

Investigating Emotional Intelligence as a Predictor of Employee Engagement and Retention in Nagpur District's IT Firms: An empirical study

Snehal Kale, Research Scholar, Datta Meghe Institute of Management Studies, Nagpur

Dr. Vaishali Rahate, Professor & Research Supervisor, Datta Meghe Institute of Management Studies, Nagpur

Abstract

In this empirical study, the relationship between emotional intelligence and employee engagement and retention in IT companies in Nagpur District is examined. The study intends to investigate how different aspects of emotional intelligence—such as self-awareness, self-regulation, motivation, empathy, and social skills—affect employees' commitment, involvement, and intention to stay with their organisations, in light of the growing significance of emotional competence in workplace dynamics. The study uses statistical methods like regression analysis and correlation to extract valuable information from a descriptive research design and structured questionnaire given to 200 IT experts. The results show that emotional intelligence and employee engagement and retention are strongly positively correlated. According to the study's findings, emotionally intelligent workers are more likely to be engaged and devoted, and it advises businesses to include emotional intelligence development techniques into their HR procedures to improve employee performance and stability.

Keywords: Emotional Intelligence, Employee Intelligence, Employee engagement, IT Firms, etc.

Introduction

Organisations are realising more and more how important human capital is to their success in the fast-paced, cutthroat corporate world of today, especially in the information technology (IT) industry. One of the biggest challenges facing businesses aiming for stability and expansion is the capacity to retain and engage qualified workers. Although traditional methods have focused on pay, job design, and career opportunities, new research indicates that emotional intelligence (EI), or the ability to comprehend and control one's own emotions as well as those of others, is a critical factor in determining employee attitudes and workplace dynamics (Goleman, 1995).

Higher productivity, job satisfaction, and fewer plans to leave are all associated with employee engagement, which is defined as the degree of emotional involvement and excitement that person exhibits towards their work (Kahn, 1990). Simultaneously, the IT industry has made staff retention a strategic focus, especially in areas like Nagpur, which is quickly becoming one of India's leading IT hubs. Workflow interruptions, loss of organisational expertise, and higher recruiting and training expenses are all consequences of high turnover rates in IT companies. With its focus on empathy, emotional control, and interpersonal skills, emotional intelligence has been suggested as a predictor of employee engagement and a protective factor against high turnover (Carmeli, 2003).

The purpose of this study is to experimentally examine how emotional intelligence predicts two important organisational outcomes: employee engagement and retention. By concentrating on IT companies in Nagpur District, this study aims to advance theory and practice by revealing the ways in which EI affects work attitudes in a local setting that is frequently disregarded in national and international literature. For HR professionals and organisational leaders looking to create emotionally intelligent workplaces that increase engagement and lower turnover, the results may offer practical insights.

Literature Review

Emotional Intelligence: Concept and Dimensions

Goleman (1995), who built upon the initial frameworks created by Salovey and Mayer (1990), popularised the idea of emotional intelligence. Self-awareness, self-regulation, motivation, empathy, and social skills are the five fundamental elements of emotional intelligence (EI) that Goleman identified. It is thought that these elements have a big impact on how people view themselves and interact with others in work environments. Better communication, conflict

resolution, and cooperation are all made possible by emotional intelligence, and these skills are essential in collaborative settings such as IT companies (Bar-On, 2006).

Emotional Intelligence and Employee Engagement

According to Kahn (1990), employee engagement is a multifaceted notion that encompasses physical, mental, and emotional involvement in the workplace. Emotional intelligence and employee engagement have been positively correlated in several research. Teachers with high EI, for instance, were more involved and dedicated to their work, according to Anari (2012). Similarly, Abraham (2000) showed that emotional intelligence improves organisational commitment and work happiness, both of which are essential components of engagement.

Emotional intelligence (EI) can assist personnel in the IT sector manage stress, uphold strong relationships, and remain motivated in the face of heavy workloads, deadline pressure, and ongoing technical advancements. Emotionally intelligent people are more likely to be resilient and self-motivated, which in turn encourages higher levels of involvement (Bradberry and Greaves, 2009). Businesses that make investments in the development of emotional intelligence frequently report more employee participation, better team cohesiveness, and higher morale (Cherniss, 2010).

Emotional Intelligence and Employee Retention

An employee's emotional attachment to the company is directly related to retention. According to studies, people with greater EI are more likely to stick with their present employers because they have stronger social networks, better coping strategies, and an improved capacity to handle obstacles at work (Wong & Law, 2002). Emotional intelligence (EI) helps workers cope with stress at work and adjust to organisational changes, two important aspects that lower turnover intentions (Jordan & Troth, 2011).

