

## Importance of Intellectual, Emotional, and Spiritual Quotient in Managing Employee Performance

Helmiatin  
Faculty of Economics, Universitas Terbuka

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### ABSTRACT

The Human Resource Department perspective emphasizes that employees cannot be treated like a machine but as human being, who require particular approaches for enhancing their performance. This study aims to determine how intelligence quotient (IQ), emotional quotient (EQ), and spiritual quotient (SQ)/(IESQ) enhance employee performance. To achieve this objective, we conducted a research that focuses on the education sector. In particular, data for this study were collected through surveys involving employees of Universitas Terbuka, the Jakarta branch. Universitas Terbuka has 32 distance program units. The objects of this research were academic personnel, with 57 respondents answering a survey questionnaire. Results showed that IESQ is significant in managing employee performance, particularly for academic staff members who are engaged in complicated work. Future research is expected to involve a larger number respondents with a wider coverage.

Keywords: Intellectual quotient, Emotional quotient, Spiritual quotient, Performance

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### 1. BACKGROUND

Employee perceptions of high-performance human resources (HR) practice used at the job group level positively relate to commitment and perception. Affective organizational commitment partially mediates the relationship between HR practice perceptions and organizational citizenship behavior and fully mediated the relationship (Kehoe, 2010). A company has external and internal environments. Moreover, a company and its employees share the same objective to achieve the highest goal of the company.

A high-performing HR management is an important asset for companies and organizations. Employees of Universitas Terbuka (UT), who are engaged in a variety of jobs, understand the importance of work performance. One of these endeavors in UT is the distance learning program unit (UPBJJ) or Regional offices at Jakarta. UPBJJ Jakarta is crucial because it is located in the capital city. Accordingly, employees have jobs that are considerably diverse, particularly the administrative staff members. The main task of these employees is to provide services to students and perform other administrative functions. However, the complex nature of their job has resulted in their feeling of saturation.

UPBJJ Jakarta is a central unit center; thus, it deals with numerous tasks and responsibilities that continuously come from other UPBJJ centers. The employees are exhausted and they still have to serve students who come to the office. Given that UPBJJ Jakarta has over 14,000 registered students, employees have to deal directly with a diverse student body. The work of the employees seems endless and occasionally exceeds the regular full working time. Thus, overtime is often required. UPBJJ Jakarta is located near the headquarters; hence, it is frequently visited by auditors. However, policies from the head office are occasionally not implemented in UPBJJ Jakarta.

The overtime works may have implications on the performance of employees. The performance requires a level of competence that supports the needs of employees. Intelligence quotient (IQ), as an ability to solve an objective problem alone, can be used to consider whether a person sufficiently competent (Brody and Brody, in Soebyakto, 2012). However, competence should also include emotional quotient (EQ) and spiritual quotient (SQ) apart from IQ.

Employee performance that directly or indirectly contributes to the company is crucial to the success of a company for external stakeholders and internal interests (employees), which are owned by the company. To obtain the optimal performance of the existing employees in a company, management should formulate the correct strategy, that is, to determine how to manage employees to achieve the company objectives (Mangkuprawira, 2009).

Many factors affect a person's performance. However, fairness in payroll and individual behavior do not affect a person's performance (Panggabean, 2002). Accordingly, enhancing the performance of employees is associated with performance assessment conducted by a company. Mathis and Jackson (2006) stated that the performance is essentially what is done or not done by employees. Performance management is the overall activities undertaken to improve a company or organization's performance, including the performance of each individual and group in such institution.

Individual performance can affect the overall performance of an organization. However, improving individual performance occasionally requires effort and strong emphasis from employees. Moreover, individual performance is influenced by several factors, such as expectations regarding rewards, encouragement, abilities, needs, perceptions of duties, internal and external rewards, perception of the level of remuneration, and job satisfaction (Gibson, 1994). Thus, performance is determined by ability, desire, and the environment.

Studies have shown that 80% of a person's success is determined by EQ, while the other 20% is determined by IQ (Goleman, 2000). IQ and EQ are important and required by people who work. Mangkuprawira (2009) explained that the application of EQ in work and life is important.

Goleman (2000) used the research results of neurologists and psychologists to conclude that every human being has two potential thoughts, namely, the rational and emotional mind. The rational mind is triggered by intellectual ability (i.e., popular called IQ), whereas the emotional mind is moved by emotion. Actual examples of EQ are the ability to think positively of others, empathy, responsibility, being socially interactive, tolerance of various emotions (e.g., anger and hatred) or self-control, being a team

player, and having social skills, morale and motivation, and respect for others (Mangkuprawira, 2009).

