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## The Role of Emotional Intelligence in Decision Making: A Study of First Bank Nigeria

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### Abstract

*The fast-paced nature of the Nigerian banking industry, coupled with regulatory pressures, market volatility, and competitive dynamics have heightened stress levels and strain emotional resilience. In such environment, leaders may struggle to maintain composure, leading to impulsive or emotionally-driven decision-making rather than rational, strategic choices. Therefore, this study leverage Goleman's emotional intelligence (EI) performance theory, and Mayer, Salovey and Caruso's EI ability model to examine the role the role of emotional intelligence in decision making in First Bank Nigeria. The study employed a multiple-stage sampling method whereby ten (10) branches of First Bank within the Lagos metropolis were randomly selected initially. Subsequently, fifteen (15) employees from each of these ten (10) branches were chosen through random sampling. In total, the study included 138 respondents, and this puts the response rate at 92% of administered copies of questionnaire retrieved and found usable. Descriptive and inferential statistical methods were employed to analyze the collected data. The findings demonstrated a positive and significant relationship between emotional intelligence and effective decision-making, strategic decision-making, and effective team decision-making by managers. The study, therefore, recommends that management within the bank need to prioritize the development of an effective emotional resilience program, as this initiative is capable of cultivating a healthier and more emotionally intelligent leadership team, ultimately enhancing overall organizational performance.*

**Key Words:** *Effective decision-making, effective team decision-making, emotional intelligence, strategic decision-making*

### 1. Introduction

In the dynamic realm of banking, where every decision echoes through financial markets and affects countless lives, the function of emotional intelligence (EI) in top management is an important predictor of success. Emotional intelligence is the capacity to recognise, regulate, and successfully communicate emotions, both personally and in relationships with individuals (Goleman, 2020). Within banks, where high-pressure situations and complex scenarios are commonplace, EI can profoundly influence decision-making processes and outcomes. At the top management of shoulders, the weight of strategic direction and operational efficiency. Their decisions ripple across departments, impacting everything from risk management to customer service. In this context, emotional intelligence acts as a silent but potent force, shaping the quality and effectiveness of decisions made.

One pivotal aspect emotional intelligence includes self-awareness. Leaders with a strong sense of self-awareness are sensitive to their own emotions, strengths, weaknesses, and biases. In the fast-paced environment of banking, where high-stakes decisions are made under tight deadlines, self-aware

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leaders can recognize when their emotions might cloud judgment or when stress levels are reaching a point where decision-making could be compromised (Bru-Luna et al, 2021). By acknowledging these internal states, they can take proactive steps to mitigate their influence on decision-making processes. In addition, self-aware leaders are better equipped to understand their impact on others. This social awareness, another dimension of emotional intelligence, enables them to empathize with the perspectives and emotions of their colleagues, stakeholders, and even clients. In the context of decision-making, this empathy can foster a more inclusive and collaborative approach, where diverse viewpoints are considered, and consensus is reached through understanding and respect. (Fteiha & Awwad, 2020).

In the dynamic realm of banking, characterized by frequent market shifts and regulatory adjustments, adaptability reigns supreme. Leaders endowed with robust emotional intelligence excel in maneuvering through uncertainty and ambiguity. They remain resilient in the face of setbacks and are open to new ideas and perspectives. This adaptability allows them to pivot strategies swiftly in response to changing market conditions or unforeseen challenges, ensuring the bank remains agile and competitive (MacCann et al, 2020). Furthermore, emotional intelligence significantly contributes to cultivating a positive organizational culture within banks. Leaders who prioritize emotional intelligence create environments where trust, transparency, and psychological safety flourish. Employees feel valued and empowered to voice their opinions and contribute to decision-making processes. This inclusivity not only enhances employee morale and engagement but also leads to better decision outcomes, as diverse perspectives are considered and debated.