Emotionally intelligent people felt more committed to the organisation, which decreased their chance of quitting, according to research done on senior managers by Carmeli (2003). Similarly, Sy, Tram, and O'Hara (2006) found that EI has a substantial impact on both work satisfaction and intentions to leave. Emotional intelligence (EI) may be a moderating element that improves retention in the Indian IT sector, where job-hopping is prevalent due to competitive compensation and possibilities for career progression (Sharma & Mahajan, 2017).

Regional Context: The IT Sector in Nagpur

Thanks to projects like the Multi-modal International Cargo Hub and Airport at Nagpur (MIHAN), software parks, and tech clusters, Nagpur is quickly becoming a major IT destination. Notwithstanding its promise, the area still confronts obstacles such a lack of HR strategies tailored to the region, uneven retention rates, and talent movement to major cities (Deshpande, 2020). Although research has been done in urban areas like Bengaluru and Pune, there isn't much empirical data on mid-tier cities like Nagpur.

Therefore, a significant vacuum in the research is filled by analysing emotional intelligence in the context of Nagpur's IT industry. It makes it possible to comprehend locally how emotional intelligence affects employee retention and engagement in this particular socioeconomic and cultural setting.

Objective:

Examining emotional intelligence's function as a predictor of employee engagement and retention in IT companies in Nagpur District is the main goal of this research. It seeks to investigate the ways in which different aspects of emotional intelligence impact workers' emotional commitment, participation at work, and desire to stick with the company.

Research Methodology:

In order to examine the connection between emotional intelligence, employee engagement, and retention in IT companies located in Nagpur District, this study used a descriptive research approach. A systematic questionnaire is used to gather data from staff members in different IT companies. Purposive sampling is the method used to choose respondents who are relevant and have sufficient IT industry job experience. In order to get thorough and trustworthy insights

for the empirical study, a total sample size of 200 employees has been chosen.

Data Analysis and Interpretation:

Descriptive statistics and correlation analysis were used to examine the data gathered from a structured questionnaire in order to determine how emotional intelligence, employee engagement, and retention are related. A 5-point Likert scale, with 1 denoting strongly disagree and 5 denoting strongly agree, was used to gauge the replies. Two hundred IT specialists from different companies in Nagpur District made up the sample.

Table 1 Emotional Intelligence Score

EI Component	Mean	Standard Deviation	Interpretation
Self-awareness	4.12	0.65	High
Self-regulation	3.89	0.72	Moderate to High
Motivation	4.25	0.58	High
Empathy	4.01	0.67	High
Social Skills	3.95	0.70	Moderate to High

The respondents showed high emotional intelligence, especially in the areas of motivation (M = 4.25) and self-awareness (M = 4.12). IT workers have a well-rounded emotional competency, as seen by their slightly below-average but above-average social and self-regulation skills.

Table 2 Employee Engagement score

Engagement Dimension	Mean	Standard Deviation	Interpretation
Emotional commitment	4.10	0.60	High
Involvement in tasks	3.85	0.71	Moderate to High
Job enthusiasm	4.02	0.68	High

Respondents showed a high level of excitement and commitment in their work and reported a deep emotional connection to it. The greatest level of emotional commitment (M = 4.10) demonstrated a strong affinity with the culture and values of the organisation.

Table 3: Correlation between Employee Engagement and Employee Intelligence

Variable	Engagement (r)	Retention (r)	Significance (p-value)
Emotional Intelligence (Overall)	0.71	0.66	p < 0.01

Significant at $p < 0.01$ are the moderately strong link ($r = 0.66$) with retention and the substantial positive correlation ($r = 0.71$) between emotional intelligence and employee engagement. This implies that workers who possess emotional intelligence are more engaged and have a higher likelihood of sticking with their companies.

Emotional intelligence has a significant beneficial effect on employee engagement and retention, according to the report. The results imply that in order to improve employee commitment, satisfaction, and turnover, IT companies in Nagpur District could profit from including emotional intelligence development programs in their HR strategy.

Conclusions:

The results of this study unequivocally show that emotional intelligence is a strong predictor of employee retention and engagement in Nagpur District's IT companies. According to the data, people who possess higher emotional intelligence are more enthusiastic about their jobs, have stronger emotional commitments, and are more likely to want to stay with their

organisations. Among the elements of emotional intelligence, self-awareness, motivation, and empathy were shown to be especially important in promoting constructive behaviour at work. The study's overall findings highlight the significance of emotional intelligence as a critical psychological resource that improves employee engagement and well-being while also bolstering organisational stability through higher retention rates.

Recommendations:

IT companies are advised to make active investments in emotional intelligence development programs, including seminars, training courses, and leadership coaching, in light of the study's findings. Emotional intelligence tests have to be incorporated into hiring and performance reviews by HR departments. Furthermore, establishing an emotionally intelligent and supportive corporate culture that values communication, empathy, and interpersonal understanding may greatly increase employee engagement and lower attrition. A more resilient, driven, and devoted staff can result from cultivating such a culture, which will eventually support the long-term success of the company.

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