

## **THE ROLE OF EMOTIONAL INTELLIGENCE IN KNOWLEDGE SHARING**

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### **ABSTRACT**

Until the last decade, the possession of physical resources meant wealth and power in business. Labour, capital and natural resources were the key factors of production. Although, knowledge existed at this time, the production was defined by the holders of tangible assets. Only slight interest was given towards knowledge and its value was not known. Today, this trend is changing. In the future, economic and business wealth, success will be determined by intellectual assets. (Bencsik, 2009) As Peter F. Drucker said, "Today, the single most valuable resource for both the individual and the society is knowledge. Knowledge is able to create everything else."(Tomka, 2009) Nowadays in theories of knowledge economics knowledge is defined as possession of technology. By means of technological innovations we can only obtain market leadership positions for a short period of time, as they can be easily copied by our competitors. However, the same cannot be said about intellectual capital, tacit knowledge and experience of employees. In the rapidly evolving world of technology the only important factor providing long-term competitive advantage is the knowledge of the employees.

In this paper I will show a new part of tacit knowledge, which plays an important role in organizational success: emotional intelligence. I would like to define this new issue, to introduce the relation between tacit knowledge and emotional intelligence and to show its effect on organizational success. This paper will try to confirm that emotional intelligence will be an important part of knowledge economies. With cognition of emotional intelligence we are able to build and operate a strong company.

### **KEYWORDS**

Tacit knowledge, knowledge management, emotional intelligence, emotional competencies

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## 1. INTRODUCTION

In our days a new social-economic view has been gaining ground, where we can meet such notions like informational society, reticulations, knowledge economy, studying organizations, productivity coming from knowledge, headway of services instead of products and the role of ICT technology, which can make everyday life easier. The main factor of the changing is the flare of the intellectual activity at workplace, the appearance of the so called knowledge employees, who demonstrate the new type of workforce. As a consequence of it, the main task of the management is not to manage the knowledge, which means creating and making knowledge more explicit, but to manage the people, who share their knowledge and manage the change of it. (Fekete & Török, 2011).

## 2. THE NOTION AND TYPES OF KNOWLEDGE

According to Polanyi (1994), knowledge means the skill to act involving practical knowledge like chopping wood and intellectual knowledge like speaking or researching. With these examples he reveals that knowledge is untouchable and difficult to explain. Let us think of swimming. How children, who can swim, could explain to their mates that they can stay on the surface of water. Therefore the notion of knowledge is intuitive, is inside of individuals and part of the unpredictability of people.

The view of Popper (1971) is that knowledge means “capacity, which is acquirable by studying. This knowledge makes an individual or a group capable to implement definite tasks through processing data or information.”

We can distinguish two forms of knowledge: explicit and implicit. The two of them do not substitute but supplement each other. (Horvath, 1999) We can represent the explicit knowledge in words or in written form. Instead of this, the tacit or implicit knowledge is untouchable, can be influenced by emotions and difficult to be revealed in practice. It is such knowledge, which can be promoted by experiences and reading. These are such values, in which people can believe or they gain them from the surroundings. (Odigie & Li-Hua, 2009)

According to Nonaka and Takeuchi explicit knowledge is formal and systematic. It can be expressed in words and numbers, stored in database and spreads electronically. In the other side, tacit knowledge is very personal and it is difficult to be realized because of its abstract character. It involves experiences, ideas, values, emotions. Nonaka and Konno state that tacit knowledge is difficult to be formalized and communicated among people. It has deep roots in the activity, experiences and emotions of people. The borderline between tacit and explicit knowledge is unclear, undecided and vague. (Carlsen, 1999)

Polanyi (1994) gives the following example to demonstrate the meaning and understanding of tacit knowledge: if we know somebody's face, we realize it among thousands of faces, but we cannot explain how we can do it. People have the tacit knowledge in mind; therefore it is very difficult to be shared. The main part of it cannot be articulated. Furthermore, people are not aware of the fact, that their knowledge can also be a value for others.

The word "tacit" means silent, mute, it is non-communicative, non-visible, cannot be expressed by words, it is a secret. It involves the capacities of hand, the knowledge of skin and the deep layers of mind. As Nyström says (Ismail, 2006) tacit knowledge can be acquired by long practice. It is the consequence of such events like miscarriage, correction, delusion, and altering ideas. Jarvinen determined tacit knowledge as the one of here and now, which is based on the practical circumstances of present. Instead of this, explicit knowledge is the one of there and then, which is based on past events.

Tacit knowledge has more components:

- The experience involves such knowledge, which cannot be acquired by learning. Truly, learning gives a good and necessary base for work, but it is not enough in the world of work. Through our experiences we know how to deal with people at certain workplaces. It helps to understand things. Experience makes planning and signing the future easier. It gives a wider view about present situations. This is tacit knowledge, which can be promoted during years, it is difficult to be communicated or passed. Experience is one of the most essential tacit knowledge. The employee brings this knowledge with himself when leaving the company. Because trainings at universities have become more practical, this experience can be passed much easier, as the soulful newcomers start building their empirical knowledge very early, already at the nowadays so trendy trainee qualifications.
- The social skills like making and keeping relations are very relevant at every workplace. The employees should be open as well; in other case knowledge cannot be passed. (Carlsen, 1999)
- Practical truth means that we are aware of things, which are good and operable in reality. Our knowledge about reality is more valuable than the theories about them. While negotiating with a client, there is no earlier, perspicacious assessment, which can help the advisor to make the contract.
- According to complexity we need to balance after thorny systems of criterion before making decision. The most of the problems cannot be solved easily without analyzing its surroundings.
- The substance of the judgment is that the adjudication of new situations and pieces of information become real through our extant knowledge.

