

The Role of Emotional Quotient in Enhancing Employee Performance and Organizational Success in the Service Industry

1167

Bakhtiar Abbas

*Master of Management Study Program, Sekolah Tinggi Ilmu Ekonomi Enam Enam
Kendari, Indonesia*

E-Mail: tiarabbas.17@gmail.com

Arfin Bagea

*Management Study Program, Sekolah Tinggi Ilmu Ekonomi Enam Enam Kendari,
Indonesia*

E-Mail: arfinbagea6@gmail.com

Andi M. Budihard

*Management Study Program, Sekolah Tinggi Ilmu Ekonomi Enam Enam Kendari,
Indonesia*

E-Mail: mbudihard@gmail.com

Muh. Nur

*Management Study Program, Sekolah Tinggi Ilmu Ekonomi Enam Enam Kendari;
Kendari, Indonesia*

E-Mail: muh.nur363@gmail.com

Anas Sutirino

*Management Study Program, Sekolah Tinggi Ilmu Ekonomi Enam Enam Kendari;
Kendari, Indonesia*

E-Mail: anassutirino97@gmail.com

**Submitted:
JANUARY 25, 2025**

**Accepted:
MARCH 31, 2025**

ABSTRACT

The service industry heavily relies on the quality of service provided by employees, with Emotional Quotient (EQ) playing a crucial role in enhancing individual performance and organizational effectiveness. While EI is widely recognized as a key factor in improving workplace interactions and customer satisfaction, many organizations still prioritize technical skills over emotional and interpersonal development. This study examines the role of EQ in the service industry, focusing on its impact on both individual and organizational performance. It explores EQ dimensions, challenges in its development, and strategies for enhancing human resource quality to foster a harmonious and productive work environment. A qualitative descriptive approach is employed, utilizing in-depth interviews with human resource managers, supervisors, customer service employees, academics, and industrial psychologists to analyze the relationship between EQ and employee performance. The findings reveal that EQ not only enhances employees' ability to manage stress and build interpersonal relationships but also plays a strategic role in improving leadership effectiveness and customer service quality. This study underscores the importance of integrating EQ into human resource management policies to cultivate a more adaptive, productive, and sustainable work environment in the service industry.

Keywords: Customer Service; Emotional Quotient; Employee Performance; Service Industry

JIMKES

Jurnal Ilmiah Manajemen
Kesatuan
Vol. 13 No. 2, 2025
pp. 1167-1178
IBI Kesatuan
ISSN 2337 – 7860
E-ISSN 2721 – 169X
DOI: 10.37641/jimkes.v13i2.3173

ABSTRAK

Industri jasa sangat bergantung pada kualitas layanan yang diberikan oleh karyawan, di mana kecerdasan emosional memainkan peran penting dalam meningkatkan kinerja individu dan efektivitas organisasi. Meskipun kecerdasan emosional telah diakui sebagai faktor krusial dalam meningkatkan interaksi kerja dan kepuasan pelanggan, banyak organisasi masih lebih fokus pada pengembangan keterampilan teknis dibandingkan aspek emosional dan interpersonal. Penelitian ini mengkaji peran kecerdasan emosional dalam industri jasa, termasuk pengaruhnya terhadap kinerja individu dan organisasi. Fokus utama penelitian ini mencakup berbagai dimensi kecerdasan emosional, tantangan dalam pengembangannya, serta strategi untuk meningkatkan kualitas sumber daya manusia guna menciptakan lingkungan kerja yang harmonis dan produktif. Studi ini menggunakan pendekatan deskriptif kualitatif dengan metode wawancara mendalam yang melibatkan manajer sumber daya manusia, supervisor, karyawan layanan pelanggan, akademisi, dan psikolog industri untuk mengeksplorasi hubungan antara kecerdasan emosional dan kinerja karyawan. Hasil penelitian menunjukkan bahwa kecerdasan emosional tidak hanya meningkatkan kemampuan individu dalam mengelola stres dan membangun hubungan interpersonal, tetapi juga memainkan peran strategis dalam meningkatkan efektivitas kepemimpinan serta kualitas layanan pelanggan. Implikasi dari studi ini menegaskan pentingnya pengembangan kecerdasan emosional dalam kebijakan manajemen sumber daya manusia untuk menciptakan lingkungan kerja yang lebih adaptif, produktif, dan berkelanjutan dalam industri jasa.

