer support in dealing with the issues. Other participants recognized the need for help, but remain passive. When assessing empathy as a leadership skill it is important to determine how well participants articulate their willingness to help others. Interview results show that most of the participants don't offer their support if they are not directly asked. This kind of behavior is not in compliance with emotional intelligence model. According to this model, it is very important to be able to notice the change in somebody, offer assistance or point to others who can help. Emotional intelligence model argues that a need for compassionate leaders is becoming the asset of the today's organizations.

**Questions five and six** belong to the section of social awareness cluster of emotional intelligence model and together with empathetic skills represent a key point when assessing emotionally intelligent leader. The aim of these questions is to assess ability of leaders to create effective working relationships. According to interview results, eleven participants stated that they have good working relationship, while four of them explained how sometimes they experience difficulties in communicating with some of their colleagues. These questions also deal with information's about active steps that leaders take in building collaborative relationships with their employees. Evaluation results show that most of the answers are not in sync with the theory of emotional intelligence. According to the model, collaborative relationship is manifested through communication that has a goal of producing positive results. It requires mutual consideration between team members and active steps in building collaborative culture. Furthermore, these leadership skills are mostly seen through shared responsibility and collaborative decision making processes. This section of interview results show that participants demonstrates their own responsibility in the decision making processes, procedures are pre-determined and the influence of the employees is insignificant. Although, information sharing is a sign of a good communication it still don't represents collaboration in all desired aspects.

**Questions seven and eight** address conflict issues. Interview results show some level of consistency with the theory. Most of the participants explained how they use open discussion to resolve conflict matters. They also show their ability to approach to their co-workers with respect to their differences. However, participants mostly discuss about the conflict in a negative manner. According to emotional intelligence model conflict can be a positive thing if it is resolved effectively. Positive side of the healthy conflict is creating culture of openness and respectful listening. Additionally, participants discussed about their "authority power" and all but one, answered that they didn't experience authority challenge. These interview results show a level of inconsistency with emotional intelligence model and can point to an authority's leadership as a working style. Collaborative leadership and emotionally intelligent environment provides opportunity for mutual growth of every member of the team.

**Question nine** – the purpose of this question was to determine whether participants act on their own initiative and take actions to improve quality, cost effectiveness, timelines, or customer service. While assessing the answers from the interviews basic limitation is the range of influence that leaders have in their working environments. Public organizations operate under strictly guided procedures that sometimes don't allow managers to change procedures independently. This was stated during the interview process from majority of the participants. However, any action that results with a change is considered to be a positive influence from the leader. One of the basic traits of the effective leadership is innovation and ability to motivate change that helps organization to align with their strategic goals. Eleven out of fifteen participants stated that their action resulted in the increase of the quality of the department work.

**Question ten** evaluated whether organizations set up performance goals for their employees. There is a difference between theory and practice in evaluating results from this question. Participants stated that there are no established procedures for the evaluation of performance and functions of human resource departments are not well developed.

**Question eleven** was introduced to participants to learn about how participants view they working climate and what action do they take to ensure employees moral and satisfaction is kept on the satisfactory level. The interview answers showed that twelve out of fifteen participants describe their working climate to be very good and they state to have good working condition and well balanced work/life condition. Other three participants openly discussed about the trust issues in their organization and lack of consistency between what is considered to be office policy and "actual" behavior. However the intention of this question was to find about what participants do to ensure good climate is maintained in their departments and how their particular actions influence on the moral of their employees. Most of the interview answers didn't show direct steps that are taken to improve working climate.

**Question twelve** all participants agreed that it's equally important to have both technical skill and people skills well developed. Some of the participants agreed that sometimes "people skills" are even more important for their roles.

Additional comments were mostly made about the concept of emotional intelligence and the need for further education about the concept.

### **6.3 Discussion of the Findings**

The consideration of leadership skills becomes a strategy for handling constant changes that public sector administration is facing today. Due to global economic shifts and market demands, public organizations are challenged to increase efficiency and modify their attitudes against leadership and management. Public leader is faced with the responsibility of delivering best possible service and enhance organizational development.

New theories in management science have taken over traditional theories and now, if a person is going to succeed as a manager, it is necessary that he or she possesses good people skills and to become emotionally intelligent (Goleman, 1998b). This is why a number of companies turn their capacities to building efficient leaders. Public sector as a major provider of services requires leaders that are able to achieve high level of productivity and change nature of social services. Research results consider competencies such as emotional self – awareness, conflict resolution and empathic communication. These leadership strengths inspire trust, a sense of belonging and increase motivation.

The findings of this study have several gaps between theory and practice. Study indicates that certain level of emotional intelligence exists within administrative leaders. However, there is a distinction between their personality traits and leadership effectiveness and this requires a systematic development of emotional intelligence skills. Evaluation of participant's answers from the study shows that further development of proactive thinking, empathetic skills, capacity building and team collaboration can help leaders to positively influence on the development of employees and their affiliation.

