

# The Main Directions in the Development of Emotional Intelligence of the Personnel in a Credit Organization

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**Abstract**—The paper actualizes the main directions of human resources quality management, and substantiates the importance of improving approaches to human resources management of a credit organization, the formation of the effective system of emotional intelligence development of the staff and the quality of human resources in the modern socio-economic conditions.

**Keywords**—*quality management; human resources management; human resources quality; emotional intelligence; labour motivation; credit organization*

## I. INTRODUCTION

The development of information technologies, their constantly increasing entrance into various spheres of life, as well as the massive data growth have resulted in a new qualitative leap in society development. The finance and credit is the sphere where the change is most noticeable. The prospects and opportunities of the financial innovations have already been discussed long time since, but the necessary and sufficient conditions for breakthrough solutions have appeared just recently. We can assume that Russia is already living in the digital era: it ranks first in Europe and sixth in the world in the number of Internet users, 60% of the population have smartphones and about 80 million people access the Internet [1], [2]. In these conditions, the credit institutions have also been undergoing a digital transformation. The modern theory and practice of business processes management is characterized by the recognition of the human resources increasing role in ensuring labor productivity and enhancing competitiveness and production efficiency. In the conditions of digital revolution and digital economy development, the tasks of human capital formation in an organization are acquiring special attention. By human capital we mean a set of psychological and physiological, intellectual, sociocultural, spiritual and moral characteristics that regulate individual and collective behavior in the process of professional activity. Any modern organization, along with material, financial, information technology resources necessitates intellectual resources. Strategic plans for socio-economic development justify the significance of socio-

psychological and socio-cultural factors in the formation of the intellectual capital of an organization. Modern knowledge economy (intellectual economy) actualizes the tasks of knowledge management and intellectual potential development both at the individual and collective levels [3], [4].

## II. MAIN INDICATORS OF HUMAN RESOURCES EFFICIENCY

The main tasks of a credit institution include both shareholder satisfaction, customer satisfaction and employee satisfaction. The results of these tasks have clear and observable metrics: the return on investments and business performance, NPS and the engagement index. In current conditions, it is essential to create new competitive products in close cooperation with customers, bring them to the market faster, frequently update them and better meet the users' needs. However, as the practice of management shows, comfortable conditions and technological equipment of production processes are not enough to ensure high labor productivity. It is highly qualified personnel, the effective system of labor motivation and objective assessment of quality indicators of human resources effectiveness that are becoming the determining factors for improving the competitiveness of a credit institution.

The bank of the future should be an organization that largely consists of autonomous entrepreneurial teams. Each team should be responsible for its result, which contributes to achieving a common goal. The result of the team's activity should be a competitive product that appeals to the customers and has a significant economic effect at the same time. Therefore, it is of great importance to help such teams to become full and effective.

On the one hand, increasing teams' autonomy provides them with the opportunity to make decisions quickly and independently, but on the other hand, increases their responsibility for the result and for their segment of the overall business. Thus, it is possible to say that there is a task of human resources reengineering in a credit institution [2].

It should also be mentioned that there is a wide range of key performance indicators singled out in modern business processes. Taking into account the specificity of an organization, and its industry sector in particular, the key performance indicators are classified as follows:

- Financial indicators;
- Customer indicators;
- Marketing indicators and sales figures;
- Operating activities and logistics indicators;
- Corporate social responsibility indicators;
- Staff-related indicators.

There is no doubt that all these groups of performance indicators are inevitably linked with the quantitative and qualitative characteristics of labor management. Nevertheless, a number of characteristics related to credit institution personnel require special emphasis, they include the following:

- Added value of the human capital;
- Income per employee;
- Staff satisfaction index;
- Staff loyalty indicator;
- Employee turnover rate;
- Average length of work;
- Assessment of the full feedback cycle;
- Bradford's absenteeism factor ;
- The rate of salary competitiveness;
- Recruitment time;
- Return on staff training investment [5].

