Review of Emotional Intelligence and Market Orientation in the Industrial Estates Companies in the Kerman City (Iran): Appraisal and Testing of Model by Amos Graphics

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\textbf{ABSTRACT}
While much empirical work has centered on market orientation, the generalizability of its relationship to emotional intelligence in the Iran context has been under-researched. The purpose of this paper is to assess the impact of emotional intelligence on the market orientation of the organization. A 40-item (20 item for Emotional intelligence and 20 item for Market orientation) survey questionnaire was developed and corporation in Iran of industrial estates companies in the kerman city were as the sample for this study. The results of the study validate the instruments on emotional intelligence and the earlier instruments for market orientation and find a positive association between emotional intelligence and market orientation of companies in the Iran context. The main finding is that emotional intelligence leads to market orientation in industrial estates companies in the kerman city in Iran.

\textbf{Keywords}: Emotional intelligence, Market orientation, Industrial estates companies, Iran

\textbf{INTRODUCTION}
Unlike mental or cognitive intelligence, emotional intelligence focuses on understanding our emotions and feelings and those of others. It is generally believed that it was David Goleman(1995) that coined and substantially aroused the interest of social scientists in the term “emotional intelligence”: Why It Can Matter More Than Intelligent Quotient (IQ). In the study reported in this paper, we examined the influence of emotional intelligence on market orientation of organizations. Market orientation defined as the implementation of the marketing concept, and defined it

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Any remaining errors or omissions rest solely with the author(s) of this paper.
as the “organization wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments, and organization-wide responsiveness to it”. We adopted Goleman’s (2001) four domains of emotional intelligence as our predictor variables and Deng and Dart, 1994; Narver and Slater, 1990 three domains of Market orientation rating scale as our criterion variables. We shall, in this paper, describe Goleman’s emotional intelligence domains and then concept of market orientation. We shall describe how the empirical study was undertaken; present the research results and findings, as well as the discussion of the findings. The conclusions and the recommendations are stated finally.

EMOTIONAL INTELLIGENCE

Emotional intelligence (EI) contains competencies and capabilities that are distinct from cognitive capabilities measured through IQ tests (Goleman, 1998). There are several of EI in the current literature. Bar-On (2000) defines emotional and social definitions intelligence as a multi-factorial array of interrelated emotional, personal, and social abilities that influence our overall ability to actively and effectively cope with daily demands and pressures. According to Higgs and Dulewicz (1999), EI is to achieve one’s goals through the ability to manage one’s own feelings and emotions, to be sensitive to, and influence and to balance one’s motives and drives with conscientious and ethical behavior. EI is conceptualized as an intrapersonal construct in these definitions. According to other academics, EI is related to understanding and managing ones own and others’ feelings and emotions (Cooper and Sawaf, 1998; Goleman, 1998).

Salovey and Mayer (1990) defined EI as a form of social intelligence that involves the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them, and to use this information to guide one’s thinking and action. They conceptualized EI as conceptually related mental abilities that can be divided into four branches:

1. Perception of emotion.
2. Emotional facilitation of thought.
3. Understanding emotions.

Perceiving emotions is the ability to perceive emotions in one and others. Facilitating thought is the ability to generate, use, and feel emotion as necessary to communicate feelings or employ them in other cognitive processes. Understanding emotions is the ability to understand emotional information, to understand how emotions combine and progress through relationship transitions, and to appreciate such emotional meanings.
In addition to these, managing emotions is the ability to be open to feelings, and to modulate them in oneself and others so as to promote personal understanding and growth. It is also stated that EI comes out if a person uses his or her competencies at the right time and place. Thus, EI can be considered as emotional competencies that a person uses in self-management and in relationships with others. These competencies supply effective communication among individuals and control of emotions (Boyatzis et al., 2000).

EMOTIONAL INTELLIGENCE DOMAINS
To Goleman (1995), emotional intelligence “is the capacity for recognizing our own feelings and those of others, for motivating ourselves, and for managing emotions well in ourselves and in our relationships.” Since this publication, many other authors, researchers and human relations specialists have contributed immensely in this regard. Emotional intelligence has also been defined as: “The ability to perceive and express emotion, assimilate emotion in thought, understand and reason with emotion, and regulate emotion in the self and others” (Mayer et al., 2000, p. 396). Cherniss and Adlet (2000) have defined “emotional intelligence” as: “the ability to accurately identify and understand one’s own emotional reactions and those of others.” The authors pointed out that emotional intelligence: “also involves the ability to regulate one’s emotions, to use them to make good decisions and to act effectively.” The authors emphasized that emotional intelligence is the basis for personal qualities such as realistic self-confidence, personal integrity, knowledge of personal strengths and weaknesses, resilience in times of change or adversity, self-motivation, perseverance, and the knack for getting along well with others. Salovey and Mayer (1989, p. 189) had defined emotional intelligence as:

[. . .] the subset of social intelligence that involves the ability to monitor one’s owned and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions.

The authors later refined their definition as:

[. . .] the ability to perceive emotions, to access and generate emotions so as to assist thoughts, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth (Mayer and Salovey, 1997, p. 5).

Of all the emotional intelligence models developed, so far, the Goleman’s (2001) refined model appears to be the most prominent. This model is encapsulated in his latest pungent definition of emotional intelligence as: “the abilities to recognize and regulate emotions in ourselves and in others” (Goleman, 2001, p. 14). This most parsimonious definition largely suggests four major emotional intelligence domains, namely: self-awareness, self-management, social awareness, and relationship
management. These four domains are shared by all the main variations of emotional intelligence theory, although the terms used by other researchers to refer to them may differ. For example, the domains of self-awareness and self-management fall within what Gardner (1983) called “Intra-personal intelligence.” While social awareness and relationship management fit within his definition of “Interpersonal intelligence.” Some researchers Emotional intelligence make a distinction between emotional and social intelligences, as they see emotional intelligence as personal self-management capabilities, such as impulse control, and social intelligence as relationship skills (Bar-On, 2000). We shall here adopt mainly Goleman’s (2001) model. As we showed earlier, one of Goleman’s domains of emotional intelligence is “self-awareness,” with its associated leader-managerial competencies as “emotional self-awareness,” “accurate self-assessment,” and “self-confidence.”