Table 10. Research Results Comparison

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
<b>Self Awareness</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Partly	No	Yes	Yes	Yes	Yes	Yes
<b>Self Management</b>	Partly	Yes	No	No	Yes	Partly	Partly	No	Partly	No	Partly	Partly	Partly	Partly	Yes
<b>Social Awareness</b>	Yes	Yes	No	No	No	Partly	Yes	No	No	Partly	Yes	Partly	Yes	Yes	Yes
<b>Social Skills</b>	Partly	Yes	No	Partly	No	Partly	Partly	No	No	No	Partly	Partly	Partly	Partly	Yes

Interview results display ability of participants to identify their own emotions and emotions of others. Ability to identify emotions in one self and others is very important for effective leadership because it allows for leader to get engaged in proactive managing emotions and changing organizational lives. Goleman (2001) argues that emotional intelligence abilities are job skills that can be learned. Within this context, leaders who are able to use emotions as they guide engage in decision making process that considers multiple points of view.

Some of the actions that public organizations should take to ensure effective leadership are continuous development of their human capacities and building collaborative culture with shared vision. A further analysis of emotional intelligence competencies is evaluated through four main clusters of the model: self – awareness, self – management, social – awareness and social skills.

- **Emotional self – awareness** reflects on competencies such as having deep understanding of one's emotions, ability to self – reflect and maintain emotional openness with the group. The most participant's claims to practice mindfulness and they recognize verbal and non – verbal cues in behavior. As person M states "... Before making any decision I have been trying to assess potential risks and implications of my acting. To prevent negative effects of some actions I have been keeping myself accountable to all directly or indirectly affected with the action. With this approach I have been controlling negative implications and positive implications have been additionally boosted. I have been closely observing reactions of parties affected and act accordingly to mitigate negative effects." This action based approach is in line with emotional intelligence model of leadership and reflects clear approach to particular situation.
- **Emotional self – management** that applies to the ability of the leader to accurately assess one's action and actively engage in creating different situations in the future is at least expressed in the answers of the participants. Mostly, leaders have engaged with the controlling emotional responses but not clearly stating what actions were taken for the future encounters.
- **Social – awareness** requires a capability of leaders to sense other's emotional states, understand their perspective and take active interest in their concerns (Goleman et al, 2002). On the team level, empathy is the bases for building stronger and effective relationship and is crucial ingredient for developing cooperation. Participant M states "... When noticing the stress with my colleagues I am trying to help them identify the real cause of it, discuss it with them and help them to minimize influence of the root cause of the stress". With a different approach participant N states: "I try to help, talk, have coffee, do the work of that person, suggest taking a day off or holidaying, suggesting professional support etc." However, these answers are only found in less than a half of the interviewed participants. Most of the leaders could not clearly identify steps they take to understand others or actively seek solution for potential concerns.
- **Social – skills** that include visionary leadership, developing others, proficiency in leading others in new direction, promoting cooperation and building teams, were least visible through the interview. Evaluating the answers from the participants, it was found that public leaders have little or none influence on improving service. Building team capacities is not supported by the organizational activates and commitment to development of individual potentials is not present. Social skills add value to the overall organizational dynamic and places human relations in the center of positive organizational culture. Public managers are found to have good technical skills, but people skills needs further development. McClelland and Goleman (2000b) argue that IQ and good academic grades don't indicate how well person is likely to perform in the work bases. Public organizations in BiH have strict recruitment policy. Managerial functions are given by the number of years of the employment and technical skills combined. Also, organizations are doing the recruitment process based on technical expertise and don't take into account people skills.

### **6.3.1 Limitations of the Methods and Findings**

The choice of research methodology was based under availability of the resources and assumption that qualitative methodology will provide in – depth understanding of the topic. Some of the limitation occurred during the research process. Research was conducted among managers on middle and senior positions in the public sector organization and it was not possible to reach larger number of participants. Small number of participants could influence on the overall results of the study. Method used for research was chosen because limited data and resources about leadership and managing practice in BiH. Under these circumstances it was better to choose smaller group and conduct in – depth interview. As a country that undergoes the reform in the sector of public administration, future analyses may offer some detailed report about the management practice in public service. Also function of HR departments is not well developed and it is not possible to receive further information's about the organizational settings in public sector.

To determine impact of emotional intelligence in the working environment it is recommended to undertake survey that will include opinion of the employees about their leaders. Also information's about motivation, collaboration, team spirit and organizational culture from the view point of employees is useful for further research. Interview process also had some limitations. Firstly, the knowledge about the topic by participants was not satisfactory, so explaining the concept took additional time planned for the research. Secondly, in some cases trust issue led to the fact that some information's was revealed. The participants who anonymity is important to them or they are not used to talk openly about particular issues gave very short answers and avoid additional explanations. Lastly, recommendation for further research is conducting survey and comparing data that will define influence of emotional intelligence to leadership more specifically.

### **6.4 Recommendation**

The most significant challenge that public administration in BiH is faced today is delivering better service for their citizens. Within that context, critical issue in understanding the adaption process is designing proper strategies for the functioning of the organizations and their people. Fundamentally this process requires development of leadership role at all levels of organization. To determine the capacity of public service it is useful to examine existing circumstances and accordingly apply proper mechanism that will serve in matters such as enhancing capacities, workforce planning, increased motivation, building effective teams and creating positive working environment.

