

The importance of emotional intelligence in corporate culture

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The term “corporate culture” refers to the the collection of values, beliefs, ethics and attitudes that characterize an organization and guide its practices. Corporate culture is important since it can support important business objectives. Employees, for example, might be attracted to companies whose cultures they identify with, which in turn can drive employee retention and new talent acquisition. In overall, awareness of corporate or organizational culture in businesses and other organizations emerged in the 1960s. The term corporate culture developed in the early 1980s and became widely known by the 1990s. Corporate culture was used during those periods by managers, sociologists, and other academics to describe the character of a company. By 2015, corporate culture was not only created by the founders, management, and employees of a company, but was also influenced by national cultures and traditions, economic trends, international trade, company size, and products.

Corporate cultures, whether shaped intentionally or grown organically, reach the core of a company’s ideology and practice, and affect every aspect of a business, from each employee to customer to public image. The current awareness of corporate culture is more acute than ever. Principally corporate culture it is what makes each company unique, and it impacts everything from public image to employee engagement and retention. If employees share a company’s ethics, vision and other cultural elements, it can positively affect a company’s bottom line. Companies with good corporate culture often have high workplace morale, and highly engaged, productive staff. In general, we have four types of corporate culture. Clan culture- Clan cultures have a friendly, collaborative working environment. Similar to a large family, the leaders in the organization are regarded as mentors, and the organization comes together through tradition and loyalty. There is also more involvement and a greater focus on human resource development. Success has a lot to do with caring for people and addressing the needs of clients. The organization helps to achieve this by promoting participation, consensus, and teamwork. Adhocracy culture- This is a dynamic and creative working environment where both leaders and employees are innovators and risk-takers. Change and agility are core values, and success is defined by the creation of new products and services. The organization promotes individual freedom and initiative. Market culture- Market culture focuses on getting down to business, getting work done, and achieving results. The environment is competitive, people are focused on goals, and the organization is results-based. The culture emphasizes winning and considers market penetration and stock as the definitions of success.

Hierarchy culture- This type of culture is based on process and procedure, with operations being done in a formalized and structured work environment. Leaders monitor and facilitate adherence to tried and known ways of doing business while keeping costs and mistakes low.

Success is defined by low costs, smooth planning and execution, and trustful delivery.

As we can see in all 4 types of the corporate culture a strong leadership plays the most important role in any company. Effective leadership is one of the greatest fundamentals to building great organizational cultures. A leader can be anyone who has influence or authority, regardless of title, and leaders set the tone for organizational culture. Leaders can reinforce values while simultaneously holding people accountable. This influence over others can be either positive or negative based on the leadership style and execution of strategy, but both effective and ineffective leadership will influence and build organizational culture in the workplace. Clear understanding of the corporate culture definition can help managers to define the right values and culture for their organization. Basically, one of the most important characteristics of a great corporate culture definition is Strong leadership-a strong leadership should provide clear communication, warmth, assistance, and support to their subordinates. This helps to earn the confidence of employees. A leader's perceptions and values play a significant role in defining and developing organizational culture. Because of this, strong leadership is key to developing an authentic organizational culture and continuously reinforcing that culture with employees. For culture to develop and grow, employees have to be on board. The best way to get cultural buy-in from employees is to establish the framework for a culture in which they feel valued and essential for the success of the organization. Regardless of how you define great leadership, EQ is fundamental to it. The ability to understand those around you, as well as being aware of your own strengths and weaknesses, means individuals are much better positioned to build meaningful relationships, both with other employees and with potential customers/clients. But what is EQ and why it is important for a leader?

EQ-Emotional Quotient (EQ), often referred to as "emotional intelligence," is described as the ability for individuals to identify, evaluate, control and express emotions. It isn't to be confused with being emotional, in fact, it represents the complete opposite-a state of emotional control and management based on your surroundings and situation. As these are the types of characteristics associated with people who better understand themselves, their surroundings, as well as being able to empathize and engage with other people, EQ is certainly something that shouldn't be ignored. Practice has proven that Emotional Intelligence (EQ) was never more essential than it is today, primarily because humans are a complex species, not monolithic machines that are in work mode from 9am to 5pm. New leaders in various industries have embraced a human-centered approach to leading their companies. Basically, in this global economy, EQ is critical to competing on the world stage. This isn't to say that the importance of EQ means leaders don't need any technical skills or knowledge-they do. However, EQ represents the qualities that help create opportunities, tackle challenges with apparent ease, and help inspire actions from others. EQ influences everyday tasks in both personal lives and business. For leaders and executives, decisions around hiring, business opportunities, challenges, and sales, must all come from a place of deep awareness and understanding of others. EQ doesn't just impact personal connections and relationships; it is fundamental in what decisions you make and how you make them. A leader with high-level emotional intelligence can navigate not just motivating and empowering employees, but also navigating complex and challenging decision making with the mastery of emotional response.

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