This domain has to do with a deep understanding of one’s emotions, as well as one’s strengths and limitations, and one’s values and motives. Goleman explains that people who have strong self-awareness are usually realistic. They are normally not overly self-critical or naively hopeful; rather they are honest with themselves about themselves, as well as honest about themselves with others, even to the point of being able to laugh at their own foibles.

The second emotional intelligence domains of Goleman is “self-management,” which has its associated competencies as: “self-control,” “transparency,” “adaptability,” “achievement,” “initiative,” and “optimism.” Persons who possess emotional self-control always endeavor to manage their disturbing emotions and impulses, to their advantage. A hallmark of self-control is the one who stays calm and clear-headed in a highly stressful situation or during crisis. Such a person remains largely unflappable even when confronted by a trying situation. On the other hand, the “transparency” competence, which connotes integrity, has to do with an authentic openness to others about one’s feelings, beliefs, and actions. Persons, and particularly leader-managers, that are transparent, live their values, and where necessary they openly admit mistakes or faults, and have the courage to confront unethical behavior in others, rather than turn a blind eye. Similarly, the competence of “adaptability” enables one to juggle multiple demands without losing one’s focus or energy.

Adaptable leader-managers are comfortable with the inevitable ambiguities of organizational life, for they are normally flexible in adapting to new challenges, nimble in adjusting to fluid change, and limber in their thinking in the face of new data or realities. The competence of “achievement orientation” is very prominent in the emotional intelligence domains of “self-management.” Persons, and particularly leaders, who possess strength in achievement, have high-personal standards that drive them to constantly seek performance improvements for themselves and those they lead. Such leader managers are pragmatic, setting measurable but challenging goals, and are also able to calculate risk so that their goals are worthy but attainable. Achievement orientated leaders are interested in continually learning and teaching...
ways to do things better. In the same way, leader-managers who strongly believe that they have what it takes to control their own destiny excel in initiative. They seize opportunities, or create them, rather than simply waiting.

Finally, regarding the domain of self-management, “optimism” is a very important competence. An optimistic leader can roll with the punches, seeing an opportunity rather than a threat in a setback. Such leader-managers perceive and respond to others positively expecting the best in them, as their “glass half full” approach to life leads them to expect that changes in the future will be for the better. The third emotional intelligence domains of Goleman is “social awareness,” and it has “empathy,” “organizational awareness,” and “service orientation” as the associated competencies. The empathy competence enables a leader-manager to attune to a wide range of emotional signals, letting them sense the felt, but unspoken, emotions in a person or group. Such leaders exercise patience to listen attentively and grasp the other person’s perspective on issues.

The empathy competence makes it possible for a leader to get along well with people of diverse backgrounds. Similarly, with the competence of organizational awareness, a leader-manager can be politically astute, able to detect crucial social networks and understand key power relationships. Such leader can understand the political forces at work in an organization, as well as the guiding values and unspoken rules that operate among people in the organization. Also, persons who possess high-service orientation competence usually foster an emotional climate that keeps the relationship between them and their customers or clients on the right track. Such persons monitor customers’ or clients’ satisfaction carefully to ensure that they get what they need.

The last of Goleman’s four emotional intelligence domains is “relationship management.” This domain has six competencies, namely: “inspiration,” “influence,” “developing others,” “change catalyst,” “conflict management,” and “teamwork and collaboration.” As regards the competence of “inspiration,” leaders that have this competence create resonance and move people with a compelling vision or shared mission. These leaders embody what they ask of others, and are able to articulate a shared mission in a way that inspires others to follow. “Influence” is a very important resource for a leader-manager in the organization. Indicators of a leader’s powers of influence range from finding just the right appeal for a given listener to knowing how to build support from key people and a network of support for an initiative. Such leaders who are adept in influence are persuasive and engaging when they address an audience. In the same way, leaders who are good at cultivating people’s abilities show a genuine interest in those they are helping along, understanding their goals, strengths, and weaknesses. Such leaders are natural mentors to staff at workplace.

Realizing that EI is a strategic asset facilitating improved organizational performance many organizations including multi-national corporations are realigning their HR policies and career development strategies to favor an
emotionally intelligent workplace (Aydin et al., 2005; Cherniss, 1997; Dries and Pepermans, 2007). As research unfolds, organizations are fast realizing that traditional intelligence, or IQ, is necessary but not sufficient for human performance and career advancements in organizations (Diggins, 2004; Goleman, 1995; Mayer and Salovey, 1997; Rosete and Ciarrochi, 2005). No wonder, researchers and career advisors are exploring the possibilities of extending the application of EI to non-business arenas of life such as health, government, defense, education and even families (Gibbs, 1995; Kaufhold and Johnson, 2005; Kusche and Greenberg, 2001; Morehouse, 2007).

MARKET ORIENTATION

The adoption of marketing means that the company develops its market orientation. The concept of market orientation was put forth by Kohli and Jaworski (1990) and Narver and Slater (1994). In both research projects market orientation was conceptualized as a multidimensional organizational phenomenon, where each dimension represented a different feature of market orientation. Kohli and Jaworski (1990, p. 6) defined market orientation as: “the organization-wide generation of market intelligence, pertaining to current and future customer needs, dissemination of the intelligence across departments, and organization-wide responsiveness to it”. Narver and Slater (1994) have suggested that market orientation consists of customer orientation, competitor orientation and inter functional co-ordination which organizes the utilization of company resources for creating superior value for target customers.