Based on the research and interview results presented in this thesis, main recommendations for developing sustainable working environment and effective leadership can be made by government, organization and management.

Main responsibilities of the government are:

- Establishing policies that enables framework for developing leadership competencies in public sector organizations. Public sector organizations are central bodies for delivering products and services to the citizens and therefore formal aspects of organizational performance must include transparency, accountability and promotion of fundamental values. These acts cannot be done without proper leadership. It is government responsibility to define general objectives and priorities in leadership development and to ensure that all legal procedures follow these objectives.
- Design programs and policies that will identify necessary leadership roles and characteristics of leaders. Government agencies need to support planning of required leadership position, invest in training and capacity building through strengthening the abilities of individuals and their improvement over time. The management of these processes is central for effectiveness of the system and performance of its core functions. The ruling opinion about managing public sector activities only through development of technical capabilities needs to be reframed. Education about importance of developing effective leadership in all aspects of organization must be provided in order to achieve high level of organizational productivity.

Organizations should take the responsibility for the further steps in developing leadership capacities and following actions should be taken:

- Identifying future leaders in terms of organizational needs and developing leadership capacities on all organizational levels;
- Recruitment of highly qualified individuals with different competencies and personal qualities required for leadership positions;
- Aligning business and human resource plans and ensures resources, assessment tools and counseling is available for further development of leadership capacities across the organization;
- Raising awareness about importance of building collaborative organizational culture that promotes values of institutional adaptation to public needs and sense of public spiritedness.

Recommendation for enhancing leadership skills that fall under management responsibility are:

- Educate about the importance of developing leadership skills and take responsibility for acts and behaviors that influence team performance;
- Develop personal attributes that contributes to effective leadership such as: self – awareness, self – management and social skills;

- Work to develop leadership capacities in others through coaching and support;
- Create a culture of open working relationship that fosters commitment to common goals rather than to a personal success;
- Achieve continuous development of personal and team capacities primarily oriented toward delivery of effective service.

Traditionally leadership is considered to be associated with individuals placed on the senior position of organization and generally requires traits such as: determination, toughness and technical expertise. While the importance of such traits cannot be argued, new chapter in leadership theories opens the discussion about attributes that distinguishes outstanding performance from those who are capable of managing daily tasks. These attributes requires from leader to have well developed people skills and high level of EQ. Research suggests that without properly developed emotional intelligence, a leader can be highly trained for operational duties but cannot ever achieve level of inspirational influence.

Within that context, main constrains of EQ was introduced in this thesis and following recommendation for developing managers with high EQ can be made as follows:

#### Mastering Self Awareness and Self – Management:

- Managing self in a manner that enables ability to recognize emotions, moods, behaviors and effects those have on others. According to Goleman (1998) self-awareness embodies all emotional competencies such as recognition of one's values and motives' and help a person to act with integrity toward himself and others;
- Understand and control disruptive behaviors and act with critical judgment represents a major attribute in building fairness and ethical behavior;
- Work with persistence in achieving greater goals and committing to the servicing others.

#### Managing others and developing social skills:

- Develop ability to understand emotions in others. Leaders that fail in reading emotions of the group accurately are not able to create trust and sense of belongings to the team values (Goleman, 2002);
- Build collaborative relationships, understand others perspective and build sensitivity to the needs of others (Goleman, 2002);
- Become proficient in creating common vision for team, leading a team in a new direction, providing open communication and sense of belongings.

Studies have demonstrated that range of abilities that falls under EI plays a key role in leadership effectiveness and contributes to a positive organizational development. In public sector this becomes even more important since main goal of public service is to create a social value. Accordingly, effective leadership provides not only better quality of the services but the sense of the cohesiveness, personal development and higher levels of satisfaction among those conducting the work; it provides an overarching sense of direction and vision (Van Wart, 2003).

## **CONCLUSION**

Recent years were marked by many examples where public trust was shaken by inability of leaders to put interest of organizations in front of their own. Many leader figures were magnified because of their charisma and image instead of their character and integrity. Lack of these traits led organizations to behave unethically, to misuse their positions and to fail in delivering goods and services. Last two decades BiH faced similar issues. Complex socio – political environment influenced on the general working conditions and non – efficient public service led to a complete lack of trust in the ability of public administrators to perform their duties. More importantly, inability of leaders to actively work toward "common good" finally led to failure to build a compelling vision for new future. For this reason it is necessary for public sector to undertake steps for improvement of workforce motivation and enhance collaboration. This process requires active support of good leaders.