Often, IQ is considered the intelligence that humans possess since birth, whereas EQ is gained from environmental influences or family care. One example is a person who has a considerable sense of responsibility at work compared with others in the same work area. Meanwhile, SQ is recently considered a complement to a person's IQ and EQ. The presence of SQ will enable a person to equally utilize IQ and EQ because of the guidelines or norms contained in religious teachings.

UT is a provider of higher education and employs academic employees or lecturers and administrative staff members. The duties and functions of the employees and staff members are running the organization's operations in accordance with the provisions and serving the students and other stakeholders to the best of their abilities. The employees cannot be separated from various technical and non-technical issues because they provide the aforementioned services.

In particular, UT employees are civil servants who are required to provide the best possible service. These employees have diverse responsibilities and are linked to one another, thereby requiring them to demonstrate their considerable capabilities. IQ has a crucial role in developing creativity for the completion of work. Employees do not work alone and are constantly engaged with other parties, including co-workers, supervisors, or external parties. People could develop a good EQ when they have a good attitude and are able to interact with others.

When employees are in poor condition, such as during times of financial difficulties, their desire and ability to work well should not be reduced. When employees have a good SQ, they will no longer constantly expect material rewards but expect a sense of work security instead. Hence, employees will be able to control themselves when faced with a problem.

Jobs in UT are consistently associated with other units and often require coordination. Problems can be reduced if employees have a good SQ. Accordingly, SQ can strike a balance between IQ and EQ. The effects of IQ, EQ, and SQ are extensively studied in the field of business. Thus, the current study attempts to analyze the influence of IQ, EQ, and SQ in the performance of UT employees.

This study aims to answer the following questions:

1. Does IQ significantly affect employees performance?
2. Does EQ have a substantial impact on employee performance?
3. Does SQ have a significant influence on employee performance?

The research objective of this study is to analyze the influence of IQ, EQ, and SQ on employee performance.

## **2. LITERATURE REVIEW**

### **Definition of IQ**

The French psychologist Alferd Binet classified IQ as human intelligence. The Stanford–Binet term of IQ tests was developed by Lewis Ternman of Stanford University, in which IQ is a single intelligence of every individual but is exclusively linked to the cognitive aspect (Misbach, 2008).

Robbins (2001) defined intellectual intelligence as the capability needed to execute a mental activity, thinking, reasoning, and problem solving. Various types of job require a person to have high IQ. At present, the extensive dissemination of information has positive and negative impact. Thus, a person needs intelligence to filter and obtain beneficial information for his or her personal development.

Everyone has varying and diverse IQs. In the academic sector, a person could possess specific intelligence for science or the arts. This kind of intelligence influence the achievement at this field of works is supported by interest. The meaning of IQ is the intelligence for analysis, logic, and ratio. Moreover, IQ is the intelligence to receive, store, and process information into facts (Widodo, 2012). The intelligence of a person may vary. Numerous assumptions on IQ have been presented. For example, parents today consider smart children only those who mastered science concepts. Evidently, this mindset has already been embedded in the minds of parents.

In reality, people who have obtained high scores in tests are the ones who are often considered intelligent, thereby capable of completing substantial work and pursuing a brilliant professional career. However, those who lack a good academic performance can have a successful career if they recognize and know how to maximize their other intelligences.

## **EQ**

EQ is one form of intelligence in which a person has the ability to recognize oneself and others, motivate oneself, and manage emotions well (Goleman, 2000). Until recently, EQ is merely regarded as a complement to a person's work. EQ is the ability to recognize and manage emotions, motivate oneself, recognize the emotions of others (empathy), and ability to build relationships (in cooperation) with other people. EQ has been recently assessed as less important than IQ. However, study revealed that EQ is twice as important as IQ in contributing to the success of a person (Gill, 2011).

“Emotional intelligence is the ‘something’ in each of us that is a bit intangible. It affects how we manage behavior, navigate social complexities, and make personal decisions that achieve positive results. Emotional intelligence is made up of four core skills that pair up under two primary competencies: personal competence and social competence” (Bradberry, 2014).

The preceding definition indicates that EQ is an intangible asset that affects how we behave through four attitudes paired with two competencies (i.e., personal and social ) (see Figure 1).



*Emotional intelligence is made up of four core skills.*

**Figure 1 Four Core Skills**

Source: <http://www.forbes.com>

## SQ

SQ is the intelligence that acts as a basis and required in the effective functioning of IQ and EQ. SQ is the highest intelligence within us (Misbach, 2008). Marshall (2001) determined that SQ is the intelligence used to face and solve the problems related to the meaning and value of human behavior and, in the context of a considerably broad and extensive meaning, consider that the action or way of life of a person is more meaningful than others. The following signs indicate that people's SQ has substantially progressed: (1) flexibility, (2) high level of self-awareness, (3) ability to deal with and overcome suffering, (4) ability to deal with and overcome pain, (5) quality of life is inspired by vision and values, (6) reluctance to cause unnecessary losses to others, (7) ability to recognize the connection between things (holistic belief), (8) tendency to ask "Why?" or "What if?", and (9) ease of working against convention.