Kata kunci: Layanan Pelanggan; Kecerdasan Emosional; Kinerja Karyawan; Industri Jasa

INTRODUCTION

The service industry has unique characteristics compared to other sectors due to the high level of direct interaction between employees and customers. In this environment, the quality of service provided by employees is a major factor in determining customer satisfaction and business sustainability. These interactions not only involve the exchange of information and transactions but also include emotional aspects that can influence customers' perceptions of the services provided (Abdo et al., 2022; Abdyrakhmanova & Poór, 2023). Therefore, employees' ability to manage emotions and build positive relationships with customers is crucial in creating a high-quality service experience. A company's success in the service sector largely depends on how well employees handle stressful situations and respond appropriately to customer needs. Employee performance in this industry directly impacts customer satisfaction and their loyalty to the company. Satisfied customers are more likely to return for the same service and recommend the company to others. Conversely, poor service quality can harm a company's reputation and reduce its competitiveness in the market. In this regard, employees' interpersonal and emotional competence plays a decisive role in fostering effective and pleasant interactions with customers. Therefore, employee performance management in the service sector should not only focus on technical skills but also on psychological aspects related to Emotional Quotient (Abunaila, 2023; Al-Okaily et al., 2024).

In addition to influencing individual performance, Emotional Intelligence (EQ) plays a significant role in enhancing leadership skills within organizations. Leaders with a high level of EQ are better equipped to motivate employees, foster a positive work environment, and strengthen team engagement. The ability to understand and manage both their own emotions and those of their team members enables leaders to make more effective decisions and resolve workplace conflicts. A strong EQ also allows leaders to enhance job satisfaction and employee loyalty, ultimately contributing to the achievement of organizational goals. Therefore, developing EQ within organizations is considered an effective strategy for improving employee well-being and performance while strengthening the company's competitiveness in the service industry (Jena et al.,

2022). This research holds significant value in bridging the gap between the theoretical understanding of EQ and its practical application in human resource management within the service sector. While EQ has been widely studied in academia, its implementation in the workplace still faces various challenges, particularly in integrating EQ into organizational policies. Many companies continue to prioritize technical skills without adequately addressing the emotional aspects that are equally crucial for enhancing employee performance. By recognizing the role of EQ in improving both individual and organizational performance, companies can develop more effective training programs and implement EQ-based human resource management strategies (Pertiwi, 2023; Setyanugraha & Dahlan, 2023). Therefore, this study aims to provide deeper insights into how EQ can be optimized in the workplace to cultivate a more competent and productive workforce.

This research makes both practical contributions and significant theoretical advancements in enriching academic literature on the relationship between emotional intelligence (EQ) and employee performance in the service sector. By identifying workplace challenges in EQ development, this study offers insights into solutions for enhancing employees' emotional competence. The findings serve as a foundation for designing organizational policies focused on emotional management, contributing to an effective work model that improves motivation, engagement, and well-being. Consequently, this research impacts both academia and organizational management, particularly in enhancing the competitiveness of the service industry. This study addresses gaps in research on EQ within the service sector. While EQ has been explored across various disciplines, limited studies examine its role in individual productivity within human interaction-based environments. Prior research has predominantly focused on the manufacturing or technology sectors. This study provides a deeper perspective on EQ's influence on employee performance in roles that demand high interpersonal skills, enriching academic literature and serving as a reference for future research. Additionally, this research is highly relevant to contemporary workplace issues, particularly the transformations in the service industry driven by globalization and digitalization. Increasing business competition necessitates not only technical skills but also strong EQ for adaptability and service quality (Cherry, 2021; Cudjoe et al., 2023). In the post-pandemic era, EQ is crucial for customer satisfaction and teamwork in hybrid or remote work settings. However, many companies still overlook EQ as a strategic asset. This study explores the integration of EQ into HR strategies to strengthen the competitiveness of the service industry.

In terms of policies and legal practices, this research also contributes to the development of regulations and organizational policies related to human resource management (Haricharan, 2022). Emotional Quotient (EQ) has become an integral part of management approaches used by various multinational companies; however, not many organizations have systematically implemented it in their internal policies. By understanding the role of EQ in enhancing employee well-being and productivity, companies can design more inclusive policies, such as EQ training programs, soft skills-based evaluation mechanisms, and incentive systems that consider emotional competence. Furthermore, the findings of this study can serve as a reference for policymakers in formulating labor regulations that better support the balance between emotional aspects and professionalism in the workplace. Thus, this research has a far-reaching practical impact on improving the effectiveness of organizational policies and fostering a healthier, more productive work environment. Based on the background described, this study aims to address key questions related to Emotional Quotient in the service industry. One of its primary focuses is to examine how employees' Emotional Quotient influences both individual performance and the overall effectiveness of the organization. This includes an exploration of various dimensions of EQ, such as self-awareness, emotion management, and empathy, in supporting work productivity and fostering a more harmonious work environment. Additionally, this research will identify the challenges faced by employees and managers in developing EQ to enhance

performance. By analyzing the experiences and strategies employed by service industry professionals in managing EQ, this study is expected to provide valuable insights into practical steps for improving the quality of human resources in the service sector.