Many theoretical perspectives indicate significance of leadership as a resource for organizational change. Reframing public service to the direction where it serves their citizens on the best possible way requires support of the most efficient leaders. Public officers at every level of organizations are responsible for the role they play in improving organizational performance. In BiH the gap between internal process and changing market dynamics is increasingly diminishing effectiveness of the service. Reform process requires organizational settings that can increase leadership competencies and motivate and manage employees. The changing dynamics require flexible strategies with attention to developing existing capacities and retaining new employees with strong service oriented goals. Deficit in leadership capacities must be overcome with assessment of individual's in terms of their strengths, vision and ability to work toward organizational goals. This can be done with structured individual plans and continues learning that will increase leadership capacities on all levels of organization. Finally, to address this large context, any change should be done with vision that will provide focus on service improvement and in accordance with strategic goals of every particular public organization.

The purpose of this master thesis was to explore the connection between effective leadership and emotional intelligence. Although some readings about importance of emotional behavior can be found in earlier literature, the concept of EQ was popularized after writings of Daniel Goleman in 1995. In the years to come these theories were discussed along with different leadership



approaches. It was assumed that particular individual qualities such as self – awareness, self – management, empathy, and social collaboration, contributes to effective leadership. Therefore the focus of many studies conducted in past twenty years was the importance of developing emotional intelligence in the workplace. While corporative world had a long tradition of nurturing authority's leadership style, research about social and emotional intelligence described how EQ is becoming increasingly relevant for development of organization, motivation of its people, and ultimately reputation of the company.

To connect theory of emotional intelligence and public sector management this master thesis was done through three main chapters. First chapter provides a review of emotional intelligence concept. It also describes a way that emotional intelligence influences on the organizational settings such as motivation, work efficiency and most importantly, development of social skills. The second part of the research shows the influence of different leadership styles on organizational performance. It also discusses connection of emotional intelligence with leadership. Third part of the research explores public sector management and performance of public administrators. For the purpose of this research, interviews with fifteen managers in BiH public organizations were conducted with aim to connect their personal traits with leadership style and explore whether they use emotional intelligence in their leadership activities. All participants were asked the same questions in order to indicate familiarity with the concept. Study shows that some personal traits of public leaders in BiH can be connected with EI, but there is no evidence that indicates their influence on the organizational performance.

The master thesis identifies some of the traits that can be used for further evaluation of leadership development processes. Building policies that emphasize the importance of working toward "greater good" represents one of the most challenges in the public sector reform. This is why the complex mechanism of public service needs to be re-establishing through sophisticated patterns of behavior that leads to increase of motivation re-connect teams in public organizations and finally leads to effective services. It is evident by itself that this process can be only done through development of good leaders. Social collaboration and empathy are some of the main traits that can be used for developing leadership capabilities. Empathetic behavior lead teams toward achieving diversity, ability to value differences between people in the area of gender, beliefs, work style-personal identity and cultural differences. It represents the crucial starting point in developing effective leadership in organizations and finally leads to development of collaboration, trust climate and team work.

Concept of emotional intelligence incorporated in the leadership development tolls offers variety of opportunities for moving organization to future possibilities. It's important to emphasize that in order to maintain positive change; all levels of leadership must be engaged in the process. In other words, accomplishing desired behavioral model must begin from senior managers and move to lower levels of authority. The need for the change in managerial practice in public sector is becoming more evident than ever. New trends in public administration require policy reforms

that include re – structuring of human resources, management strategies and development of competent workforce that can move public service forward.

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## **APPENDIXES**

## TABLE OF APPENDIXES

Appendix 1: Transcription of interview person A .....	iii
Appendix 2: Transcription of interview person B.....	iv
Appendix 3: Transcription of interview person C.....	v
Appendix 4: Transcription of interview person D .....	vi
Appendix 5: Transcription of interview person E.....	vii
Appendix 6 : Transcription of interview person F.....	viii
Appendix 7 : Transcription of interview person G .....	ix
Appendix 8 : Transcription of interview person H .....	x
Appendix 9 : Transcription of interview person I.....	xi
Appendix 10 : Transcription of interview person J.....	xii
Appendix 11 : Transcription of interview person K .....	xiii
Appendix 12 : Transcription of interview person L.....	xiv
Appendix 13 : Transcription of interview person M.....	xv
Appendix 14 : Transcription of interview person N .....	xviii
Appendix 15 : Transcription of interview person L.....	xix

## Appendix 1

1. **Can you tell me about yourself (profession and years of service)?** – My current role is Lead of the legal service and I am working on this position for eight years.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, I did. I saw the person’s behavior change after we had conversation. Some of the things I said were interpreted wrongly. After we solved the issue things get back to normal.
3. **Do you have some situations at work where you feel angry or frustrated at work? How do you know that you were feeling this way?** – I had a situation coping with the deadline of one project, I couldn’t get necessary information’s and I felt angry and stressed. I noticed that my behavior is influencing my co-workers. We have all become frustrated.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, I have. We had conversation and colleague explains to me that he is not able to finish a task because of lack of expertise in that field. We worked it out together.
5. **Do you have good relationship with your colleagues?** – I have a good relationship with my colleagues.
6. **Do you share information’s about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – In case information’s are relevant for their job. Yes, I once worked with subordinate on the project. He was new in the team, so I explained him the procedure that is required to be done.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Once I had a conflict with one of my team members. We had different view of how particular issues should have been solved. We had conversation and I explained that things should be done differently next time. We resolved the issue. No, I don’t have any particular example of resolving conflict issue between my subordinates.
8. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn’t.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – Most of our work is formal, and we are obligated by the law about the ways we perform our services.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn’t reach an important goal?** – No, we don’t have such practice in our organization.