Several research projects were based on these conceptualizations (e.g. Ruekert, 1992; Deshpande et al., 1993), which suggested different additional elements of market orientation (Liu, 1995), or investigated different forms of market orientation among the companies (Greenley, 1995). Market orientation results in a deeper understanding of customer needs, the peculiarities of marketing environment and of strengths and weaknesses of the competitors. The adoption of marketing goes through several stages that reflect the introduction of separate marketing functions as well as the development of managers’ attitudes toward marketing within the framework of corporate culture. The stages of the development of market orientation have been the subject of analysis both in western societies and East European transitional economies (Akimova, 1997; Hooley et al., 1990; Kotler and Levy, 1969; Lusch and Lacziak, 1987; Sharp, 1991).

Recognition of the importance of market focus is reflected in the Levitt (1960) classic article “Marketing myopia”, where the main theme is that industries a customer-satisfying process, not a goods-producing process. According to his view, the central focus of the firm’s definition of its business is the customer. This is the foundation of the marketing concept. A firm must be market oriented to gain long-term competitiveness, and the actions of market-oriented firms must be
consistent with the marketing concept: placing customers at the art of business operations. With increasing competitive pressure to be responsive to the needs of customers, the term market orientation has gained importance and popularity among business practitioners and researchers, eventually becoming the cornerstone of the marketing concept.

- **Market orientation** – the generation of appropriate market intelligence pertaining to current and future customer needs and the relative abilities of competitive entities to satisfy these needs; the integration and dissemination of such intelligence across departments; and the coordinated design and execution of the organization’s strategic response to market opportunities.

- **Marketing concept** – a business philosophy that holds that long-term profitability is best achieved by focusing the coordinated activities of the organization toward satisfying the needs of particular market segment(s).

Deng and Dart (1994), in synthesising the models of Kohli and Jaworski (1990) and Narver and Slater (1990), define market orientation as the implementation of a particular business philosophy, the marketing concept (p. 726). Kohli and Jaworski (1990) referred to market orientation as the implementation of the marketing concept, and defined it as the “organization wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments, and organization-wide responsiveness to it”. There is a distinction between “market orientation” and “marketing orientation”, in that the former highlights its organization-wide application (Kohli and Jaworski, 1990; Narver and Slater, 1990), while the latter is seen to be specific to activities of the marketing department or division (Shapiro, 1988). The organization-wide context of market orientation represents effective marketing implementation and illustrates the significance of adopting a proactive attitude to doing business and developing a competitive edge.

It includes three behavioral components—customer orientation, competitor orientation, and inter functional coordination—and emphasizes the need for the entire organization to acquire, disseminate, and respond to market intelligence from both buyers and competitors (Zhou et al., 2008).

A customer orientation emphasizes understanding target customers sufficiently to continuously create superior value for them (Narver and Slater, 1990). Because customers’ needs change rapidly, a customer orientation requires a clear understanding of both the present and future demand dynamics of target customers. With its external focus on collecting, analyzing, and disseminating information about customers, a customer-oriented firm can anticipate its customers’ changing needs and respond to them through continuous innovation (Zhou et al., 2009). With the knowledge of what customers desire, a customer-oriented firm can make its market offerings more appealing by adjusting its marketing mix. Because
customer orientation aims to achieve long-term customer satisfaction, the firm is highly motivated to provide offerings that uniquely meet the particular needs of its target market (Day, 1994). A competitor orientation focuses on watching competitors closely, matching the marketing initiatives of competitors quickly, and understanding both the short-term strengths and weaknesses and the long-term capabilities and strategies of current and potential competitors (Narver and Slater, 1990). Because its emphasis is to “meet and beat the competition,” a competitor orientation enables a firm to compare its capacities and offerings with those of its competitors. After scrutinizing its value chain compared with that of its competitors, the firm can identify possible ways to streamline and reduce costs (Porter, 1985). Moreover, with a clear understanding of its own and its competitors’ strengths and weaknesses, the firm may choose to pursue a unique, untapped position and achieve a differentiation advantage (Day, 1994). Finally, interfunctional coordination focuses on the dissemination and use of market information through coordinated efforts across the whole firm and emphasizes the collective use of the organization’s resources to deliver superior customer value (Narver and Slater, 1990). The basic idea is that every employee of a company can contribute something of value to customers, so if the firm can coordinate and integrate its financial, human, and other resources, it can provide goods and services that better suit its customers’ needs. In addition, by improving cooperation among different departments, interfunctional coordination can lead to greater efficiency and thereby decrease production and administration costs (Jaworski and Kohli, 1993).

A marketing differentiation strategy provides uniqueness and points of difference through image, customer service, advertising, promotions, distribution, and other marketing-related activities. Whereas an innovation differentiation strategy ensures the functionality, design, performance, and consumption experience are unique and superior, a low-cost strategy achieves low-cost structures through superior refinement, exploitation, and control of facilities and resources. For example, firms often use automation, modernization, capacity utilization, and economies of scale to achieve lower costs. Porter (1980) claims that the effectiveness of differentiation and low-cost strategies requires not only common but also different sets of skills, resources, and competencies. In particular, marketing and customer-linking skills are more relevant for marketing differentiation strategies; research and development and product engineering capabilities are critical for innovation differentiation strategies; and process efficiency and engineering are most important for low-cost strategies.