However, the absence of emotional intelligence at the top can have detrimental effects on decision-making within banks. Leaders who are unable to manage their emotions may succumb to impulsivity or irrationality, making decisions based on fear or ego rather than sound judgment. Similarly, a lack of empathy and social awareness can lead to alienation of employees and stakeholders, eroding trust and cohesion within the organization (Harahap & Ali, 2020). Emotional intelligence, often hailed as the cornerstone of effective leadership, encapsulates the profound ability to recognize, comprehend, and adeptly leverage the power and nuances of emotions in human interactions. It serves as a reservoir of human energy, a wellspring of valuable information, a catalyst for building trust, fostering creativity, and wielding influence. In today's knowledge-driven societies, the discourse surrounding the mental

faculties of human cognition takes center stage, particularly in how they intersect with the rhythms of daily life (Alzoubi, & Aziz, 2021).

In the context of decision-making, emotional intelligence shines as a guiding beacon, illuminating pathways forward amidst uncertainty and complexity. Leaders who adeptly comprehend their own emotions and those of others navigate this terrain with finesse and effectiveness. They foster environments where dialogue flows freely, where diverse perspectives are not only welcomed but cherished as essential ingredients for informed decision-making (Vyatkin et al, 2020). For the lone leader, the burden of responsibility weighs heavy on their shoulders. Every decision carries implications that reverberate throughout the organization. Thus, the efficacy of their choices hinges not only on their own emotional intelligence but also on their ability to inspire and empower those they lead. Through effective communication, empathy, and a commitment to shared goals, they steer their teams toward collective success.

Leadership success is heavily reliant on the ability to make sound decisions, which is inextricably tied to the leader's emotional intelligence. Emotional intelligence acts as a cornerstone for successful leadership by empowering leaders to translate decisions into powerful strategies that achieve organisational results. (Darmayanti & Salim, 2020). Emotional intelligence is pivotal for organizational success, from enhancing managerial performance to driving overall company effectiveness. When decision-makers adeptly manage their emotions, they can seize opportunities and steer outcomes towards desired results. Accountability further underscores the importance of emotional intelligence, transforming it from a perceived liability to a valuable asset in decision-making processes (Rajendra, 2024).

In today's technologically-driven era, the convergence of advanced technologies and intelligent information systems (IIS) has revolutionized decision-making at all levels. From governmental bodies to local businesses, the integration of artificial intelligence, robotic management systems, and expert systems has democratized access to effective decision-making tools, bridging the gap between accuracy and perception (Harahap & Ali, 202). Therefore, the role of emotional intelligence in the decision-making processes of top management within banks cannot be overstated. Self-awareness, social awareness, adaptability, and fostering a positive organizational culture are all facets of emotional intelligence that contribute to effective decision-making. By prioritizing emotional intelligence at the

highest levels, banks can navigate the complexities of the financial landscape with confidence and integrity, ensuring long-term success and sustainability. The study will examine the study will examine the role of emotional intelligence in decision making, a study of First Bank of Nigeria.

## **1.2 Research Problem**

In Nigeria, as in many countries, the banking sector serves as a linchpin of the economy, driving growth, facilitating transactions, and channeling funds towards productive investments. Within this complex ecosystem, the role of emotional intelligence (EI) in decision-making processes within banks emerges as a critical factor influencing organizational effectiveness, risk management, customer satisfaction, and overall performance. However, Nigeria's banking landscape is not immuned to challenges stemming from the interplay between emotional intelligence and decision-making. Several key issues warrant attention and exploration:

The prevalence of high-stress environments within Nigerian banks poses a formidable challenge to the effective exercise of emotional intelligence among top management and decision-makers. The fast-paced nature of the industry, coupled with regulatory pressures, market volatility, and competitive dynamics, can heighten stress levels and strain emotional resilience. In such environments, leaders may struggle to maintain composure, leading to impulsive or emotionally-driven decision-making rather than rational, strategic choices.