As an example, let us analyze some indicators of a credit institution personnel performance. In market economy, customer-orientation becomes essential. However, along with customer satisfaction, staff satisfaction is also becoming relevant. It means employee satisfaction in terms of meeting their expectations and needs in the process of performing professional duties. Unfortunately, the issues of human resources satisfaction are not always given due consideration in credit institutions. Meanwhile, customer satisfaction, improving the quality of service and increasing organization's profit are in close connection with the level of staff satisfaction and engagement. For this reason, the analysis of staff satisfaction should be included in the system of balanced indicators of credit institution effectiveness. The level of staff satisfaction is usually assessed through various anonymous surveys. Both external consultants and internal specialists can take part in organizing and conducting employee surveys. The survey is to examine the following aspects of the professional environment:

- Leadership;

- Communications;
- Linear management system;
- Opportunities for staff development;
- Corporate culture;
- Working conditions;
- Terms of services provision.

Based on the survey data, the ratio of quality characteristics to the number of questions is derived. The quality of the results directly depends on the number of respondents and the employees' level of objectivity, openness and trust. The analysis of staff satisfaction should be carried out with a timed update to monitor the dynamics of team spirit. This procedure is a low cost measure, but it is very helpful for assessing the performance of an organization.

The staff engagement assessment provides a more complete overview of credit institution effectiveness. It takes into account financial and non-financial goals of an organization, organizational strategy, philosophy and mission. This assessment presupposes examining employees' contribution to efficiency, productivity, and financial results. The low level of engagement may cause not only financial losses, but also the loss of valuable staff, striving for professional self-realization. The analysis of staff engagement is also carried out through a staff survey. Key questions reflect the characteristic features of the aspects of employee behavior. It is natural that the analysis of staff engagement implies certain further changes to the employees' professional behavior. The absence of further changes will lead to even greater demotivation of the personnel not engaged in the work process.

### III. THE ESSENCE AND DIRECTIONS OF WORKFORCE EMOTIONAL INTELLIGENCE DEVELOPMENT

In the structure and content of modern business processes socio-psychological aspects of human resources management are gaining greater prominence. Justified humanistic orientation of interpersonal relations does not allow ignoring the tasks of emotional intelligence development as the basis for the formation of human resources quality [6], [7].

The primary characteristic that determines the quality of an organization's human resources is the intellectual capital of employee personality. The combination of individual characteristics forms the totality of collective emotional intelligence. The latter, in its turn, is characterized by a wide range of mental components: temperament, character, emotional and volitional qualities, motivation and abilities, especially the intellectual ones. The organization of individual and collective labor is impossible without rational approaches to the process of vital activity. Not only rationality forms the foundations of modern knowledge economy, but it also determines the patterns of organizational behavior. The possibility of profound qualitative changes in the system of individual and collective behavior is ensured by the recognizing and implementing

powerful intellectual technologies in everyday practical work. Nowadays, the employees' abilities for system, analytical, critical, strategic and creative thinking as well as meta-rational aspects of human intellectual activity, actualizing intuition, instincts, beliefs, feelings, and emotions, are gaining increasing interest.

There is practically no doubt about the need to improve not only mental, but also emotional potential of a person. Purposeful development of emotional intelligence is to provide ample opportunities for employees' self-realization in the field of professional activity and for harmonization of life in general. A favorable working atmosphere, a positive, optimistic attitude, enthusiasm, inspiration, trust, openness, engagement, etc., contribute to unlocking the intellectual and creative potential of an individual and provide a high degree of satisfaction and a desire to work and continuously develop. As socio-psychological climate is formed under the leadership of senior management, accordingly, one of the urgent tasks of a modern leader is the development of their own emotional intelligence, that is, the abilities and skills to manage themselves and relationships within a team [2], [8], [9].

An outstanding expert in the field of organizational behavior S. Covey addressed four types of intelligence: physical, mental, spiritual and emotional. The main tools for the physical intelligence development, in his opinion, are a balanced diet, constant balanced physical activity, proper rest, stress management, disease prevention. As a complex, all this ensures the physical health and high physical potential of an organism.

The development of mental intelligence implies three main tasks: continuous, systematic, discipline, application of acquired knowledge to practice and training others.

The major directions of spiritual intelligence of an individual are gaining integrity, that is, the loyalty to one's highest values and conscience; obtaining the sense of one's own life and understanding personal contribution to other people's lives and common tasks; gaining one's own voice, that is, a feeling of coherence of one's own activity with personal vocation and talent.