With regard to innovation differentiation strategies, Day (1994) notes that market-driven organizations can engage successfully in boundary-spanning processes, such as new product development, and inside-out processes, such as technology development. In a study comparing market-driven to customer- and competitor-driven firms, Day and Nedungadi (1994) show that market-driven firms attain the highest score on strategies that foster innovative features. Support for
this assertion also comes from Han et al. (1998), who reveal the positive effect of market orientation on technical and administrative innovation. Similar arguments appear in the work of Slater and Narver (1995) and Hurley et al. (1998), who focus on the importance of market orientation on innovation. Rust et al. (2002) also theorize that a revenue-emphasis strategy generates product innovation.

Customers’ service emphasis may also lead to a greater level of competitor orientation. First, a firm can better recognize its competitive position if the firm has a clear understanding of the strengths and weaknesses of its key current and potential competitors. Such an understanding enables the firm to develop a product and services mix in order to position itself effectively against the competition (Li and Calantone, 1998). Second, because customers’ needs are dynamic, a firm can attempt to anticipate changing customer preferences by monitoring the successes and failures of its competitors (Porter, 1985). Thus, firms can develop future products and services that are more effectively positioned in the marketplace as a result of tracking their competitors. In short, a customer value emphasis on service drives firms to gather, interpret, disseminate, and act upon competitive information so that they can meet and beat the competition.

Competitor orientation essentially focuses on identifying (1) current and potential competitors, (2) the technologies they utilize, and (3) whether they represent an attractive alternative from the perspective of the target customers (Narver and Slater, 1990). Competitor-oriented businesses watch competitors closely, match the marketing initiatives of competitors quickly, and attempt to understand both the short-term strengths and weaknesses and long-term capabilities and strategies of current and potential competitors. Then, using their rivals as a frame of reference, competitor-oriented firms can identify their own advantages and disadvantages. With a clear understanding of its own strengths and weaknesses as well as those of its competitors, a competitor-oriented firm could utilize information “... internalizing a competitor’s strengths by imitation, or nullifying a competitor’s strength by product innovation” (Li and Calantone, 1998: 17, italics added). Therefore, competitor orientation appears to have double-edged effects on innovation. On the one hand, with a better understanding of its relative standing in the marketplace, a competitor-oriented business can create a competitive advantage through continuous product innovation. On the other hand, a competitor-oriented firm may simply choose to imitate its competitors rather than develop innovative goods and services to decrease the high cost of product innovation. Empirical research by Lukas and Ferrell (2000) indicates that competitor-oriented firms tend to present the market with “me-too” products and eschew “new-to-the-world” innovations. On balance, then, these conflicting effects of competitor orientation on innovation may cancel each other, resulting in a non-significant relationship between competitor orientation and innovation differentiation advantage.
Because the emphasis of competitor orientation is to “meet and beat the competition,” a competitor-oriented firm matches closely its capacities and offerings with those of its competitors (Day and Wensley, 1988). By focusing on its competitors, a firm may be unaware of its real interest, which may lead to inconsistent strategies and behaviors and, consequently, unstable product offerings (Armstrong and Collopy, 1996). Furthermore, a competitor-oriented firm tends to assume that what the competitors have done is correct, and thus may risk overlooking the products or services that are uniquely fitted to a particular market segment (Hamel and Prahalad, 1994). Therefore, competitor-oriented firms may have difficulty in developing a market differentiation advantage.

However, controversy exists regarding the roles of customer and competitor orientations in affecting performance. Further, customer and competitive orientations are two primary means that firms employ to interact with environments (Day and Wensley, 1988). Therefore, this study focuses on the customer and competitor orientation facets of market orientation and treats inter functional coordination as a control. Building on demand-based perspective, this paper examines how customer value emphasis affects a firm’s adoption of a customer versus a competitor orientation. When a firm’s customers are service-sensitive, their primary concern in assessing the market offering’s value is the benefits they receive. Because customers differ widely in their perceptions of benefits, their demands or needs are highly specific and heterogeneous (Monroe, 1990). Over time, customers become more sophisticated and demand services with superior performance and reliability that are previously unheard of. Increasing sophistication means that customers are more sensitive to nuances and differences in the products and are attracted to those that are uniquely tailored to their particular problems and needs (Zhou et al., 2005a). In such a market, a firm must develop a sufficient understanding of its target customers in order to deliver superior value to those customers (Desarbo et al., 2001).

Because customers’ perceptions of a product’s benefits change over time, a firm’s offerings that match customers’ needs today will very likely not match their needs tomorrow (Zhou et al., 2005b). Therefore, a firm must ascertain the changing preferences of customers continuously and adjust its offerings accordingly. In other words, a tilt toward a customer focus is necessary to reach and satisfy service-conscious customers. Customers’ service emphasis may also lead to a greater level of competitor orientation. First, a firm can better recognize its competitive position if the firm has a clear understanding of the strengths and weaknesses of its key current and potential competitors. Such an understanding enables the firm to develop a product and services mix in order to position itself effectively against the competition (Li and Calantone, 1998). Second, because customers’ needs are dynamic, a firm can attempt to anticipate changing customer preferences by monitoring the successes and failures of its competitors (Porter, 1985). Thus, firms
can develop future products and services that are more effectively positioned in the marketplace as a result of tracking their competitors. In short, a customer value emphasis on service drives firms to gather, interpret, disseminate, and act upon competitive information so that they can meet and beat the competition.

The principal features of a market orientation are actionable and include:

- the coordinated application of interfunctional resources to support the creation of superior customer value (Narver and Slater, 1990; Shapiro, 1988);
- the ability of the organization to generate, disseminate, and use superior information about customers and competitors (Kohli and Jaworski, 1990); and
- the generation of appropriate market intelligence pertaining to current and future customer needs, the communication of intelligence across departments, and the design and execution of strategies in response to this intelligence (Deng and Dart, 1994).