LITERATURE REVIEW

Emotional Quotient (EQ) has been widely recognized as a crucial factor in work effectiveness, particularly in industries that emphasize social interaction and communication. EQ refers to an individual's ability to recognize, understand, and effectively manage their own emotions as well as those of others (Al-Fawaer & Alkhatib, 2020; Al-Haraisa, 2022). In the service industry, this ability enables employees to remain calm when dealing with difficult customers, resolve conflicts constructively, and provide more friendly and professional service. Various studies indicate that employees with high EQ are better equipped to manage work stress, maintain motivation, and enhance communication effectiveness. Thus, EQ not only contributes to individual well-being but also plays a key role in an organization's success in delivering superior services. As competition in the service industry intensifies, understanding the role of EQ in improving employee performance is becoming increasingly important. Companies that invest in developing their employees' EQ can gain a competitive advantage by fostering a more conducive work environment and enhancing customer satisfaction and retention. Therefore, investing in EQ training and development is a highly relevant strategy for organizations seeking to improve service quality and maintain a strong position in the industry. Given the significance of EQ in the workplace, further research into its relationship with employee performance in the service sector is a pressing necessity (Arias-Pérez et al., 2021; Ezzi et al., 2023).

Although emotional intelligence (EQ) is widely recognized as a crucial factor in improving employee performance, many companies still prioritize technical skill development over emotional and interpersonal aspects. Overemphasizing technical competence often leads to the neglect of emotional management, which is particularly vital in dynamic work environments—especially in the service industry, where intense customer interactions are common. Consequently, many employees facing high work pressure struggle to manage their emotions, resulting in internal conflicts and disharmony within work teams. The inability to regulate emotions can also create tension among coworkers, hinder effective communication, and reduce job satisfaction levels (Supomo, 2024). Ultimately, this issue not only affects individuals but also contributes to increased employee turnover rates—one of the primary challenges in the service industry. The lack of focus on EQ development further weakens teamwork effectiveness and the quality of services provided to customers. Employees with low EQ often struggle to adapt to rapid changes, particularly when handling unexpected situations or difficult customer interactions (Aziz et al., 2024). This can negatively affect work motivation, individual productivity, and even the company's reputation in the eyes of customers. Moreover, the inability to manage emotions and empathize with others risks diminishing customer loyalty, as unprofessional interactions can impact the overall customer experience. This situation highlights a gap between the service industry's need for high-quality service and employees' emotional competence, underscoring the necessity for more effective strategies to enhance EQ in the workplace.

Emotional Quotient (EQ) has long been studied in academic literature as an important factor contributing to the effectiveness of individuals and organizations. Abu-Shanab and Abu Shanab (2022) define EQ as a set of skills that include self-awareness, self-control, motivation, empathy, and social skills. Self-awareness allows individuals to understand and recognize their own emotions, enabling them to act more rationally in stressful situations. Self-control helps individuals manage negative emotions, such as anger and frustration, which, if left unchecked, can negatively impact work quality. Additionally, empathy and social skills play a crucial role in fostering harmonious working relationships and enhancing communication effectiveness within an organization. Numerous studies have shown that EQ positively influences employee

performance, both directly and through mediating factors such as work stress, motivation, and interpersonal communication. Employees with high EQ are generally better at managing stress in a dynamic work environment, allowing them to maintain optimal productivity levels. Furthermore, the ability to understand and appropriately respond to the emotions of colleagues and customers enables them to build stronger relationships and contribute to a more supportive work environment. Previous research has also found that EQ enhances employee motivation, as individuals who can regulate their emotions are more likely to maintain a positive attitude toward their work. Thus, EQ not only impacts individual well-being but also plays a vital role in improving organizational effectiveness and operational efficiency (Abu-Shanab & Abu Shanab, 2022; Al-Okaily et al., 2024).