## Performance

Performance is often assumed as a person's overall success rate in a certain period. In particular, this success is observed in implementing tasks that are assessed based on a particular set of standards, such as a standard result, targets, or criteria that have been agreed upon.

Performance is considered one of the indicators for the achievement of organizational goals and viewed as "done thing" in various units within an organization. Moreover, performance is a result that can be achieved by a person or group of people within an organization in accordance with authority and responsibilities to achieve the organizational goals legally, does not violate the law, and correspond to moral and ethical standards (Prawirosentono, 1999).

Performance can be measured as follows.

1. Quality of work: Viewed in terms of accuracy and skills involve, speed of completion, and workmanship
2. Quantity of work: Measured quantitatively and the ability to reach the target or the work in new jobs

3. Knowledge: Involves a review of workers' ability to understand matters relating to their tasks
4. Reliability: Measures the capability and reliability in performing duties in terms of running regulations and initiatives and disciplines.
5. Presence: Viewing the activities of workers in terms of office routine, meetings, or serving clients
6. Co-operation: How workers can work with others to complete a task (Ma'rifah, 2004).

### **Previous research**

Cipta (2009) analyzed the influence of SQ on the performance variables and EQ as an intervening variable in at insurance office. Data were analyzed using path analysis. Cipta concluded that (1) SQ has significant influence on employee performance and (2) SQ has indirect influence on employee performance through EQ.

In the hotel industry, Meirayati (2005) analyzed the effects of intelligence, organizational commitment, and organizational culture on employee performance in Hotel Horison Semarang. The result of Meirayati's research showed that intelligence, organizational commitment, and organizational culture have a positive and significant impact on employee performance. The variable that has the most impact is IQ, which contributes to improved performance apart from the organization's commitment.

IQ, EQ, and SQ are attached to the duties and tasks of employees. Sumenge (2011) employed regression analysis techniques and showed that EQ, IQ, and SQ significantly influence the employee performance of Bank Rakyat Indonesia.

O'boyle et al. (2010) determined that the three streams of EQ research, namely, ability, self- and peer-report, and mixed models, predict job performance equally well. In the education sector, the role and development of IQ, EQ, and SQ have important meaning to the development of a physically and psychologically dignified individual. Numerous indicators can lead to the proper management of educational processes, particularly if the positive life values can be managed.

## **3. RESEARCH FRAMEWORK AND HYPOTHESIS**

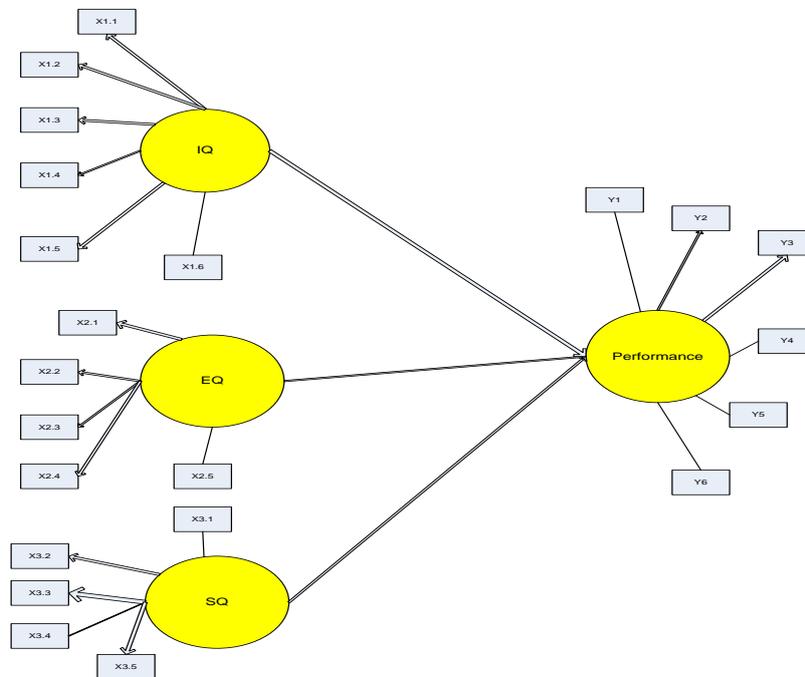
### **Methods of Data Analysis**

This study used primary data that were obtained through questionnaires sent to the respondents.