Day (1994) suggested that the degree of market orientation possessed by an organization is positively correlated with its capabilities to support and sustain behavior conducive to the development of this orientation. Capabilities in the marketing domain included market sensing, customer linking, competitor sensing, and customer service. Other capabilities could include technology monitoring, technology development, new product/service development, financial management, human resource management, organizational communication, and general strategy development. It is now broadly accepted that a market orientation is essentially a behavioral culture that dictates how an organization’s members think and act.

Based on the foregoing and the operational conceptual framework, we hypothesized thus:

Research hypothesis:

- **H1**: Self-awareness leads to market orientation.
- **H2**: Self-management contributes leads to market orientation.
- **H3**: Social awareness has leads on market orientation.
- **H4**: Relationship management leads to market orientation.
- **H5**: Emotional intelligence leads to market orientation.
RESEARCH METHODOLOGY

Two extreme points of view can be identified in the research methodology namely: quantitative and qualitative (Burrell and Morgan, 1979; Nwokah, 2006, 2008). Those who take the first approach argue that there is a similarity between social and natural phenomena and similar methods can be used to study both phenomena. They favour the positivistic quantitative methodology in social science research. Those who take the second approach believe that social and natural phenomena are different. Owing to the nature of this study, we adopted mainly the quantitative paradigm.

Sample Selection

A sample frame was compiled from the industrial estates companies of kerman city in the Iran. In total, 100 managers of companies in the industrial estates were asked (that 80 questionnaire returned back). To obtain reliable information for this study, the key informant approach was used. Therefore, two key informants in each of the corporate organizations among the sample size constituted the respondents.
DATA COLLECTION AND ANALYSIS

A survey questionnaire was developed for this study to measure the study constructs. Given the nature of this study as regards data generation requirements, it was considered that responses should be elicited from sources knowledgeable in the organization’s human resources and marketing activities so as to limit measurement error (Bowman and Abrosin, 1997).

In this regard, the head of human resources and head of marketing in each sample organization were treated as the key informants. A personal/hand delivery survey with the help of three research assistants was used to administer research instrument following the principles of the total design method with pre-notification correspondence. With the key informants approach; data were collected from a human resources manager on issues relating to emotional intelligence, and a marketing manager on issues relating to market orientation.

Therefore copies two questionnaire were distributed to a company making a total of 100 copies of questionnaire distributed. It was assumed that such managers have the best advantage point to provide the most accurate responses. A total of 80 copies of questionnaire were returned, out of which 20 were not useable on the basis that the respondents declared no wish to take part in the study for various reasons.

To analyze our data, SPSS for windows version 16.0 was used. Raw data were put into the spread sheet of the SPSS and were later transformed to obtain the sum

<table>
<thead>
<tr>
<th>Demographics of company</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
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<tbody>
<tr>
<td>Employees</td>
<td>Less than 10 10</td>
<td>12.5%</td>
</tr>
<tr>
<td></td>
<td>10-49      42</td>
<td>52.5%</td>
</tr>
<tr>
<td></td>
<td>50-99      8</td>
<td>10.0%</td>
</tr>
<tr>
<td></td>
<td>100-199    11</td>
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<tr>
<td></td>
<td>200-499    9</td>
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</tr>
<tr>
<td>Industrial</td>
<td>Metal      13</td>
<td>16.2%</td>
</tr>
<tr>
<td></td>
<td>Electronic 11</td>
<td>13.8%</td>
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<tr>
<td></td>
<td>Food       22</td>
<td>27.5%</td>
</tr>
<tr>
<td></td>
<td>Non metal  5</td>
<td>6.2%</td>
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<tr>
<td></td>
<td>Loom       4</td>
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<tr>
<td></td>
<td>Chemical   19</td>
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<tr>
<td></td>
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<tr>
<td>Native</td>
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<tr>
<td></td>
<td>Non native 7</td>
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<tr>
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<td>25-34      3</td>
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</tr>
</tbody>
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Review of Emotional Intelligence and Market Orientation in the Industrial Estates Companies

of the values of competitive intelligence and competitive advantage, also we used of Amos Graphics 18 for appraisal and testing of research model.

Demographics of companies and employees (people who respond to questionnaire) that involvement in the research, show in the Table 1-2.

**Table 2** Demographics of employee

<table>
<thead>
<tr>
<th>Demographics of employee</th>
<th>Frequency</th>
<th>Percent</th>
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<tr>
<td>master</td>
<td>8</td>
<td>10.0%</td>
</tr>
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</table>

**Construction of Research Instruments**

The research instruments were designed using measures from the extant literature. Two sets of instruments were designed to test the two constructs. A 20-item five-points Likert scale anchored by “1” strongly disagree to “5” strongly agree was developed to measure emotional intelligence. Five items were constructed to measure self-awareness, six items to measure self-management, four items to measure social awareness and five items to measure relationship management. A 20-item questionnaire had earlier been proposed by Deng and Dart, 1994; Narver and Slater, 1990 three domains of Market orientation.