METHODS

This study employs a descriptive qualitative research design to analyze the role of Emotional Quotient in improving employee performance in the service industry. This approach was chosen to gain an in-depth understanding of the phenomenon through the experiences and perspectives of informants directly involved in the work environment (Achtenhagen & Cestino, 2020). Data were collected through in-depth interviews with five key informants who hold strategic roles in the service industry, including human resource managers, supervisors, employees interacting with customers, academics in human resource management, and industrial and organizational psychologists. This research design allows for a broader exploration of the relationship between Emotional Quotient and employee performance within a dynamic work context. The descriptive qualitative approach is used to illustrate how Emotional Quotient influences individual and organizational performance in the service industry. This method aims to provide a deeper understanding of the challenges and strategies involved in developing Emotional Quotient at work. The collected data were analyzed thematically to identify key patterns in the interviews and relate them to relevant theories. The analysis process involved data reduction, data presentation, and conclusion drawing. The validity of the data was ensured through source triangulation, enhancing the accuracy and consistency of the findings. The research instruments included semi-structured interview guidelines designed to explore Emotional Quotient and its impact on employee performance. The research procedure began with the selection of informants using purposive sampling to ensure the data came from individuals with relevant experience and expertise. Interviews were conducted both in person and online, depending on the informants' availability. Each interview was recorded, transcribed, and analyzed using thematic analysis to identify significant patterns in responses. The findings were then linked to Emotional Quotient and employee performance theories to provide a more comprehensive understanding of the subject.

RESULTS

The results of this study reveal that Emotional Quotient plays a crucial role in improving employee performance in the service industry. The first informant, a Human Resources Manager at a service company, emphasized that Emotional Quotient contributes to employees' interactions with customers and work teams, thereby enhancing customer satisfaction and company productivity. It was also highlighted that employees with a strong Emotional Quotient are better able to manage stress, maintain motivation, and provide higher-quality services. Additionally, the interview results indicated that the main challenge in developing Emotional Quotient in the workplace is the varying backgrounds and readiness of employees in understanding and managing emotions. Some employees struggle with self-awareness and frequently experience burnout due to high work pressure. Human resources managers point out that not all employees possess high self-awareness, and in the service industry, intense work pressure often leads to burnout or emotional exhaustion.

Furthermore, the results of the study show that Emotional Quotient also has a significant impact on team dynamics and work productivity. A supervisor in the service industry explained that employees with a high Emotional Quotient are more adaptable within the team and more supportive of their colleagues. These employees are also better able to control their emotions when facing work pressure, thereby creating a more harmonious and productive work environment. However, the main challenge supervisors face in guiding employees with a low Emotional Quotient is their difficulty in receiving criticism and feedback positively. The supervisor explained that employees with a low Emotional Quotient tend to be more defensive and struggle to control their emotions in stressful situations, which can affect the overall performance of the team. To address this challenge, a regular discussion-based approach and role-playing exercises in training are the primary strategies used to improve employees' Emotional Quotient.

The results of the study also show that Emotional Quotient plays an important role in improving the quality of customer service. Employees who interact directly with customers, such as Customer Service representatives, reveal that Emotional Quotient helps in handling difficult customers. By controlling their emotions and staying calm, employees can better understand customer needs and provide more effective solutions. It also helps maintain the company's reputation for quality service. However, the biggest challenge in managing emotions in the service sector is the pressure to always remain friendly and professional, even when dealing with rude or demanding customers. A Customer Service Officer interviewed stated that this pressure is often the main challenge. To improve Emotional Quotient in the workplace, strategies such as self-reflection and the use of breathing techniques are effective solutions.

From an academic perspective, the interview results revealed that Emotional Quotient is positively correlated with job satisfaction, performance, and employee loyalty. Studies conducted by experts show that employees who effectively manage their emotions tend to be more productive and have better interpersonal relationships at work. However, a lack of understanding among management regarding the importance of Emotional Quotient remains an obstacle to its implementation. Many organizations still prioritize technical skills over interpersonal skills. An academic expert in the field of HR stated that the main challenge lies in management's limited awareness of the significance of Emotional Quotient. Therefore, companies are advised to integrate Emotional Quotient into employee training programs to enhance overall organizational effectiveness.

The results of the study also highlight the importance of organizational support in improving employees' Emotional Quotient. An Industrial and Organizational Psychologist revealed that Emotional Quotient not only impacts productivity but also affects employees' mental well-being. Employees with a high Emotional Quotient are better able to cope with work pressure, adapt to change, and build positive working relationships. However, resistance from individuals who do not see the need to enhance their Emotional Quotient is a major challenge in fostering a work culture oriented toward emotional management. The resource person, an Industrial Psychologist, stated that the biggest challenge is rejection from individuals who believe they do not need to improve their Emotional Quotient. Therefore, a coaching-based approach, experiential learning, and a reward system for employees who demonstrate a high Emotional Quotient are the most effective strategies for improving emotional competence within organizations.