11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have a good climate at work; our co-worker relationships are well developed.
12. **According to your opinion are “people skills” important as technical skills in performing your work?** – Both people skills and technical skills are important.
13. **Please add any other questions or comments you have!**

## Appendix 2

1. **Can you tell me about yourself (profession and years of service)?** – My current role is Lead of the finance – administrative service and I am working on this position for six years.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, I had few situations where things that I decided had negative impact on others. I usually note the changes in someone behavior.
3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – Working with finance issues, we have a lot of stressed situations. Number of reporting needs to be done and we often have lots of things to reconcile; mostly frustration is caused by short deadlines. We try to organize things to avoid stress as much as we can. I work with my department colleagues together to deal with situation. It’s important for the work flow not spread negative emotions, so I try to keep calm and focus on the job performance.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, I have. As previously discussed we often find ourselves in highly stressed working conditions and then it’s important to engage with colleagues to support him/her in case something’s is not going according to a plan.
5. **Do you have good relationship with your colleagues?** – I have a good relationship with most of my colleagues.
6. **Do you share information’s about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – Any relevant information’s for the work flow needs to be shared with everybody in department. I have worked with one colleague in resolving some technical issues.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Yes, I had some conflict issue situations that were resolved by conversation.

8. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn't.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – Yes I have worked with improving some system of analyzing data and that cut our task for significant amount of time.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – No, we don't have such practice in our organization. Our work is mostly pre-determined and all of my colleagues are experienced.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have a good climate at work; our co-worker relationships are well developed.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both people skills and technical skills are important.
13. **Please add any other questions or comments you have!**

### Appendix 3

1. **Can you tell me about yourself (profession and years of service)?** – My current role is first – line manager and I work on the position for eleven years.  
**Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, sometimes when I have a bad day I try to avoid situations that can cause disturbance to others.
2. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – I am angry when co-workers are not showing initiative in their jobs and relay on others to do the work.
3. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – We all have periods of time when we find ourselves under great amount of stress, but we all have individual technical that help us get through. If somebody asks me for help, I am always glad to do it.
4. **Do you have good relationship with your colleagues?** – I have a good relationship with my colleagues.
5. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – We have no formal practice of that kind, in case there is something relevant for the job of my co-workers, and I give them update. Members of my team are proficient in their jobs.

6. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – No particular conflict issue that caused significant disturbance in our relations, rather we have verbal discussions about some things that we don't agree. Mostly we come to mutual agreement about how things should be done.
7. **Have you ever experienced a time when somebody questioned your ability to lead?** – I have a co-worker that is challenging sometimes my decisions, but we work together for a long time and I appreciate the criticism I receive from him from time to time.
8. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – We have worked on budget review and with re-arranging some services we cut down the costs for 10%.
9. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – No, we don't have such practice in our organization.
10. **Describe a climate in your working place, what do you do create a positive working climate?** – We have a good climate at work and we work well together.
11. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both people skills and technical skills are important.
12. **Please add any other questions or comments you have!**

#### Appendix 4

1. **Can you tell me about yourself (profession and years of service)?** – My current role is first – line manager and I work on the position for thirteen years.  
**Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, I had number of that kind situation. I see it by the reaction of the people; depending on situation I approach to a problem.
2. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – I get stressed in situations when I don't have results in requested period of time.
3. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, I have example of the co-worker who was under stress after we established a new procedure. I approached him with the offer of my support during the process.
4. **Do you have good relationship with your colleagues?** – I have a good relationship with my colleagues.

5. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – When situations requires we share new information's. My colleagues are proficient in their work.
6. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – No, I didn't. I can't think of any particular example of issues between colleagues in my department.
7. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn't.
8. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – We are constantly working on improvements of our service and we are applying new trends in our job performance.
9. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – No, we don't have such practice in our organization.
10. **Describe a climate in your working place, what do you do create a positive working climate?** – We have good working conditions.
11. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both people skills and technical skills are important.
12. **Please add any other questions or comments you have!**

## Appendix 5

1. **Can you tell me about yourself (profession and years of service)?** – My current role is Lead of department for economic affairs and I work on the position for eight years.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, I had number of that kind situation. I once had issues with co-workers that took my professional decision personally and I noticed the change in their attitude toward me. I arranged a meeting where reasons for the decision were briefly explained to all co-workers.
3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – Mostly I get stress when I have short deadlines.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – I can't remember of any particular situations except daily stress that we are all

facing from time to time. When the nature of job allows us we tend to work together in solving the issues.