Cultural and organizational factors may impede the development and application of emotional intelligence within Nigerian banks. Traditional hierarchical structures, rigid leadership styles, and a reluctance to embrace vulnerability or emotions in the workplace can hinder open communication, empathy, and collaboration—the cornerstones of emotional intelligence. Without a culture that values and fosters emotional intelligence, decision-makers may lack the necessary support and environment to hone their skills and leverage emotions effectively in decision-making processes.

The lack of comprehensive training and development programs focused on emotional intelligence represents a significant gap within Nigerian banks. While technical expertise and industry knowledge are typically prioritized in training initiatives, the importance of emotional intelligence may be overlooked or undervalued. Without targeted interventions to enhance emotional intelligence skills

among employees and leaders, banks may struggle to leverage emotions as a source of insight, empathy, and strategic advantage in decision-making.

Moreover, the prevalence of nepotism, favoritism, and political interference in Nigeria's banking sector can undermine the integrity and objectivity of decision-making processes. Emotional intelligence, with its emphasis on self-awareness, social awareness, and ethical conduct, serves as a bulwark against such influences. However, in environments characterized by patronage and cronyism, leaders may prioritize personal agendas or allegiances over the best interests of the organization and its stakeholders, eroding trust and accountability.

Furthermore, the diverse and multicultural nature of Nigeria's society presents unique challenges in leveraging emotional intelligence within banks. Effective communication, empathy, and cultural sensitivity are essential components of emotional intelligence, particularly in a country as ethnically and linguistically diverse as Nigeria. However, the failure to recognize and navigate cultural differences could lead to misunderstandings, conflicts, and suboptimal decision-making outcomes within banks. Consequently, while emotional intelligence holds the potential to enhance decision-making processes and outcomes within Nigerian banks, several challenges impede its effective application. Addressing these issues, this study aims to: First, examine the correlation between emotional intelligence of top management and effective decision making in the banks, Secondly, establish the relationship between emotional intelligence of top management and strategic decision making, and thirdly, determine the association between emotional intelligence of top management and effective team decision-making.

## **2. Literature Review**

### **2.1 Theoretical Review**

#### **2.1.1 Goleman's Emotional Intelligence (EI) performance Theory**

Goleman's emotional intelligence performance theory posits that emotional intelligence is not merely a personal attribute but a critical determinant of performance and success in various domains of life, including work, relationships, and personal development (Goleman, 2001). This theory emphasizes the significance of understanding and managing one's emotions, as well as effectively perceiving and responding to the emotions of others (Goleman, 2001).

Goleman's theory revolves around the notion of emotional competence, comprising a range of skills and capabilities empowering individuals to adeptly navigate intricate social and emotional scenarios with agility and efficacy (Holt & Jones, 2005). These competencies encompass self-awareness, self-regulation, empathy, social skills, and motivation. As Goleman (2001) posited, individuals endowed with elevated emotional intelligence are more adept at managing the vicissitudes of daily life, fostering robust relationships, and attaining their aspirations.

A pivotal element of Goleman's theory lies in its emphasis on the tangible implications of emotional intelligence across diverse contexts, notably within the workplace. Goleman contends that emotional intelligence significantly shapes leadership efficacy, team synergy, and organizational outcomes (Nafukho, 2009). Leaders possessing elevated emotional intelligence are adept at inspiring and energizing their teams, adeptly managing conflicts, and nurturing a work atmosphere conducive to productivity and innovation.

In addition, Goleman (2001) underscored the significance of emotional intelligence in decision-making and problem-solving. Individuals endowed with heightened emotional intelligence are more proficient in making prudent judgments, balancing conflicting priorities, and acknowledging the ramifications of their choices on others. This capacity to blend emotional and rational thought processes culminates in more efficient and ethically sound decision-making outcomes. Overall, Goleman's EI performance theory underscores the essential role of emotional intelligence in driving individual and organizational success. By cultivating emotional competence and leveraging emotional intelligence in various aspects of life, individuals can enhance their performance, build meaningful relationships, and thrive in today's complex and dynamic world (Nafukho, 2009).