The results of this study indicate that Emotional Quotient plays a significant role in enhancing the performance of individuals and organizations in the service industry. Employees with a high Emotional Quotient are better equipped to handle work pressure, build positive relationships, and deliver superior customer service. However, several challenges, such as varying levels of employee readiness, high work pressure, and a lack of managerial understanding, remain obstacles to implementing Emotional Quotient in the workplace. To address these challenges, strategies focused on training,

coaching, and fostering an organizational culture that supports emotional management are recommended solutions. The findings of this study can serve as a foundation for companies to develop more effective policies aimed at improving employees' Emotional Quotient, ultimately leading to greater productivity and job satisfaction.

In addition to enhancing individual performance, Emotional Quotient has also been shown to have a significant impact on leadership effectiveness in the service industry. A supervisor at a service company emphasized that leaders with a high Emotional Quotient are better able to create a positive work environment and foster collaboration within the team. Leaders who demonstrate empathy and possess strong emotional management skills are more effective in providing constructive feedback to employees. This, in turn, contributes to increased loyalty and work motivation, ultimately boosting the organization's overall productivity. Thus, Emotional Quotient is not only an individual trait but also a crucial element of effective leadership in the service sector.

Furthermore, Emotional Quotient also plays a crucial role in fostering a work culture that is more adaptive to change. An academic in the field of human resource management emphasized that in a dynamic business environment, companies need employees who can manage their emotions effectively to stay focused on achieving organizational goals. When faced with policy changes or pressure from customers, employees with a high Emotional Quotient tend to be more flexible and able to adapt quickly. In contrast, those who struggle to regulate their emotions are more likely to experience heightened stress, which can negatively impact their performance and psychological well-being. Therefore, Emotional Quotient should be an integral part of human resource management strategies to cultivate a resilient and adaptive work culture. To better understand the relationship between Emotional Quotient and employee performance in the service industry, this study categorizes the findings into several key aspects, as outlined in Table 1.

Table 1. The Effect of Emotional Quotient on Employee Performance in the Service Industry

Aspects of Emotional Quotient	Impact on Individual Performance	Impact on Organizational Performance
Self-Awareness	Improves understanding of personal emotions and reduces impulsive reactions in work situations.	Help create a more stable and professional work culture
Emotion Management	Reduce stress and increase resilience in the face of work pressure	Reduce turnover rates and increase employee job satisfaction
Empathy	Improve the quality of interaction with customers and colleagues	Improving customer loyalty and company reputation
Self-Motivation	Increase work commitment and employee initiative in completing tasks	Accelerate the achievement of organizational targets and improve operational efficiency
Social Skills	Improves communication and teamwork skills	Improve the effectiveness of teamwork and coordination between departments

Source: Data Processing Results in 2025

Based on Table 1, Emotional Quotient not only impacts individual aspects but also has a strategic influence on organizations. Self-awareness and emotion management, for example, enable employees to remain professional under work pressure, thereby reducing turnover rates and enhancing employee well-being. Meanwhile, social and empathy skills significantly contribute to improving customer satisfaction and increasing team effectiveness in achieving the company's goals. Below is a conceptual framework flowchart illustrating the relationship between Emotional Quotient and employee performance in the service industry:

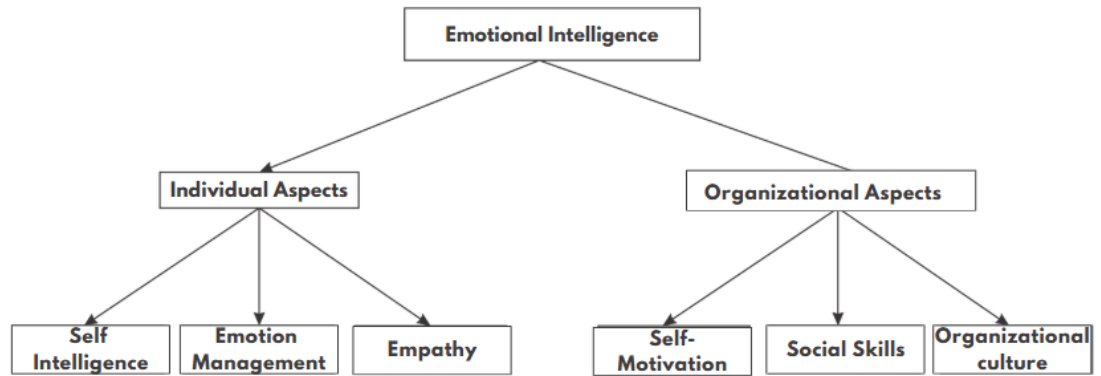


Figure 1. Conceptual framework flow chart

Based on Figure 1, the flowchart illustrates the influence of Emotional Quotient on both individual and organizational aspects. The individual aspects include self-awareness, emotional management, and empathy. With a high Emotional Quotient, employees can understand and regulate their emotions in a stressful work environment. The organizational aspects encompass self-motivation, social skills, and organizational culture, all of which contribute to increased productivity, enhanced teamwork effectiveness, and improved customer satisfaction.

DISCUSSION

This discussion highlights research findings on the role of Emotional Quotient (EQ) in enhancing employee performance in the service industry and its implications for human resource management strategies. The study results indicate that EQ significantly influences both individual and organizational performance. Employees with high EQ can effectively manage stress, adapt to change, and build positive working relationships, all of which contribute to increased productivity and job satisfaction. These findings align with previous research emphasizing the importance of EQ in a dynamic work environment (Cherry, 2021; Ezzi et al., 2023). However, the study also found that many companies remain focused on developing technical skills while overlooking emotional and interpersonal aspects (Al-Fawaer & Alkhatib, 2020; Abunaila, 2023). As a result, internal conflicts have increased, job satisfaction has declined, and employee turnover rates remain high. Employees with low EQ often struggle to adapt to rapid changes and experience lower job satisfaction. Neglecting EQ development can hinder team effectiveness and diminish the quality of customer service. To address these challenges, companies should integrate EQ training programs into their employee development strategies. Approaches such as coaching, mentoring, and experiential learning can help employees enhance their emotional management and interpersonal skills when interacting with colleagues and customers (Cudjoe et al., 2023). Furthermore, support from top management in fostering an organizational culture that promotes EQ development is crucial for the successful implementation of these programs (Al Shaer et al., 2023; Al-Okaily et al., 2024).

In addition, the study revealed that EQ plays a crucial role in enhancing leadership abilities, which, in turn, can boost employee engagement and motivation. Leaders with high EQ are better equipped to foster a positive work environment and promote collaboration within teams (Haricharan, 2022). This contributes to increased employee loyalty and motivation, ultimately improving the organization's overall productivity. The findings of this study underscore the importance of EQ development as an effective strategy for enhancing employee performance and well-being in organizations. By understanding the role of EQ in employee performance, companies can design more effective training programs and development strategies. Furthermore, this research can help identify challenges in developing EQ in the workplace and propose appropriate solutions. Additionally, the findings contribute to the academic literature on the

relationship between EQ and employee performance, particularly in the context of the service industry (Das et al., 2022; Davaei et al., 2022).

The findings of this study indicate that EQ not only enhances individual productivity but also helps shape a more inclusive and adaptive work culture in the service industry. EQ enables employees to manage stress more effectively, directly impacting their work performance and the quality of their interactions with customers. This aligns with research by Abdyrakhmanova & Poór (2023), which highlights that EQ influences how individuals recognize, understand, and regulate their emotions in social environments. In the service sector, where interpersonal relationships are crucial to success, EQ plays a vital role in improving customer retention and strengthening a company's reputation. Therefore, organizations should develop strategies to integrate EQ into employee training and development programs to ensure continuous performance improvement.

In addition to the individual aspect, the study also found that EQ plays an important role in fostering teamwork effectiveness. Employees with high EQ tend to have better communication skills, understand their colleagues' perspectives, and are able to avoid unnecessary conflicts. This aligns with the findings of Amelia & Ariani (2023) and Ramadhan & Fajarwati (2024), which explain that individuals with high EQ are better equipped to work in a collaborative and supportive team environment. In the context of the service industry, where success often depends on strong teamwork, EQ is a key factor in enhancing organizational efficiency and effectiveness. Therefore, organizations should encourage the development of EQ not only at the individual level but also within a team framework to create a more harmonious and productive work environment.