5. **Do you have good relationship with your colleagues?** – Mostly relationships on the work are good, although sometimes communications with some colleagues can be describe as difficult.
6. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – In case situation requires me to that, I share information about upcoming tasks.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Yes, once I had a conflict with a college. We had a conversation where I explained in brief the reasons for that disturbance and requested the change in the future.
8. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn't.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – Most of our work is pre-determined, but we had some changes in procedures that influence on cutting the time needed for the job.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – No, we don't have such practice in our organization.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have good working conditions.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both people skills and technical skills are important.
13. **Please add any other questions or comments you have!**

## Appendix 6

1. **Can you tell me about yourself (profession and years of service)?** – My current role is Lead of communication affairs and I work as supporting lead officer for the current affairs for five years.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, my duties are such that I come in that position very often. While working with different stakeholders I often must pay attention to verbal and nonverbal communication and the influence my words/actions have on others.



3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – My job is often very stressful, so I tend to use personal techniques to cope with it.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, number of times. When situation allows me I try to help.
5. **Do you have good relationship with your colleagues?** – Mostly good, although sometimes a lack of trust and competitiveness comes to surface.
6. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – Yes, I don't like anybody to be surprised with some news, so whenever applicable provide update info.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Yes, I had few conflicts during my professional career. Usually with conversation where I tend to argue my reasons and receive a feedback from opponent.
8. **Have you ever experienced a time when somebody questioned your ability to lead?** – Once I had a co-worker who questioned my decision.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – Changes in information flow seek constant preparation and improvement of service.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – No, we don't have such practice in our organization.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have good working conditions.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – In our job it is crucial to have people skills.
13. **Please add any other questions or comments you have!**

## Appendix 7

1. **Can you tell me about yourself (profession and years of service)?** – My current role is Director and I work for twelve years.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, I have. Sometimes by the verbal expression, other time by the changes in behavior.

3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – Number of situations leaves me frustrated, but it comes with the nature of this job.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Almost every day we are in situation to help our colleagues and to work as a team. In our job it is very important to be able to rely on the assistance of the co-worker and be able to trust him/her.
5. **Do you have good relationship with your colleagues?** – Yes, I have good relationship with my colleagues.
6. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – Yes, every relevant information's needs to be shared with co-workers. In some cases I influenced on improvement of the job.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – I had some disagreements, but nothing that influenced our further cooperation.
8. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn't.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – I had improved the working conditions for my employees.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – We have pre-determined goals that we follow in providing our services.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have good working conditions.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – It is important for our profession to have both technical and "people skills".
13. **Please add any other questions or comments you have!**

## Appendix 8

1. **Can you tell me about yourself (profession and years of service)?** – My current role is Chief of Department and I work for eight years.

2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, I have. I have noticed the changes in the behavior.
3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – Yes, sometimes I have situations where my influence is insignificant.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, I have. I offer support when appropriate.
5. **Do you have good relationship with your colleagues?** – Yes, I have good relationship with my colleagues.
6. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – In case of a need.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Yes, I had conflict situations that were mostly resolved with conversation. I had no formal complaints from conflict between my subordinates.
8. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn't.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – I had improvements in daily workflow with organizations of some duties and it cut the time necessary for the particular job to be done.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – We have pre-determined goals that we follow in providing our services.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have good working conditions.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both technical and "people skills" are equally important.
13. **Please add any other questions or comments you have!**

## Appendix 9

1. **Can you tell me about yourself (profession and years of service)?** – My current role is Chief of Department and I work for nine years.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, I have some situations where I need to say something that has negative

effect on the other party, I try to be as calm as possible and explain the facts to gain understanding.

3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – The nature of the job is that you sometimes have no influence on the output, and it can be frustrated sometimes.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, I have. I offer support if needed.
5. **Do you have good relationship with your colleagues?** – Yes, I have good relationship with my colleagues.
6. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – In case of a need. No, I don't have that example.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Yes, I had few disagreements. After a period of time things get back to normal.
8. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn't.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – Our job is pre-determined, and changes are implemented if requested from authorities.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – We don't have pre-determined goals.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have good working conditions.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both technical and "people skills" are equally important.
13. **Please add any other questions or comments you have!**

## Appendix 10

1. **Can you tell me about yourself (profession and years of service)?** – My current role is Chief of Department and I work for seven years.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, I had some situations. I see the changes in behavior.

3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – I am frustrated when I am under time pressure, so I try to organize things in advance to avoid that situations.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, I help if I can.
5. **Do you have good relationship with your colleagues?** – I have good relationship with most of my colleagues.
6. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – In case of a need. No, I don't have that example.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Yes, I have. Most of the times I try to resolve this with conversation, but sometimes it's too difficult to approach to some people, so I avoid them if I can.
8. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn't.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – We have formal practice that we are obligated to follow.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – We don't have pre-determined goals.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have good working conditions.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both technical and "people skills" are equally important.
13. **Please add any other questions or comments you have!**

## Appendix 11

1. **Can you tell me about yourself (profession and years of service)?** – My current role is chief of department and I work for four years.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – During my professional experience I don't think that I did something that would have negative effect on my co-workers.

