# EMOTIONAL INTELLIGENCE AND EFFECTIVE MANAGEMENT OF OIL AND GAS SERVICING COMPANIES IN PORT HARCOURT

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## INTRODUCTION

**Background of Study:**

The concept of emotional intelligence (EI) has gained massive attention in recent years and beginning to make inroads into the corporate world. This is a result of the relationship gaps that exist between employers and employees and the impact of EI on the overall organization's performance. Much research has been carried out in this area, such as Gama, et al, (2023), to show the importance of EI on employees in the automotive industry and how it affected them in the organization. Also, Carmeli and Josman, (2006), in their research on "The relationship between emotional intelligence, task performance, and organizational behavior" suggest a connection between emotional intelligence and positive performance in the workplace. Many definitions of emotional intelligence exist, however, the one from Daniel Goleman is very robust as it captures every aspect of EI as stated by (Desti and Shanthi, (2015:147). *Emotional Intelligence is the ability to sense, understand, value, and effectively apply the power of emotions as a source of human energy, information, trust, creativity, and influence.* Over the years, from my experience in the oil and gas industry, I have observed that some oil and gas companies especially in Port Harcourt, perform better than others, even with similar resources in the same industry space, (in terms of employee satisfaction, workers welfare, and overall performance). I also observed from my experience in the industry, that some employees perform better under certain kinds of leaders than others, hence this study examines the extent of the application of EI in the management of employees in the workplace and its impact on overall performance. In this study, Emotional Intelligence is conceived as the capability of management (employer) to harness the potentials and feelings of their employees through effective management, thereby increasing and improving organizational performance. This involves the application of Emotional Intelligence skills as stated below. Studies have revealed that there are four major skills required for Emotional intelligence development, they are:

(1) **Self-awareness:** Ability to understand your emotions, as well as your strengths and weaknesses, and recognize their impact on performance and relationships.

(2) **Self-management:** The ability to control positive and negative emotions and impulses and be flexible and adaptive as situations warrant.

(3) **Social awareness:** The ability to have empathy for others, navigate politically, and network proactively.

(4) **Relationship management:** The ability to inspire through persuasive communication, motivation, building bonds, and disarming conflict among team members. (https://www.ccl.org).

It is widely known that Emotional Intelligence helps both the employee and employer to increase their emotional self-awareness, self-management, expression, tolerance levels, trust, and integrity ultimately improving interactions within and across the organization, (Goleman, 1998) and thereby increasing the performance of employees and enhance the entire organizational outlook.

## Statement of the Problem

From my experience in the oil and gas industry, I have seen an unpleasant trend in the industry, some are folding up, as a result of high personnel turnover, low morale, poor staff welfare, mismanagement of resources, loss of clients, and reputation. Whereas, some other organizations, with similar resources and in the same industry space, are performing better (in terms of employee satisfaction, skills, motivations, welfare, and overall organization performance). I have witnessed the closure of companies like Abbeycourt Energy Services Limited, W.W. Whyte Nigeria Limited, etc. yet companies like STEVE Integrated Limited, WINSKO SERVES Nigeria Limited, and many others, have all continued to make progress in the oil and gas sector. This study will focus on the oil and gas sector by studying the relationship between employers' application of EI skills on the impact on employees and overall performance to fill the gap between the performing and non-performing oil and gas companies in Port Harcourt.

This study will be limited to the following application of basic EI skills, Self-awareness, Self-management, Social awareness, and Relationship management by employers of oil and gas companies in Port Harcourt and their relationship with employees and performance.

The findings of this study will benefit both employers and employees in oil and gas companies, especially those within the downstream and servicing sectors.

The purpose of this study is therefore to examine the relationship between the application of EI skills by employers and its overall impact on the performance of employees, especially in the oil and gas sector in Port Harcourt. Specifically, this study will

1. Determine the level of Emotional intelligence of employers in the oil and gas companies in Port Harcourt.
2. Examine the relationship between emotional intelligence and employee performance.

## Research Questions

1. What is the level of Emotional intelligence of the employers in the oil and gas companies in Port Harcourt?
2. What is the relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt?

## Research Hypothesis:

1. There is no significant difference between the level of emotional intelligence possessed by non-highly educated and highly educated employers in the oil and gas companies in Port Harcourt.
2. There is no significant relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt.

## Research Methodology

The study adopted a descriptive survey research design. This approach was considered most appropriate because it will help to describe, examine, record, analyze, and interpret the variables that were found in the study with a population of 94 respondents obtained through the census. The instruments for data collection were structured questionnaires titled "Emotional Intelligence and Effective Management of Oil and Gas Servicing Companies Questionnaire (EIEMOGCQ)" and "Emotional Intelligence and Employee Performance Questionnaire (EIEPQ)". The questionnaires are made up of two parts (A and B). Part A contains the demographic data of the respondents; while, Part B contains the items arranged according to the research questions that guided the study with the response options of Always, Sometimes, Rarely, and Never, assigned numerical values of 4, 3, 2 & 1 respectively. The instrument was validated by three research experts. The instrument was later subjected to a trial test and the reliability index of 0.78 was obtained using Cronbach Alpha. The data collected were analyzed using mean and standard deviation, Pearson Correlation (r), and t-test statistics respectively at a 0.05 significance level. In decision-making, items with mean scores of 2.50 and above were regarded as High Level while those with mean scores below 2.50 are recorded as Low Level. For the hypotheses, when the significant value is more than the significance level, the hypothesis was not rejected, while the null hypothesis was not accepted when the value is less than the level of significance set for the study.