### **2.1.2 Mayer, Salovey and Caruso's EI Ability Model**

Mayer, Salovey, and Caruso's (2001) EI ability model posits emotional intelligence as a separate form of intelligence, distinct from cognitive abilities. It encompasses a skill set enabling individuals to adeptly perceive, understand, utilize, and manage emotions. Central to this framework are four primary branches of emotional intelligence: perceiving emotions, utilizing emotions to enhance thinking, comprehending emotions, and regulating emotions (Fiori & Antonakis, 2011).

The initial branch, perceiving emotions, entails the aptitude to accurately discern and identify emotions within oneself, others, and diverse situations. This proficiency serves as a cornerstone for subsequent emotional processing and regulation (Palmer, Gignac, Manocha & Stough, 2005). The second branch, utilizing emotions to facilitate thought, denotes the ability to harness emotions to augment cognitive processes such as problem-solving, decision-making, and creativity. Individuals with heightened emotional intelligence adeptly leverage their emotions as valuable sources of insight and motivation in these cognitive endeavors (Papadogiannis, Logan & Sitarenios, 2009).

The third branch, understanding emotions, involves grasping the intricacies of emotions, encompassing their origins, outcomes, and interconnectedness. This facet of emotional intelligence empowers individuals to adeptly navigate social dynamics, empathize with others, and foresee emotional reactions across various contexts (Palmer, Gignac, Manocha & Stough, 2005). Finally, the fourth branch, managing emotions, encompasses the skill of regulating one's own emotions and guiding the emotions of others in constructive directions. This entails employing strategies to cope with stress, resolve conflicts, and foster positive relationships (Fiori & Antonakis, 2011).

Mayer, Salovey and Caruso (2001) underscore that emotional intelligence is not an inherent trait but rather a flexible skill that can be cultivated and refined through deliberate practice and learning. Their model accentuates the significance of evaluating emotional intelligence as a multifaceted entity, separate from personality traits or cognitive capacities. By nurturing proficiency in the four branches of emotional intelligence, individuals can enhance their emotional acumen, interpersonal prowess, and overall quality of life across personal and professional spheres.

## **2.2 Conceptual Review**

Emotional intelligence is a person's capacity to react appropriately and effectively to a wide range of emotional impulses evoked by one's inner being and the outside world. Goleman (2020) described emotional intelligence from a psychological approach. Emotional intelligence is defined as the change of mind, body, and spirit to realise all that we can do for greater happiness and pleasure. Bru-Lana, Martí-Vilar, Merino-Soto, and Cervera-Santiago (2021) asserted that EI is rooted in emotions, emphasizing the utilization of one's emotional reservoir to drive towards self-defined goals. Fteiha and Awwad (2020) characterized emotional intelligence as the capacity to regulate impulses and persevere amid challenges. MacCann et al. (2020) elaborated on emotional intelligence, delineating it



as a multifaceted construct encompassing self-awareness, emotional management, empathy, motivation, and adept interpersonal relations.

Building upon this, Bru-Lana et al. (2021) expanded the meaning, portraying EI as the dynamic process of transitioning from distrust to trust, self-doubt to self-empowerment, and other transformative shifts, culminating in growth and hope. Additionally, Goleman (2020) underscored the pivotal role of emotional intelligence for service providers, highlighting its significance in navigating job responsibilities, career trajectories, innovation, team dynamics, and organizational effectiveness in various service contexts.

### **2.3 Emotional Intelligence and Decision Making**

In today's fiercely competitive landscape, leadership faces immense pressure to drive organizational growth and enhance stakeholder value. This relentless pursuit places significant strain on decision-making processes. Traditionally, decision-making has been perceived as a rational endeavor, guided by calculated reasoning to achieve objectives. However, insights from cognitive science reveal that human decisions are profoundly influenced by intuition and emotional responses (Harahap & Ali, 2020).