Furthermore, this study confirms that EQ not only affects ordinary employees but also influences the effectiveness of leadership in organizations. Leaders with high EQ are better able to understand the emotional needs of their employees, provide more constructive feedback, and create a more positive work environment. According to Cherry (2021) and Bayighomog & Arasli (2022), EQ-based leadership enables leaders to effectively manage their own emotions as well as those of others, ultimately increasing employee motivation and loyalty. In the service industry, leaders with high EQ play a crucial role in enhancing job satisfaction and reducing employee turnover rates. Therefore, the development of EQ should not be limited to operational employees but should also extend to top-level management, who are responsible for fostering a healthy and productive work environment (Bayighomog & Arasli, 2022).

In addition, EQ plays a crucial role in improving the quality of services provided to customers, especially when dealing with difficult or demanding clients. A study conducted by Abdo et al. (2022) shows that employees with high EQ are better equipped to handle conflicts with customers and provide effective solutions in stressful situations. These findings are further supported by interviews in the study, where customer service employees revealed that EQ helps them remain professional despite facing abusive or emotional customers. In the service industry, where customer satisfaction is one of the key factors in a company's success, EQ is an essential skill for maintaining customer loyalty and enhancing the company's image. Therefore, EQ should be an integral part of customer service training to ensure more positive interactions between employees and customers.

Finally, the findings of this study provide evidence that, although EQ significantly impacts individual and organizational performance, implementing its development programs still faces various challenges. Many organizations are unaware of the importance of EQ and, therefore, do not include it in their human resource development policies. This aligns with research conducted by Davaei et al. (2022) and Anwar & Saraih (2024), which found that while EQ offers proven benefits for employees and organizations, many companies still prioritize technical skills training over emotional skills development.

To address these challenges, organizations should adopt a more holistic approach to human resource management by integrating EQ into their recruitment, performance evaluation, and employee development systems. By doing so, EQ can become an

integral part of the company's strategy to enhance competitiveness and ensure the sustainability of the service industry.

CONCLUSION

This research confirms that Emotional Quotient (EQ) plays a crucial role in improving employee performance in the service industry at both individual and organizational levels. Employees with high EQ are better able to manage stress, maintain emotional balance, and enhance interactions with customers and colleagues. Additionally, EQ contributes to leadership effectiveness, fosters a more conducive work environment, and increases employee loyalty and motivation. Although EQ is recognized as an influential factor in performance, many organizations have yet to integrate it into their human resource management strategies. Therefore, prioritizing EQ development in the workplace is essential to enhance the service industry's competitiveness in the face of increasingly complex global challenges. Theoretically, this study enriches the literature on the relationship between EQ and employee performance by highlighting its impact on work motivation, employee satisfaction, and leadership effectiveness. Practically, it offers recommendations for strategic management to design more structured EQ training programs that improve employees' interpersonal skills and emotional management. These findings also provide solutions for reducing internal conflicts and high employee turnover in the service sector. However, this study has limitations, particularly in sample scope and the qualitative approach used. Further research employing quantitative methods or mixed approaches is needed to obtain more generalizable results. Future studies can also explore EQ's influence across various industry sectors and examine how technology can contribute to EQ development in an ever-evolving work environment.

REFERENCES

- [1] Abdo, M., Feghali, K., & Zgheib, M. A. (2022). The role of emotional intelligence and personality on the overall internal control effectiveness: applied on internal audit team member's behavior in Lebanese companies. *Asian Journal of Accounting Research*, 7(2), 195-207.
- [2] Abdyrakhmanova, K., & Poór, J. (2023). The role of emotional intelligence and cross-cultural adjustment on job performance of self-initiated expatriates with origins from Central Asian countries. *Journal of Eastern European and Central Asian Research (JEECAR)*, 10(2), 326-338.
- [3] Abunaila, A. S. H. (2023). The effect of emotional intelligence on manager performance: a field study in the general authority for irrigation and reclamation projects in Baghdad. *International Journal of Professional Business Review: Int. J. Prof. Bus. Rev.*, 8(5), 26.
- [4] Abu-Shanab, E. A., & Shanab, A. A. (2022). The influence of emotional intelligence on technology adoption and decision-making process. *International Journal of Applied Decision Sciences*, 15(5), 604-622.
- [5] Achtenhagen, L., & Cestino, J. (2020). Qualitative methods in media management research. *Rimscha, MB (Ed.), Management and Economics of Communication, De Gruyter Mouton, Berlin*, 129-148.
- [6] Al Shaer, A. S., Jabeen, F., Jose, S., & Farouk, S. (2023). Cultural intelligence and proactive service performance: mediating and moderating role of leader's collaborative nature, cultural training and emotional labor. *Journal of Health Organization and Management*, 37(3), 379-406.
- [7] Al-Fawaeer, M., & Alkhatib, A. W. (2020). The effect of emotional intelligence of operational team leaders on the performance of team members. *Research in World Economy*, 11(5), 266-278.
- [8] Al-Haraisa, Y. E. (2022). Emotional intelligence and career development through organizational socialization: A practical study. *Journal of Governance and Regulation / Volume*, 11(3).
- [9] Al-Okaily, N. S., Alzboun, N., & Abuhjeeleh, M. (2024). Examining the impacts of emotional intelligence on tour guide citizenship performance. *Journal of Hospitality and Tourism Insights*, 7(2), 697-722.
- [10] Amelia, R. S., & Ariani, D. (2023). The influence of organizational culture, quality of work life, and corporate social responsibility on employee performance at Santi Mebel Godean. *Jurnal Ilmiah Manajemen Kesatuan*, 11(3), 1401-1408.