3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – I am sometimes frustrated because of the quality of the job done by my co-workers.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, and I offered my help.
5. **Do you have good relationship with your colleagues?** – I have good relationship with most of my colleagues.
6. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – In case something is important. No, I don't have that example.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – No, I don't have any example of a particular conflict that influences working relationship with my co-workers neither between them.
8. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn't.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – Most of our work is formally pre-determined, but our organization is working toward some changes that will increase quality of our services.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – We don't have pre-determined goals.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have good working conditions and life/work balance is well established.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both technical and "people skills" are equally important.
13. **Please add any other questions or comments you have!**

## Appendix 12

1. **Can you tell me about yourself (profession and years of service)?** – My current role is chief of department and I work for six years.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, I had few situations where I noticed that my behavior caused reaction, when appropriate I briefly explained the reasons. I couple of situations where I did/said something that was wrong I apologized.

3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – I am mostly frustrated when the communication is not good.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, we had a new employee who was struggling with his/her daily duties, so I offered assistance in some particular area of expertise that was a part of my previous position.
5. **Do you have good relationship with your colleagues?** – I have good relationship with most of my colleagues. There are few colleagues that I don't get along well, but I try not to let that influence to our work.
6. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – In case something is important. Yes, I have an example of working together with co-worker on one project where I shared some skills that helped him/her to cut the time needed for the job.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Yes, I had some disputes with a colleague; we discussed it and resolve the issue.
8. **Have you ever experienced a time when somebody questioned your ability to lead?** – No, I didn't.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – I have organized some activates that helped the team to cut the time needed for some particular tasks.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – We don't have pre-determined goals.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – We have good working conditions, but in some cases the lack of trust between co-workers can be seen.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both technical and "people skills" are equally important.
13. **Please add any other questions or comments you have!**

## Appendix 13

1. **Can you tell me about yourself (profession and years of service)?** – My current position is Director.

2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – I have had many situations within my professional life when I said or did something that has had influence on others. Basically, before making any decision I have been trying to assess potential risks and implications of my acting. To prevent negative effects of some actions I have been keeping myself accountable to all directly or indirectly affected with the action. With this approach I have been controlling negative implications and positive implications have been additionally boosted. I have been closely observing reactions of parties affected and act accordingly to mitigate negative effects and to use the momentum of positive implications to have employees happy, satisfied and motivated.
3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – My regular work is connected to a couple of business processes and my performance and productivity depends on performance and effectiveness of other functions within the business process. I knew that I have felt angry simply because my motivation has been declined and I felt helpless in achieving my objectives.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes and I am usually monitoring my co-workers level of stress. When noticing the stress with my colleagues I am trying to help them identify the real cause of it, discuss it with them and help them to minimize influence of the root cause of the stress. Sometimes it is just frank chat, sometimes I give different perspective and the solution to the problem.
5. **Do you have good relationship with your colleagues?** – I believe that I have good relationship with colleagues. Relationship is based on the mutual trust, accountability and understanding. We have been building professional and personal relationships for so many years based on above stated principles and we do not mix professional and personal relationships.
6. **Do you share information's about the work – flow with your employees? Do you have example of working with employee to improve his/her job?** – Yes, we have established business processes and approved workflows that are covering couple of different scenarios. These workflows are clearly defining roles and responsibilities within the business process and keeping everyone accountable. Critical elements of all these workflows are points when we stop and reflect on the communication, quality and how can we improve the professional relationship, quality of product and internal and external accountability and transparency.
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Yes of course, but these disputes have been resolved throughout frank and civilized conversation and following organizational procedures and policies and every



dispute has been resolved differently even though for an external eye the final result might look the same. During my entire career I have never had any dispute that has not been finalized with a consensually agreed decision and I believe that the key is the employee trust and my attitude that I do not have anything personal against anyone and professional dispute does not prevent anyone to be treated with dignity and civilized.

- 8. Have you ever experienced a time when somebody questioned your ability to lead? –** Rarely. I experienced myself questioning my ability to lead considering lack of clarity for some actions, projects or initiatives.
- 9. Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties? –** During my entire work on this position I have been working on improvement of procedures, business processes and communication channels in order to have more effective and efficient processes, save costs, but not affecting final product quality. It has significantly contributed to employees' motivation and professional growth.
- 10. Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal? –** We don't have official policies in the organization but of course we all have goals that we must meet. Depending on the type of goal I am supporting reaching their goals throughout training, mentoring, coaching provision of advice, participation in monitoring of progress towards goals, supporting management "buy in" and ensuring management support. Monitoring of progress is critical for making executive decisions, aligning goals to the reality and the current situation and keeping on track towards established goals. If these goals are not reached, we have open conversation on rationale for the situation, we use monitoring information, work on the alternative strategy and/or readjust the goal
- 11. Describe a climate in your working place, what do you do create a positive working climate? –** Climate within my immediate team is very positive, open and supporting. We work together, meet deadlines, continuously improve and feel comfortable to come to each other and request help for any kind of professional and personal challenge. Contrary to that positive climate, bigger team atmosphere is very conservative regarding sharing, talking, discussing and is based on fear of the Management. Management does not have clear vision for the future and in the same time within last couple of years Management has not reached the stage of having trust in people professional expertise. Management is detached from the middle management and employees. People do not feel comfortable and the big team lost the passion. Majority of people work just for the salary and they do not feel very comfortable in working place and interaction with colleagues. Senior Management has protégées that gained that status with complying strictly with senior management requests ruining their professional and personal dignity.
- 12. According to your opinion are "people skills" important as technical skills in performing your work? –** Yes of course. Both set of skills are critical for effective and efficient high quality of performance and work. It is the most challenging balance to be

established that needs to ensure the same understanding of all people involved, sharing the same goals, jointly striving towards improvement and high quality product. People skills are critical for ensuring the motivation and passion and it, in real life, makes core difference between successful and less successful teams, organizations and companies.