Understanding one's emotional state and possessing the ability to regulate those emotions serve as crucial navigational tools for effective decision-making. Self-awareness and self-regulation emerge as pivotal factors in this regard (Alzoubi & Aziz, 2021). Decision-making acumen is cultivated through a succession of decisions, honed over time and experience. Emotional intelligence emerges as a key catalyst, facilitating smoother decision-making processes (Vyatkin, Fomina, & Shmeleva, 2020). Decision-making is the intricate process of determining the next course of action, drawing upon accumulated knowledge to grasp the nuances of problems and issues, thus enabling astute judgments. While a wealth of information aids decision-making, an excess of data does not guarantee accuracy, as it may be tainted or overwhelming, diminishing comprehensive understanding (Darmayanti & Salim, 2020).

Within industries like finance, such as banking, where every decision revolves around profit and loss, individuals with robust emotional intelligence, particularly younger cohorts, tend to base their decisions on shrewd calculations, even amidst setbacks. Conversely, older individuals with lower

emotional intelligence often exhibit risk aversion (Rajendra, 2024). This discrepancy stems from emotionally intelligent individuals' adeptness at rationalizing outcomes, whether positive or negative, and effectively managing them to prevent repetition of past mistakes. Consequently, decision-makers with higher emotional intelligence are more vigilant and proactive (Kasirajan & Seenivasan, 2021).

Prior to arriving at a rational decision, several crucial steps must be meticulously followed. These steps encompass a thorough understanding of the problem at hand, clarification of the decision's purpose, identification of decision criteria and sub criteria, consideration of stakeholders and relevant parties, and exploration of alternative courses of action. After evaluating alternatives and allocating resources, one might proceed to review the outcomes in the structure of the strategic decision-making process. Harahap and Ali (2020) underscored the importance of three key factors in this decision-making process: the procedural aspects of decision-making, the attributes of the decision-maker, and the nature of the decision itself. These elements collectively shape the trajectory and effectiveness of the decision-making endeavor.

## **2.4 Empirical Review**

Othman, Othman, Hallit, Obeid and Hallit (2020) discovered that extroversion is associated with reduced rational decision-making but heightened intuitive style. Conversely, agreeableness and conscientiousness are connected to increased rational decision-making and diminished intuitive style. The study conducted by Harahap and Ali (2020) revealed that both emotional intelligence and decision-making significantly affect managerial performance, although decision-making exerts a more pronounced influence. Decision-making acts as an intermediary factor, with its indirect impact on managerial performance through emotional intelligence being more substantial than the direct influence of emotional intelligence alone.

Alzoubi and Aziz (2021) argued that managers with elevated emotional intelligence typically make more effective strategic decisions. They further posit that open innovation has revolutionized decision-making practices among senior bank managers, resulting in policy adjustments. Ndawo (2021) expressed the view that fostering emotional intelligence among students enhances their rational decision-making and problem-solving abilities. This, in turn, enhances the quality of patient care in nursing. Vyatkin, Fomina and Shmeleva (2020) found out that in high-risk competitive situations,

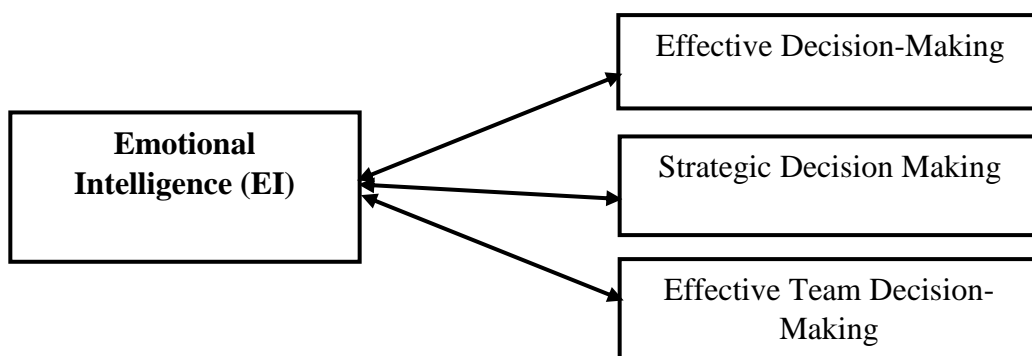
people focus on influencing their opponent's emotions rather than understanding them when making decisions.