**Table 3** Emotional intelligence and Market Orientation questions

<table>
<thead>
<tr>
<th>Market orientation questions</th>
<th>Emotional Intelligence questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Orientation</td>
<td>A. Self-awareness</td>
</tr>
<tr>
<td>1. We encourage customer</td>
<td>1. Workers who have strong self-awareness</td>
</tr>
<tr>
<td>comments and complaints</td>
<td>are usually realistic</td>
</tr>
<tr>
<td>because orientation they help</td>
<td>2. Self-awareness workers are normally not</td>
</tr>
<tr>
<td>us do a better job</td>
<td>overly self-critical or naively hopeful</td>
</tr>
<tr>
<td>2. After-sales service is an</td>
<td>3. Self-awareness is a propensity for self-</td>
</tr>
<tr>
<td>important part of our business</td>
<td>reflection and thoughtfulness</td>
</tr>
<tr>
<td>3. We have a strong commitment to our customers</td>
<td>4. Self-aware people typically find time to reflect quietly</td>
</tr>
</tbody>
</table>
4. We are always looking at ways to create customer value in our products
5. We measure customer satisfaction on a regular basis
6. Our firm would be a lot better off if the sales force worked a bit harder
7. In our company marketing’s most important job is to identify and help meet the needs of our customers
8. We define quality as the extent to which our customers are satisfied with our products/services

**Competitor orientation**
1. We regularly monitor our competitors’ marketing efforts
2. We frequently collect marketing data on our competitors to help direct our marketing plans
3. Our salespeople are instructed to monitor and report competitor activity
4. We respond rapidly to competitors’ actions
5. Our top managers often discuss competitors’ actions
6. We consider opportunities based on competitive advantage

**Inter-functional co-ordination**
1. In our firm the marketing people have a strong input into the development of new products/services
2. Marketing information is shared with all departments
3. All departments are involved in preparing business plans/strategies
4. We define quality as the extent to which our customers are satisfied with our products/services

**Self-management**
1. Persons who possess emotional self-control always endeavour to manage their disturbing emotions and impulses, to their advantage
2. A hallmark of self-control is the one who stays calm and clearheaded in a highly stressful situation or during crisis
3. Leaders-managers that are transparent about their values, and where necessary they openly admit mistakes and faults
4. Leaders-managers who possess strength in achievement, have high personal standards that drive them to constantly seek performance improvements for themselves and those they lead
5. Achievement-oriented leaders are interested in continually learning and teaching ways to do things better
6. An optimistic leader can roll with the purchase, seeing an opportunity rather than a threat in a setback

**Social awareness**
1. Social awareness enables a leader-manager to attune to a wide range of emotional signals, letting them sense the felt, but unspoken, emotions in a person or group
2. Social awareness enables a leader-manager to detect crucial social networks and understand key power relationships
3. Social awareness makes it possible for a leader to get along with people of diverse backgrounds
4. Social awareness enables a leader-manager monitor customer’s or client’s satisfaction carefully to ensure that they get what they get what they need

---

Table 3 (Cont’d)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td>We are always looking at ways to create customer value in our products</td>
</tr>
<tr>
<td>5.</td>
<td>We measure customer satisfaction on a regular basis</td>
</tr>
<tr>
<td>6.</td>
<td>Our firm would be a lot better off if the sales force worked a bit harder</td>
</tr>
<tr>
<td>7.</td>
<td>In our company marketing’s most important job is to identify and help meet the needs of our customers</td>
</tr>
<tr>
<td>8.</td>
<td>We define quality as the extent to which our customers are satisfied with our products/services</td>
</tr>
</tbody>
</table>

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4. Social awareness enables a leader-manager monitor customer’s or client’s satisfaction carefully to ensure that they get what they get what they need |
We do a good job integrating the activities of all departments.

Relationship management

1. Leaders that have inspiration competence create resonance and more people with a compelling vision or shared mission.
2. Inspirational leaders embody what they ask of others, and are able to articulate a shared mission in a way that inspires others to follow.
3. Leaders who are good at cultivating people’s abilities show a genuine interest in those they are helping along, understanding their goals.
4. Leaders who possess the change catalyst competence are usually able to lead in the recognition of need for the change, challenge the status quo, and champion the new order.
5. Leaders with conflict management competence have the capacity to manage conflict effectively, as they are able to draw out all parties, understand the differing views and then find a common ideal that everyone will endorse.

Validity of Research Instrument and Measurement Scales

The emotional intelligence domain and market orientation scales were tested for construct (convergent) validity. A measure can be said to have construct validity if it measures the theoretical construct or trait that it was designed to measure. The correlation among the component of emotional intelligence and the correlation among the components of the market orientation may provide evidence of convergent validity to the extent that they are high, that is they are converging on a common underlying construct (see table 5).

Research Results and Findings Scale Construction

The descriptive findings of the emotional intelligence are reported in Table 4. It can be observed that the mean scores range from 3.362 to 3.766 with a reasonable dispersion about this measure of central tendency. It was found that the Cronbach alpha coefficient for self-awareness is 0.797, self-management is 0.798, social awareness is 0.828 and relationship management is 0.818 and emotional intelligence is 0.905. Mean scores range for market orientation from 3.33 to 3.991 with a reasonable dispersion about this measure of central tendency. Cronbach alpha
coefficient for customer orientation is 0.821, ion competitor orientation is 0.869, inter function coordinate is 0.850 and for market orientation is 0.911. Also, item total scale correlation analyses calculated all variables to be positive and highly statistically significant in their relationship with emotional intelligence index.