- [11] Anwar, S., & Saraih, U. N. (2024). Digital leadership in the digital era of education: enhancing knowledge sharing and emotional intelligence. *International Journal of Educational Management*, 38(6), 1581-1611.
- [12] Arias-Pérez, J., Alegre, J., & Villar, C. (2021). Emotional capability: the missing link between information technology capabilities and innovation performance. *Capacidad emocional: el vínculo perdido entre capacidades de tecnologías de la información y desempeño innovador*. *Capacidade emocional: O elo perdido entre as capacidades das tecnologias da informação eo desempenho inovador. Management Research: Journal of the Iberoamerican Academy of Management*, 19(2), 127-142.
- [13] Aziz, M. F. N., Mahmud, R., Hidayati, R., & Lataruva, E. (2024). The role of emotional intelligence and self-efficacy in enhancing employee performance: a systematic literature review. *Research Horizon*, 4(6), 183-194.
- [14] Bayighomog, S. W., & Arasli, H. (2022). Reviving employees' essence of hospitality through spiritual wellbeing, spiritual leadership, and emotional intelligence. *Tourism Management*, 89, 104406.
- [15] Cherry, M. (2021). Emotional intelligence competencies of hospitalist leaders. *Organization Development Journal*, 39(1).
- [16] Cudjoe, J., Agyapong, D., Light, O., Frimpong, S. E., & Opoku, R. K. (2023). Psychological empowerment and job performance of star-rated hotels: The mediating role of emotional intelligence. *Cogent Business & Management*, 10(3), 2266131.
- [17] Das, M., Mehra, S., & Singh, V. (2022). Mediating role of emotional intelligence between employee engagement and job satisfaction in Indian IT sector. *International Journal of Management Practice*, 15(2), 235-252.
- [18] Davaei, M., Gunkel, M., Veglio, V., & Taras, V. (2022). The influence of cultural intelligence and emotional intelligence on conflict occurrence and performance in global virtual teams. *Journal of International Management*, 28(4), 100969.
- [19] Ezzi, F., Salhi, B., & Jarboui, A. (2023). Exploring the relationship between managerial emotional intelligence and environmental performance in energy sector: a mediated moderation analysis. *International Journal of Energy Sector Management*, 17(1), 1-24.
- [20] Haricharan, S. J. (2022). Is the leadership performance of public service executive managers related to their emotional intelligence?. *SA Journal of Human Resource Management*, 20, 1773.
- [21] Jena, L. K. (2022). Does workplace spirituality lead to raising employee performance? The role of citizenship behavior and emotional intelligence. *International Journal of Organizational Analysis*, 30(6), 1309-1334.
- [22] Pertiwi, T. (2023). Implementation of human resource management strategy in improving organizational performance. *Jurnal Ilmiah Manajemen Kesatuan*, 11(3), 1407-1416.
- [23] Ramadhan, E. A., & Fajarwati, D. (2024). The influence of high-performance work systems on service quality and the mediating role of trust, job satisfaction and affective commitment. *Jurnal Ilmiah Manajemen Kesatuan*, 12(1), 295-308.
- [24] Setyanugraha, M., & Dahlan, A. (2023). Analysis of the effect of leadership, motivation and compensation on employee performance (case study at BPRS Bumi Artha Sampang). *Jurnal Ilmiah Manajemen Kesatuan*, 11(3), 835-848.
- [25] Supomo, S. (2024). The role of knowledge sharing, job stress, mutations and motivation in improving employee performance. *Jurnal Ilmiah Manajemen Kesatuan*, 12(3), 841-848.