Joshi and Brahmi (2023) found that several dimensions of emotional intelligence positively affect cognition, mediated by cognition. However, one sub-dimension of emotional intelligence has a contrasting effect on decision-making. Aloqaily's (2022) study suggests that leveraging emotional intelligence, which encompasses self-understanding, self-management, social awareness, and social skills, influences the quality of decision-making among employees at Alawneh Exchange. Ugoani (2021) found out that decision-making, integral to problem-solving, involves the interplay of cognition and emotion, impacting personality beyond memory or judgment. Effective implementation necessitates self-assertiveness to prevent decision failure and avoid indecision. Continuous evaluation is crucial, with systematic assessment integrated into the decision-making process.

Sharp, Bourke and Rickard (2020) asserted that elevated emotional intelligence (EI) correlates positively with leadership capabilities, non-technical skills, diminished surgeon stress and burnout, and heightened job satisfaction among surgeons. These aspects collectively contribute to enhanced patient relationships and care. Christianson (2020) identified three key themes: (i) Emotional intelligence (EI) and critical thinking (CT) are interlinked; (ii) EI and CT are pivotal for success in nursing education; and (iii) nursing education should prioritize the enhancement of both EI and CT.

## 2.5 Conceptual framework

The conceptual framework of the study is presented in Fig 1.



**Fig 1:** The Study's Conceptual Model  
**Source:** Researchers (2025)

As illustrated in Figure 1, the research endeavors to thoroughly investigate the elaborate interplay between EI and several key facets of organizational dynamics. Specifically, it aims to elucidate the correlation between EI and the efficacy of decision-making processes, both in terms of overall quality and strategic decision. Additionally, the study seeks to explore how EI influences team decision-making within the banking organizational context. Furthermore, it examines into the role of EI in shaping leadership practices, examining how leaders' emotional intelligence levels correlate with their effectiveness in guiding and motivating their teams towards shared objectives.

### **3. Methodology**

This research employed a correlational approach; wherein quantitative data gathered via a survey administered to the participants was systematically analyzed. This method enables the testing of hypotheses within a theoretical framework, facilitating generalization to the entire population (Polit & Beck, 2010). Survey research was chosen for its formal data collection methodology. The population for the study includes employees in the banking sectors in Nigeria. The study employed a multiple-stage sampling method. Initially, ten (10) branches of banks within the Lagos metropolis were randomly selected. Subsequently, fifteen (15) employees from each of these ten (10) branches were chosen through random sampling. In total, the study included 138 respondents. It puts the response rate at 92% of administered questionnaires retrieved and found usable.

The study developed an instrument named the emotional intelligence and decision-making Questionnaire (EIDMQ) through an extensive review of literature from academic databases. Subsequently, a survey questionnaire was constructed, comprising thirty items distributed across six sub-scales. Each item was rated on a five-point Likert scale from 1 as strongly disagree to 5 as strongly agree. Data was gathered through direct administration of the questionnaire to First Bank employees in Lagos. They were provided with a maximum of 5 days to complete the questionnaire. Additionally, a research assistant aided in distributing the questionnaire to different sites. The researcher conducted follow-up phone calls with respondents to confirm the collection day for completed copies of questionnaire from various locations. The collected data underwent thorough analysis utilizing both descriptive and inferential statistical methods. Descriptive statistics such as frequency tables, graphical representations, mean, and standard deviation were employed. Additionally, inferential statistics, specifically the Pearson Product Moment Correlation was utilized. This statistical analysis was conducted at a significance level of 1%.