**Table 4** Measures: Scale statistics

<table>
<thead>
<tr>
<th>Scale items</th>
<th>Cronbach alpha</th>
<th>Mean</th>
<th>S.D</th>
<th>T Value</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotional intelligence</td>
<td>0.905</td>
<td>3.61</td>
<td>.464</td>
<td>-6.74</td>
<td>0.000</td>
</tr>
<tr>
<td>Self awareness</td>
<td>0.797</td>
<td>3.36</td>
<td>.583</td>
<td>-9.78</td>
<td>0.000</td>
</tr>
<tr>
<td>Self management</td>
<td>0.798</td>
<td>3.74</td>
<td>.659</td>
<td>-4.02</td>
<td>0.000</td>
</tr>
<tr>
<td>Social awareness</td>
<td>0.828</td>
<td>3.76</td>
<td>.617</td>
<td>-3.14</td>
<td>0.000</td>
</tr>
<tr>
<td>Relationship management</td>
<td>0.818</td>
<td>3.69</td>
<td>.586</td>
<td>-4.80</td>
<td>0.008</td>
</tr>
<tr>
<td>Market orientation</td>
<td>0.911</td>
<td>3.65</td>
<td>.520</td>
<td>-6.69</td>
<td>0.004</td>
</tr>
<tr>
<td>Customer orientation</td>
<td>0.821</td>
<td>3.99</td>
<td>.541</td>
<td>-1.5</td>
<td>0.000</td>
</tr>
<tr>
<td>Competitor orientation</td>
<td>0.869</td>
<td>3.32</td>
<td>.702</td>
<td>-8.51</td>
<td>0.003</td>
</tr>
<tr>
<td>Interfunctiona coordination</td>
<td>0.850</td>
<td>3.37</td>
<td>.603</td>
<td>-9.31</td>
<td>0.000</td>
</tr>
</tbody>
</table>

**Table 5** Correlation is significant at the 0.01 level (2-tailed)

<table>
<thead>
<tr>
<th>Correlation</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self awareness</td>
<td>1.0</td>
<td>.43</td>
<td>.56</td>
<td>.44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self management</td>
<td>.43</td>
<td>1.0</td>
<td>.51</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social awareness</td>
<td>.56</td>
<td>.51</td>
<td>1.0</td>
<td>.69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relationship management</td>
<td>.44</td>
<td>.37</td>
<td>.69</td>
<td>1.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emotional intelligence</td>
<td>.75</td>
<td>.71</td>
<td>.87</td>
<td>.80</td>
<td>1.0</td>
<td></td>
</tr>
<tr>
<td>Market orientation</td>
<td>.50</td>
<td>.61</td>
<td>.48</td>
<td>.40</td>
<td>.59</td>
<td>1.0</td>
</tr>
</tbody>
</table>

**Appraisal & Testing of Default Model by Amos Graphic: 2-stage Approach**

There are sometimes good reasons for using Amos to do something simple, like estimating a mean or correlation or testing the hypothesis that two means are equal. For one thing, you might want to take advantage of the ability of Amos to handle missing data. Or maybe you want to use the bootstrapping capability of Amos, particularly to obtain confidence intervals.

Multiple models can be fitted in a single analysis. Amos examines every pair of models in which one model can be obtained by placing restrictions on the parameters of the other. The program reports several statistics appropriate for comparing such models. It provides a test of univariate normality for each observed variable as well as a test of multivariate normality and attempts to detect outliers.
Amos accepts a path diagram as a model specification and displays parameter estimates graphically on a path diagram. Path diagrams used for model specification and those that display parameter estimates are of presentation quality. They can be printed directly or imported into other applications such as word processors, desktop publishing programs, and general-purpose graphics programs.

**Appraisal & Testing of Measurement Model**

The portion of the model that specifies how the observed variables depend on the unobserved, or latent, variables is sometimes called the *measurement model*. The current model has two distinct measurement sub models. Measurement model of emotional intelligence (see Figure 2) and Measurement model of market orientation (see Figure 3).

![Figure 2](image1.png)  
**Figure 2** Measurement model of emotional intelligence.

![Figure 3](image2.png)  
**Figure 3** Measurement model of market intelligence orientation.
Results of modeling Amos graphics represented in the Table 5. Results show that Default model is approval, all scales of indicators: RFI should be between 0 & 1, its better to near 1. The NFT must least be 0.90, the scale of PNFT must upper than 0.50 & 0.60, PCFI must be least 0.50, the scale of AIC & NCP, better if be fewer. RMSEA must be upper than of 0.05, DF must be 0 or positive, CMIN/DF must be between 1&5.

Results of model fit in the Amos Graphics show in Table 6, that approval (un approval) measurement models (emotional intelligence, marketing orientation), to notice the range of indicators, can conclude that measurement models approved through Amos graphic.

Since Amos Graphic designed for test and appraisal of total model, therefore it is not urgent that measurements models that in first stage of tow-stage approach have been appraised were approval in all definite acceptable range. It is mean indicator'scals have been taken, they could acceptable.

<table>
<thead>
<tr>
<th>Approval (*)</th>
<th>Acceptable range for indicator</th>
<th>Emotional intelligence</th>
<th>Market orientation</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>* Number of parameter</td>
<td>12</td>
<td>9</td>
<td>NPAR</td>
<td></td>
</tr>
<tr>
<td>* must be 0 or positive</td>
<td>2</td>
<td>0</td>
<td>DF</td>
<td></td>
</tr>
<tr>
<td>* better if be fewer</td>
<td>6.83</td>
<td>0</td>
<td>Chi</td>
<td></td>
</tr>
<tr>
<td>* better if be fewer</td>
<td>0.04</td>
<td>-</td>
<td>P</td>
<td></td>
</tr>
<tr>
<td>* Between 0&amp; 1, upper than 0.90</td>
<td>1</td>
<td>1</td>
<td>CFI</td>
<td></td>
</tr>
<tr>
<td>* must be least 0.50</td>
<td>0.20</td>
<td>0</td>
<td>PCFI</td>
<td></td>
</tr>
<tr>
<td>* must be minimum</td>
<td>000</td>
<td>000</td>
<td>RMSEa</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4 Appraisal of total model
Results of model fit in the Amos Graphics show in Table 7, that approval (un approval) total model. to notice the acceptable range of indicators, can conclude that Default model approved through Amos graphic.