**13. Please add any other questions or comments you have!**

**Appendix 14**

- 1. Can you tell me about yourself (profession and years of service)?** – My current position is Chief of department for financial services.
- 2. Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, these situations are happening, and it is always obvious when your words/deeds have effect on people you work with, you can see it in their posture, face expression, words, etc. I like open discussions on what is going on and deal with rather than to avoid situation.
- 3. Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – Yes I do, often. Mostly because of the deadlines and great amount of work, that is sometimes no well-adjusted with our capacities. In those situations I usually feel frustrated and exhausted.
- 4. Hhave you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, and talking to them always seems to be helpful. Some constructive plan to deal with the repeating situations as well.
- 5. Do you have good relationship with your colleagues?** – Yes, I do.
- 6. Do you share information's about the work – flow with your employees? Do you have example of working with employee to improve his/her job?** – We have regular meetings where we share information. To this point, I don't have any examples of sharing some improvement plan with other employee.
- 7. Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – I'm a non-conflict person and I don't really enjoy finding myself in conflict situations. I always like to talk and try to solve the issue in that way.
- 8. Have you ever experienced a time when somebody questioned your ability to lead?** – No.
- 9. Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – Yes, in cutting time for particular activities and organizing department work so quality of work is better.

- 10. Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – There is no such practice in our organization.
- 11. Describe a climate in your working place, what do you do create a positive working climate?** – Team work, respecting each other's roles and responsibilities, respecting each other's work, giving everyone a fair chance, giving everyone their earned credit for a job well done.
- 12. According to your opinion are "people skills" important as technical skills in performing your work?** – Yes, definitely, if not more important. I always say: You can learn technicalities, but being a good person is something you hold within, something you bring into the team.
- 13. Please add any other questions or comments you have!**

## Appendix 15

1. **Can you tell me about yourself (profession and years of service)?** – My current position is Chief of department for economic development.
2. **Would you say that you had situations where you said/did something that had positive or negative effect to others (coworker, a customer etc.) and how did you know?** – Yes, both: positive would be reflected through either appreciation or discreet acknowledgment, and negative would have been reflected either through silence, defence reactions, aggressive attitude, but mainly had impact on me.
3. **Do you have some situations at work where you feel angry or frustrated at work? Why were you frustrated? What did you say or do?** – Yes I do, often. I feel as I am sometimes ignored and my decisions are not valued. When angry, I am not productive.
4. **Have you ever noticed the employee or co-worker is under the stress? What did you do?** – Yes, very often, I try to help, talk, have coffee, do the work of that person, suggest taking a day off or holidaying, suggesting professional support and even change of job.
5. **Do you have good relationship with your colleagues?** – As a team leader I am very often in situation where things require change. I approach to individuals one-by-one and explain the purpose and value of change.
6. **Do you share information's about the workflow with your employees? Do you have example of working with employee to improve his/her job?** – Always. Yes, I do have examples of working with employee to improve the job, which in the end resulted with mutual understanding and benefit (individual, team).
7. **Have you had a dispute with an employee, what did you do, how was that resolved? Can you think of a time when your peers had conflict issue, what did you do to reconcile them?** – Some disputes about communication, understanding and about how

should work be done, however not a big disputes or conflicts. I usually approach to a person directly. Sometimes, I do not want to get in resolving conflicts as that makes me highly unrest (not coping well with conflicts).

8. **Have you ever experienced a time when somebody questioned your ability to lead?** – Yes, at present job and by peer. In the past, only once by my line manager, however lack of support by manager side was identified as crucial reason.
9. **Working on your current role have you ever thought about ways to improve service you provide, ways to cut the costs of present work, cut the time you take to perform certain duties?** – I try to improve service and usually we tend to manage some cost savings.
10. **Do you set goals to your team? How do you help others in reaching their goals? What do you do if somebody doesn't reach an important goal?** – That practice is not applied in our organization, but I try to introduce, coach and lead my team by adjusting their needs with clear information and tasks.
11. **Describe a climate in your working place, what do you do create a positive working climate?** – Very good team and friendly climate, we go for breaks, communicate about everything, celebrate birthdays, trust and encourage them, praise their work.
12. **According to your opinion are "people skills" important as technical skills in performing your work?** – Both technical and "people skills" are equally important, but I would say that I need improvement in people skills.
13. **Please add any other questions or comments you have!**