## 4. Analysis

### 4.1 Descriptive Statistics

**Table 1: Demographic Characteristics**

		Frequency	Percent
<i>Sex</i>	Male	54	43.9
	Female	69	56.1
	Total	123	100.0
<i>Age</i>	20-25 yrs	9	7.3
	26-30yrs	59	48.0
	31yrs and above	55	44.7
	Total	123	100.0
<i>Highest Academic Qualification</i>	HND/B.Sc.	42	34.1
	MA/M.Sc./MBA	81	65.9
	Total	123	100.0
<i>Experience</i>	5-10 yrs	15	12.2
	11-15yrs	36	29.3
	16yrs above	72	58.5
	Total	123	100.0
<i>Position</i>	Senior officer	27	22.0
	Manager	68	55.3
	Management	28	22.8
	Total	123	100.0

**Source:** Researchers' Computation (2025)

The findings presented in Table 1 showed that 69 respondents comprising 56%, identified as female, whereas 54 respondents, making up 44%, identified as male. Regarding age demographics, 9 respondents, or 7%, fell within the 20 to 25 age bracket, 59 respondents, or 48%, were aged between 26 and 30, and 55 respondents, or 45%, were 31 years old and above. Analysis of the respondents' academic qualifications indicates that the majority, specifically 81 individuals, accounting for 66%, held MA/M.Sc./MBA degrees, while 42 individuals, or 34%, possessed HND/B.Sc. degrees. In terms of professional experience, 15 respondents, equivalent to 12%, reported having 5 to 10 years of experience, 36 respondents, or 29%, reported 11 to 15 years, and the remaining 72 respondents, or 58%, reported 16 years and above. In addition, the distribution of respondents' job titles indicates that

68 individuals, or 55%, held managerial positions, 28 individuals, or 23%, were classified as management staff, and 27 individuals, or 22%, were senior officers.

## 4.2 Inferential Statistics

### i. Examine the correlation between emotional intelligence of top management and effective decision making in the banks

**Table 2: Correlation between emotional intelligence and effective decision-making**

1	Sig.	N	ED-M	EI	Mean	StDev
<b>ED-M</b>	.000	123	1	.760**	40.93	3.97
<b>EI</b>	.000	123	.760**	1	26.20	3.55

Key: ED-M= Effective decision-making; EI= Emotional Intelligence; StDev= Standard Deviation

\*\* Correlation is significant at the 0.01 level (2-tailed)

**Source:** Researchers Computation (2025)

Evidence from Table 2 revealed a positive and significance relationship is reported between EI with quality of decision making by the manager ( $r=0.760$ ,  $p=0.00<0.05$ ). This is significance at 1%. Managers with higher emotional intelligence are likely to make a more positive quality decision making.

### ii. Establish the relationship between emotional intelligence of top management and strategic decision-making

**Table 3: Relationship between emotional intelligence and strategic decision-making**

1	Sig.	N	ED-M	EI	Mean	StDev
<b>SD-M</b>	.000	123	1	.658**	40.93	3.97
<b>EI</b>	.000	123	.658**	1	22.34	2.47

Key: SD-M= Strategic decision-making; EI= Emotional Intelligence; StDev= Standard Deviation

\*\* Correlation is significant at the 0.01 level (2-tailed)

**Source:** Researchers Computation (2025)

As reported in Table 3 revealed a positive and significance relationship is reported between EI with strategic decision-making by the manager ( $r=0.658$ ,  $p=0.00<0.05$ ). This is significance at 5%. Managers with higher emotional intelligence are likely to make a more positive strategic decision-making.