The four variables measured in this study comprise three independent variables and one dependent variable. The first independent variable is IQ (X1), which refers to the ability to calculate with ease, good memory, easily understands conversations, ability to draw conclusion, rapid observation skill, and capability to solve various problems (Mujib and Mudzakir, 2000).

EQ (X2) consists of self-knowledge, self-control, motivation, empathy, and social skills (Goleman, 2000). SQ (X3) comprises absolute honesty, openness, self-knowledge, focus on contributions, non-dogmatic, and spiritual (Setiawan, 2004). Variable Y consists of quality, quantity, timeliness, effectiveness in self-reliance, and commitment

(Bernardin, 2007). Figure 2, shows the lines of inquiry within the current research framework.



**Figure 2 Current Research Model**

### Hypotheses

The following hypotheses based on the current framework and research model.

H1: IQ has a positive influence on employee performance.

H2: EQ has a positive impact on employee performance.

H3: SQ has a positive effect on employee performance.

We used the partial least squares (PLS) method to test our hypotheses. The four variables measured in this study consisted of three independent variables and one dependent variable.

### Analysis and Discussion

#### Hypothesis testing result and discussion

To prove our hypotheses, we considered bootstrapping analysis by path coefficients (i.e., by comparing t-count with t-table) (see Table 1). The t-table value is above 1.96 (at a confidence interval of 95%) for the entire latent variables. This result indicates that the three hypotheses was supported.

Table 1. *Path Coefficients*

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics ( O/STERR )
EQ -> Performance	0.426	0.4122	0.0916	0.0916	<b>4.653</b>
IQ -> Performance	0.255	0.273	0.0708	0.0708	<b>3.605</b>
SQ -> Performance	0.335	0.3325	0.0393	0.0393	<b>8.529</b>

### Hypothesis Testing Results

#### Hypothesis 1: IQ has positive influence on employee performance.

Coefficients path analysis shows that IQ influences employee performance. The relationship between the variables is positive, where the value of the parameter coefficient is 0.255. This result indicates that an increase in IQ will have an impact on employee performance. Hypothesis 1 was supported because the t statistics = 3.6 is higher than the table = 1.96. Therefore, IQ has a significant influence on employee performance.

#### Hypothesis 2: EQ has positive impact on employee performance.

The PLS analysis indicates that EQ has a strong relationship with employee performance, in which the value of the parameter is 0.426. This result indicates that a high EQ will have an effect on employee performance. Hypothesis 2 was supported because the t statistics = 4.65 is higher than table = 1.96. Therefore, EQ has a significant impact on employee performance.

#### Hypothesis 3: SQ has a positive effect on employee performance.

The coefficient path analysis shows that SQ is positively related to employee performance, in which the coefficient value parameter is 0.335. Hypothesis 3 was supported because the results of the analysis showed that t statistics = 8.53 is higher than the table = 1.96. Therefore, SQ has a significant effect on employee performance.

The following indicators have the highest significance for each variable:

1. IQ: involves analytical thinking in every decision, questioning if a complex job cannot be completed, the ability to think logically, and the ability to express opinions;
2. EQ: involves the ability to motivate others, trying new things, and the ability to feel what is perceived by others, such as sadness and happiness; and
3. SQ: involves the ability to spontaneously adapt to a new atmosphere, constantly thinking positively in dealing with various problems in life, and effective use of time at work.

Evidently, UPBJJ Jakarta is a regional office, where employees have many tasks, thereby necessitating that they be emotionally stable and remain unaffected by the problems or complaints of students. Accordingly, these employees should be able to

think logically and analytically in dealing with various situations. Their nature of their work is diverse and complex, thereby demanding punctuality in terms of the completion of their tasks. IQ plays a role in the process of work completion, EQ is beneficial for a person to work with a team, and SQ assists in providing a feeling of peace at work. Emotional relationships with work and work environments also support employee performance (Pujiwati, 2015).

#### 4. CONCLUSION AND RECOMMENDATION

In conclusion, our hypotheses were supported because of the analytical results obtained, in which the t-count is higher than the t-table. IQ has an important role in the completion the work and having a high EQ will support job completion. SQ is currently a concern of companies or organizations because an individual with a good balance of SQ will be able to give goodness in the process of work accomplishment. Therefore, IESQ supports the improvement of employee performance.

This study provides a few recommendations. UT realizes that the role of IESQ is integral and inseparable. However, a good performance is not based on high IQ scores alone. Accordingly, management and leaders of UT should focus on the role of EQ and SQ to achieve high performance. This research is expected to contribute knowledge on the use of IESQ in education, particularly in the open and distance learning university. Further research is necessary and involves a considerably broad scope to achieve comprehensive results.

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