### Results

The result of the study is presented below based on the research questions and null hypotheses that guided the study.

### Research Question 1

What is the level of emotional intelligence of the employers in the oil and gas companies in Port Harcourt?

**Table 1: Mean Ratings and Standard Deviations of Respondents on the Level of Emotional Intelligence of the Employers in the Oil and Gas Companies in Port Harcourt.**

| S/N | The level of Emotional Intelligence of the Employers includes: | A | S | R | N | $\bar{x}$ | SD | DECISION |
|-----|-----------------------------------------------------------------|----|----|----|----|------|------|----------|
| 1 | When I feel angry, I wait a bit, before lashing out to think. | 32 | 28 | 17 | 17 | 2.80 | 1.10 | HL |
| 2 | When I feel angry, I wait a bit, before lashing out to think why I'm angry | 39 | 17 | 19 | 19 | 2.81 | 1.18 | HL |
| 3 | When I feel angry, I wait a bit, before lashing out to think if someone upset me. | 44 | 15 | 15 | 20 | 2.88 | 1.22 | HL |
| 4 | When I feel angry, I wait a bit, before lashing out to think of what the emotion underneath my behavior will be | 30 | 14 | 22 | 28 | 2.49 | 1.22 | LL |
| 5 | I do think about my strengths and weaknesses | 37 | 26 | 16 | 15 | 2.90 | 1.10 | HL |
| 6 | I put in much effort to understand when people are communicating non-verbally | 30 | 24 | 20 | 20 | 2.68 | 1.14 | HL |
| 7 | When I give instructions or directives, I consider the EMPLOYEES | 33 | 22 | 22 | 17 | 2.76 | 1.12 | HL |
| 8 | I do communicate effectively and openly with my employees | 40 | 14 | 16 | 24 | 2.73 | 1.26 | HL |
| 9 | My main points are clear when I communicate. | 39 | 21 | 18 | 16 | 2.88 | 1.13 | HL |
| 10 | I do give my full attention when someone else is speaking. | 30 | 12 | 24 | 28 | 2.47 | 1.22 | LL |
| 11 | I do view things objectively, that is understanding my strengths and weaknesses and acting with humility. | 39 | 24 | 16 | 15 | 2.90 | 1.10 | HL |
| 12 | I do appreciate and value my employees | 42 | 12 | 15 | 25 | 2.73 | 1.26 | HL |
| 13 | I do consider how my employees feel | 39 | 20 | 18 | 17 | 2.88 | 1.13 | HL |
| 14 | I do consider what those feelings mean | 42 | 17 | 18 | 17 | 2.89 | 1.17 | HL |
| 15 | I do consider how those feelings impact on their productivity | 33 | 18 | 22 | 21 | 2.67 | 1.18 | HL |
| | **Grand Mean/SD** | | | | | 2.76 | 1.17 | HL |

*NB: A = Always, S = Sometimes, R = Rarely, N = Never, HE = High Level, LL = Low Level*

Concerning the data presented in Table 1, regarding the level of emotional intelligence of the employers in the oil and gas companies in Port Harcourt, the Table shows a high level of emotional intelligence on items number 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, 13, 14 and 15 with mean scores of 2.50 and above. Similarly, the Table also showed a low level of emotional intelligence on items number 4 and 10 with mean scores of 2.49 and 2.47. However, the grand mean of 2.76 obtained denotes a high level of emotional intelligence of the employers in the oil and gas companies in Port Harcourt.

**Hypothesis 1**

There is no significant difference between the level of emotional intelligence possessed by non-highly educated and highly educated employers in the oil and gas companies in Port Harcourt.

**Table 2: T-test statistics on the Significant Difference between the Level of Emotional Intelligence possessed by Non-Highly Educated and Highly Educated Employers in the Oil and Gas Companies in Port Harcourt.**

| Group | N | Mean | SD | t | df | Sig | Dec |
|---|---|---|---|---|---|---|---|
| Non-Highly Educated | 53 | 2.78 | 0.29 | 0.326 | 92 | 0.745 | NS |
| Highly Educated | 41 | 2.76 | 0.32 | | | | |

Data analysis as presented in **Table 2** shows that the t-calculated value of 0.326, is not significant at the 0.745 level of significance, which is greater than the 0.05 level of significance set for the study. Therefore, the null hypothesis is not rejected as stated. This means that there is no significant difference between the level of emotional intelligence possessed by non-highly educated and highly educated employers in the oil and gas companies in Port Harcourt.