<table>
<thead>
<tr>
<th>Approval (*)</th>
<th>Un approval (-)</th>
<th>Acceptable range for indicator</th>
<th>Default model</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>*</td>
<td></td>
<td>between 0 &amp; 1</td>
<td>.62</td>
<td>RFI</td>
</tr>
<tr>
<td>*</td>
<td></td>
<td>Must be least 0.90</td>
<td>.925</td>
<td>NFT</td>
</tr>
<tr>
<td>*</td>
<td></td>
<td>Must be upper than 0.50 &amp; 0.60</td>
<td>.63</td>
<td>PNFT</td>
</tr>
<tr>
<td>*</td>
<td></td>
<td>must be least 0.50</td>
<td>.542</td>
<td>PCFI</td>
</tr>
<tr>
<td>*</td>
<td></td>
<td>better if be fewer</td>
<td>12.65</td>
<td>AIC</td>
</tr>
<tr>
<td>*</td>
<td></td>
<td>must be upper than of 0.05</td>
<td>.057</td>
<td>RMSEA</td>
</tr>
<tr>
<td>*</td>
<td></td>
<td>better if be fewer</td>
<td>14.68</td>
<td>NCP</td>
</tr>
<tr>
<td>*</td>
<td></td>
<td>must be 0 or positive</td>
<td>13</td>
<td>DF</td>
</tr>
<tr>
<td>*</td>
<td></td>
<td>better if be fewer</td>
<td>43.862</td>
<td>CMIN</td>
</tr>
<tr>
<td>*</td>
<td></td>
<td>between 1&amp;5</td>
<td>3.45</td>
<td>CMIN/DF</td>
</tr>
</tbody>
</table>

Review of Hypothesis

**Self-awareness influences market orientation**
Table 5 shows of the significant and positive associations (0.50) between Self-awareness and market orientation. These results provide strong support for H1.

**Self-management influences market orientation**
The findings on Table 5 indicate a significant and positive association (0.61) between Self-management and market orientation. These results again provide support for H2.

**Social awareness influences market orientation**
The findings on Table 5 indicate a significant and positive association (0.48) between of Social awareness and market orientation, these results provides strong support for H3.

**Relationship management influences market orientation**
The findings on Table 5 indicate a significant and positive association (0.40) between of Relationship management and market orientation, these results again provides support for H4.
Emotional intelligence leads to market orientation

The findings on Table 5 indicate a significant and positive association (0.59) between relationship management and market orientation, these results again provides support for H5.

CONCLUSIONS AND RECOMMENDATIONS

It is hardly deniable, that a substantial dose of cognitive intelligence is needed by a leader, but it is evident from the foregoing discourse that how well leaders manage and direct the feelings of their group-members, in order to attain the desired goals, largely depends on the leaders’ level of emotional intelligence. Drawing from our discussion of the Goleman’s four domains of emotional intelligence and their associated leader-managerial competencies, one can observe that resonance comes naturally to emotionally intelligent leaders. Their warm passion and enthusiastic energy resounds all through the group.

Under the guidance of an emotional intelligent leader, people feel a mutual comfort level. The survey results suggest that a valid instrument for measuring the emotional intelligence domain and market orientation of corporate organizations in Iran can be developed.

Once the importance of emotional intelligence is recognized, it is essential to remember that one’s EI can be improved with appropriate training. One does not have to accept inadequate levels nor be satisfied with current levels of EI. Appropriate training in how to identify and then use emotional intelligence will not only be beneficial to the individual, but benefits will come back to the organization. As one looks at costs of providing appropriate training to improve upon these skills, one needs to consider what the cost to the organization will be if action is not taken. Therefore, it is important to not only recognize the value of emotional intelligence, but to encourage and promote the improvement of these skills within the organization. That way, a win-win scenario is achieved for both the individual and the organization, and the slogan “We are a Caring and Sensitive Organization” becomes more than just words, it becomes synonymous with being service oriented and customer caring.

In spite of the crucial role that EI could play in improving individuals’ performance as well as career prospects in organizations, employees, executives and career professionals across the world are only beginning to understand the concept. They want to know what EI is, how EI develops in a person, and what tools, techniques and methods are available to raise and incorporate EI into one’s personality. These queries persist because, despite EI becoming a multimillion-dollar training industry in itself, research outputs from EI academics are yet to reach the wider populations. This paper attempts to answer these questions by portraying a model of EI drawn upon inputs from academic research and feedbacks from EI training professionals. Though the model would require more research in future
to add empirical strength, the aim of this paper is to help executives, employees and other career aspirants understand what EI competencies they need to acquire and how these could be developed through EI training.

A profit emphasis is based on the capability of management information systems to determine the profitability of each major customer, product line, sales territory and distribution channel. Responsiveness entails being able to respond rapidly to competitor price changes and regularly monitoring customers’ product/service needs. The major implication for managers is that the successful implementation of the marketing concept can produce tangible customer and organizational benefits.

Attention to the three dimensions of market orientation outlined above should help managers improve company performance. The development of a parsimonious instrument to measure market orientation should also help managers to pin-point areas of weakness and enable them to take corrective action.

This paper has sought to contribute further to knowledge concerning emotional intelligence and market orientation by applying the established market orientation model to companies in Iran some what unique circumstances. However, in furtherance to the realization of set objectives, we make the following recommendations that leaders should have a dose of emotional intelligence in order to lead people for effective marketing performance. Research efforts in the future may wish to consider certain themes and issues that have emerged from this paper. In line with this, attention could be devoted to examine the relationship of these constructs in other cultural environments.

ACKNOWLEDGEMENT

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Review of Emotional Intelligence and Market Orientation in the Industrial Estates Companies


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