- iii. **Determine the association between emotional intelligence of top management and effective team decision-making.**

**Table 4: Association between emotional intelligence and effective decision-making**

1	Sig.	N	ED-M	EI	Mean	StDev
<b>ETD-M</b>	.000	123	1	.541**	40.93	3.97
<b>EI</b>	.000	123	.541**	1	21.55	2.62

Key: ETD-M= Effective team decision-making; EI= Emotional Intelligence; StDev= Standard Deviation

\*\* Correlation is significant at the 0.01 level (2-tailed)

**Source:** Researchers Computation (2025)

As reported in Table 4 revealed a positive and significance relationship is reported between EI with effective team decision-making by the manager ( $r=0.541$ ,  $p=0.00<0.05$ ). This is significance at 1%. Managers with higher emotional intelligence are likely to make and have more team effective decision-making.

## 5. Discussion of findings

The study revealed a notable and meaningful correlation between emotional intelligence and quality decision-making, strategic decision-making, and team performance. In the banking sector, where transactions entail substantial sums of money and complex financial instruments, the importance of emotional intelligence in decision-making is paramount. Emotional intelligence entails the capacity to recognize, comprehend, and regulate one's own emotions, as well as to empathize with others and adeptly navigate social interactions. The study aligns with Felix's (2015) assertion that emotional intelligence holds greater sway over the decision-making of transactional leaders. Additionally, it concurs with Hess and Bacigalupo's (2011) findings that organizations and individuals benefit from nurturing and utilizing behaviors linked to emotional intelligence. The practical application of emotional intelligence skills has the potential to enhance both individual and collective decision-making processes and outcomes.

Emotional intelligence plays a crucial role in client relations. Bankers who possess high emotional intelligence can intuitively grasp clients' needs, concerns, and motivations. By empathizing with clients, bankers can tailor financial solutions that not only meet their requirements but also align with their emotional states and long-term goals. This empathetic approach fosters trust and loyalty, enhancing client retention and satisfaction. Hess and Bacigalupo (2013) opined that leader in an organization

aims to improve the quality of decision-making, and leveraging emotional intelligence skills can greatly aid in achieving this objective.

Emotional intelligence contributes to risk assessment and management. Banking decisions often involve evaluating complex risks associated with loans, investments, and financial products. By being attuned to their emotions and those of others, bankers can better gauge the potential consequences of their decisions and anticipate market fluctuations. This emotional insight enables them to make more informed and strategic choices, ultimately minimizing the bank's exposure to risk. (Moghadam, Tehrani & Amin, 2011). In addition, Vaughan, Laborde, and McConville (2019) discovered a significant positive correlation between athletic expertise and trait emotional intelligence concerning the quality of decision-making. Conversely, they observed a negative correlation with deliberation time and tendencies toward risk-taking.

## **6. Conclusion**

Emotional intelligence is integral to decision-making in the banking sector across various facets. From client interactions to risk management and teamwork, it enhances bankers' ability to understand, interpret, and respond to the emotions inherent in financial transactions. By cultivating emotional intelligence among its employees, a bank can foster a culture of empathy, collaboration, and adaptability, ultimately leading to more informed and successful decision-making processes.

Furthermore, emotional intelligence is essential for effective teamwork and collaboration within banking institutions. In an environment where teamwork is paramount, bankers must communicate, negotiate, and resolve conflicts with colleagues and clients alike. Individuals with high emotional intelligence can navigate interpersonal dynamics skillfully, fostering a positive work culture and synergy among team members. Moreover, they can defuse conflicts amicably and mediate disputes, thereby maintaining productivity and cohesion within the organization.

## **7. Recommendations**

There is need to conduct a comprehensive assessment of emotional intelligence competencies among banking sector professionals to understand their influence on decision-making processes. The banking human resource department needs to prioritize emotional intelligence training for their employees, particularly managers, given its demonstrated strong association with decision effectiveness. The bank



also needs to gather data on key performance indicators such as profitability, customer satisfaction, and employee engagement and how it affects decision making. Management within the bank should prioritize the development of an effective emotional resilience program aimed at cultivating a healthier and more emotionally intelligent leadership team.

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