### Research Question 2

What is the relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt?

**Table 3: Pearson Correlation (r) between Emotional Intelligence and Employee Performance in the Oil and Gas Companies in Port Harcourt.**

| | | E I | E P |
|---|---|---|---|
| E I | Pearson Correlation | 1 | 0.221 |
| | Sig. (2-tailed) | | 0.032 |
| | N | 94 | 94 |
| E P | Pearson Correlation | 0.221 | 1 |
| | Sig. (2-tailed) | 0.032 | |
| | N | 94 | 94 |

Data presented in **Table 3** above reveals that the Pearson Correlation (r) value between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt is 0.221. This shows a low correlation between employers' emotional intelligence and employees' performance. By implication, a positive relationship exists between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt.

**Hypothesis 2**

There is no significant relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt.

**Table 4: Pearson Correlation (r) on the Significant Relationship between Emotional Intelligence and Employee Performance in the Oil and Gas Companies in Port Harcourt**

| Correlations | | | EI | EP |
|---|---|---|---|---|
| EI | Pearson Correlation(r) | | 1 | .221[*] |
| | Sig. (2-tailed) | | | 0.032 |
| | N | | 94 | 94 |
| EP | Pearson Correlation(r) | | .221[*] | 1 |
| | Sig. (2-tailed) | | 0.032 | |
| | N | | 94 | 94 |
| *. Correlation is significant at the 0.05 level (2-tailed). | | | | |

In **Table 4**, the obtained Pearson Correlation (r) value of 0.221 is significant at a 0.032 level of significance, which is less than the 0.05 level of significance set for the study. Therefore, the null hypothesis is statistically insignificant and thus, not rejected as stated. This implies that there is no significant relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt.

**Major Findings of the Study**

1. There is a high level of emotional intelligence of the employers in the oil and gas companies in Port Harcourt.
2. There is no significant difference between the level of emotional intelligence possessed by non-highly educated and highly educated employers in the oil and gas companies in Port Harcourt.
3. A positive relationship exists between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt.
4. There is no significant relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt.

**Discussion of Findings**

Regarding the level of emotional intelligence of the employers in the oil and gas companies in Port Harcourt, the study revealed a high level of emotional intelligence of the employers in the oil and gas companies in Port Harcourt. This high level of emotional intelligence is evident as; I do think about my strengths and weaknesses, i view things objectively, that is understanding my strengths and weaknesses and acting with humility, i consider what those feelings mean, I consider how my employees feel, when I feel angry, I wait a bit, before lashing out to think if someone upset me and many more. On this note, it becomes imperative to exhibit a high level of emotional intelligence for all-round productivity. In agreement with the hypothesis, there is no significant difference between the level of emotional intelligence possessed by non-highly educated and highly educated employers in the oil and gas companies in Port Harcourt.

This finding is in line with Onwuka and Nwakoby (2021) who noted that individuals with greater degrees of emotional intelligence could better cope with environmental demands and pressures, and emotional intelligence comprises self-awareness, self-management, self-motivation, empathy, and social skills. This also tallied with Chen (2019) who stated that individuals with greater emotional intelligence could better interpret, control, and utilize emotional information than those with lower levels.

Regarding the relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt, the study shows a low correlation between employers' emotional intelligence and employees' performance. By implication, a positive relationship exists between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt. Thus, the hypothesis showed no significant relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt.

This finding in line with Mai & Nguyen's (2015) study affirmed that a leader's emotional intelligence attributes were positively associated with employee organizational commitment. This aligns with Muhammed and Mahmoud (2013) who stated that there was a strong significant relationship between the emotional intelligence component intelligence and job performance.

## CONCLUSION

The study discussed extensively, emotional intelligence and effective management of oil and gas servicing companies in Port-Harcourt. It specifically covered the level of emotional intelligence of the employers in the oil and gas companies in Port Harcourt and the relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt. Consequently, the study had shown the level of emotional intelligence of the employers in the oil and gas companies in Port Harcourt and the relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt; and, invariably indicated that low-level of emotional intelligence may hamper productivity in oil and gas companies. In agreement, there is no significant difference found in the mean scores of respondents on the difference between the level of emotional intelligence possessed by non-highly educated and highly educated employers, and the relationship between emotional intelligence and employee performance in the oil and gas companies in Port Harcourt. Therefore, corporate organizations and other concerned authorities need to take proactive steps to ensure the acquisition and exhibition of emotional intelligence for enhanced productivity of oil and gas companies in Port Harcourt.

## RECOMMENDATIONS

Consequent to the findings of this study and conclusions drawn, the following recommendations were proffered;

1. Corporate organizations and other concerned individuals should always organize training and re-training programmes for their employees to acquire the competencies of workplace emotional intelligence for productivity.
2. More awareness of emotional intelligence should be created by appropriate authorities with an emphasis on its potential in an establishment.
3. Quality assurance/staff appraisal exercises should be conducted on a timely basis to examine the employees on core competencies including emotional intelligence as it correlates with performance.

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