S. Covey singled out five main components of emotional intelligence:

- Self-awareness - the ability to analyze one's own life, accumulate the knowledge about oneself and use it for personal development;
- Personal motivation (vision, values, goals, hopes, desires, interests, etc.) that forms the basis of life goals;
- Self-regulation - the ability to control oneself in the process of achieving goals;
- Empathy - the ability to understand how other people see and feel things;
- Social skills that promote effective interaction and joint problem solving.

In order to develop emotional intelligence S. Covey suggested seven key tools or skills of highly effective people. Due to this system of personal development, many people have managed to achieve prominent results in all spheres of life. S. Covey also highlighted the importance of the following areas of self-cultivation:

- Be proactive (take responsibility for your own life, take initiative).
- Begin with the End in Mind (start a business, understanding its ultimate goal).
- Put First Things First (set priorities, start with important tasks).
- Think Win-Win (aim at joint benefit).
- Seek First to Understand, Then to be Understood.
- Synergize.
- Sharpen the saw (constantly improve) [10], [11].

A renowned expert in the field of psychology D. Goleman noted that a person has two minds: rational and emotional, both of which should harmonize. What is more, D. Goleman drew attention to the need for emotional literacy and emotional intelligence development and emphasized its social significance. The basic components of emotional intelligence according to D. Goleman are:

- The ability to know and understand one's own emotions (self-awareness);
- The ability to manage emotions, emotional states;
- The ability to motivate oneself in order to create;
- The ability to recognize the emotions of others, the ability to empathize;
- The ability to maintain relationships (effective interpersonal skills, leadership) [12].

The key components of emotional intelligence, which form the basis of emotional leadership, are worth mentioning. There are two groups of skills defined - personal and social. Personal skills include the ability of a person for self-awareness. It reflects the ability to realize one's own emotions, the presence of intuitive abilities, subconsciously supporting the decision-making process. Together with this, self-awareness enables accurate, adequate self-esteem, the ability to identify personal strengths, weaknesses and capabilities. Self-confidence, based on self-esteem and recognition of the dignity of others, is also recognized as a weighty characteristic feature. Another personal skill, self-control involves the ability to control emotions, openness in relationships, a high degree of adaptability to inevitable changes, significant emotional and volitional potential (with a focus on high standards of quality and achievements), initiative and optimism.

If personal skills mostly regulate ability to control oneself, social skills reflect the ability to manage relationships with people. These skills consist of two

components, the first of which is social sensitivity. It includes such characteristics as empathy for the feelings of others, understanding and participation in the current situation. Moreover, business awareness of current events in an organization and focus on the needs of subordinates and customers should also be mentioned. The second component of social skills that form emotional intelligence is managing relationships. It is described by the following qualities: enthusiasm, influence, assistance in self-improvement, promoting qualitative changes, managing conflicts, strengthening personal relationships, developing social networks, organization of teamwork and cooperation [13].

#### IV. CONCLUSION

To conclude, in modern socio-economic conditions, the role of the human factor in ensuring the competitiveness of a credit institution, the efficiency of business processes and increasing labor productivity is becoming increasingly important. The development strategy of a credit institution should include a set of goals and activities for planning the quality of human resources, creating the necessary conditions for staff development and intangible assets growth, enhancing emotional intelligence of the workforce and the quality of human resources in general.

The development of emotional intelligence at the individual and collective levels is a continuous process associated with the ability and desire to improve the quality of business processes, the quality of human resources and the effectiveness of change management in an organization. The search for modern technologies of labor motivation can be guided by at least four key components: 1. Physical intelligence, reflecting the psycho-physiological essence of professional activity (quality of working life, work-life balance, sanitary and hygiene requirements, working conditions, employee health status, physical and mental well-being, stress level, etc.); 2. Mental intelligence, which characterizes the cognitive abilities of an individual, educational level and professional qualifications, the level of cognitive culture of an individual, and overall intellectual abilities (logical, analytical, critical, creative, strategic, systemic thinking, etc., which form the basis of a rational way of cognition of the world); 3. Spiritual intelligence, which forms the basis of the spiritual and moral culture of a person and the system of personal values, actualize the tasks of managing needs and the importance of self-education; 4. Emotional intelligence, which is represented by a set of personal and social skills of a person, fully demonstrated in the sphere of professional activity.

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