- Our knowledge cannot be separated from our values. Our family background, bringing-up, friends or inner motivations can influence our business decisions very much. (Davenport & Prusak, 2001)

By these components tacit knowledge can be divided into two parts: the knowledge, which is represented by people (values, belief, social skills, which are brought into work), and on the other hand the knowledge impregnated in progresses and products, which are gained by working, created by people. Both types of knowledge are hidden and hard to be expressed by words or diagrams. (Horvath, 1999)

Tacit knowledge, however, can be classified from another, from the view of intelligence as well. In this way, two of the components of tacit knowledge, complexity and judgment are based on cognitive knowledge, in other words on cognitive intelligence (IQ). On the other hand, the other components are based on a deeper, more emotional factor. This is the emotional intelligence (EQ). It shows that we should have real self-estimating, control our skills, recognize and influence the feelings of others in order to share and formulate our tacit knowledge. All these factors create emotional intelligence. But what does EQ really mean?

### **3. THE NOTION OF EMOTIONAL INTELLIGENCE**

Since the rise of civilization people have been interested in the fact how feelings impress thinking and behaviour. Plato was the first to state that emotions, feelings show a more primitive side of people. According to Freud and his mates emotions honeycomb the logical thinking. Instead of these theories, the new researches show another picture of EQ. After them, emotions are very beneficial, moreover they are substantive elements of the social situations as they can make thinking and reactions weaken or enhance. In this new competitive situation emotional intelligence is overestimated not only at workplace but also at market as well. When we feel well, we tend to see everything in rose and are opener to share our knowledge as well. (Ciarrochi & Forgas & Mayer, 2003)

The interest for the symptom of emotional intelligence has been increasing so much that, as a consequence of it, more types of definitions and measuring methods have spread. Although the investigation for thinking and mood influencing thinking has started in the 1970s, the emotional intelligence became a field of research only between the years of 1990-93. Till recent past, till 1997 the researchers have tried to define only its notion. Thank to this period, there are many notions of emotional intelligence now. While having created notions also some delusions have come out. So I think it is substantial to clear them:

- The emotional intelligence means not only the fact that somebody is “kind”. There can be situations, when we need to be not so kind, moreover we have to say the rugged truth eye to eye.

- Emotional intelligence does not mean that we ensure dictatorship for our feelings. It rather means the suitable treatment of feelings and the right expression of them in order to cooperate and work together efficiently. (Goleman, 2004)
- Neither women nor men are better or worse in emotional intelligence. Both genders have strengths and weaknesses, but truly, as also Diener states, women live their positive and negative feelings more temperamentally than men. (Goleman, 2008)

Then what does EQ really mean? As Goleman says, EQ is “the skill, with the help of this we are able to recognise the meaning and reactions of feelings, think and solve problems.” (Ciarrochi & Forgas & Mayer, 2003) Emotional intelligence is not the whole of cognitive skills, competencies and facilities, which influences the ability of people so as to be able to fight against requirements and pressure of external surrounding.

When making decisions, besides rationalism and judiciousness also our feelings count. Emotions and rationalism, as two minds, are in a very tight harmony. If we know something through our feelings and rational mind as well, it takes a deeper persuasion. The two types of knowledge enwreathing into each other give the right direction in life.

Robert Sternberg, the psychologist of the Yale University, has researched, what people mean when hearing about intelligence, by which factors they consider somebody else intelligent. The asked people highlighted the skill of treating other people right, the social skill (which is the component of tacit knowledge) as the most relevant factor to resolve the intelligent person. (Goleman, 2008)

Emotional intelligence has big role in recognizing the feelings of ourselves and the ones of other people, making our feelings real belonging to these emotions, understanding the information carried by emotions and treating emotions. As a consequence, emotional intelligence has five fields which are the following:

1. Recognition of emotions: how confident somebody is in his own emotions, how determined he is when making decisions.
2. Treatment of emotions: the skill which shows, how far we can influence our emotions and how far they can influence us. People, the skill of whose is very improved, can get through the difficulties and crises befalling them in life much easier.
3. Self-motivation: target-oriented mobilization of emotions.
4. Recognition the emotions of others.
5. Treatment of relations: influencing the emotions of others. (Goleman, 2008)

These 5 factors were realized with 21 metacompetencies by Goleman (see Table 1) in order to be measured easier. All of these emotional competencies are based on emotions. The owner of them is probably emotionally intelligent, so he can reach bigger successes at workplace than those, who do not have these skills. At the same time, as the illustration shows, the emotionally intelligent person has social competencies as well. Therefore he has bigger capacity to share his knowledge, because he is able to feel and recognize in a given situation what his mates need, a tool or knowledge, in order his problems to be solved. Due to his social competencies he is able to make and build confidence among his colleagues, which is indispensable in order to transfer his knowledge.

**Table 1. The emotional metacompetencies**

	Ourselves – personal competencies	Others – social competencies
Recognition	emotional self-awareness correct self-estimation self-confidence	social awareness empathy systematic awareness
Regulation	self-control trustworthiness exactitude ability to conformity being oriented for results skill to initiate	treating relations improving others influencing communication treating conflicts skills for leadership inducting changing building relations teamwork and cooperation

From Boyatzis, R. E.- Goleman, D. - Rhee, K. (2000): *Clustering competence in emotional intelligence: Insights from the Emotional Competence Inventory (ECI)s.*

#### 4. THE IMPORTANCE OF RESEARCHING EQ

Why has EQ become the main point of researching in our days? The labour market has been changing. Recently, companies have not selected the employees after their qualification, smartness, but rather after the skill, how far they are aware of their knowledge, how they can treat others. This fact has become the main factor in a situation who to be employed, promoted or fired. Becoming a successful employee or failing at workplace will be decided after such skills like capability to initiate, empathy, accommodation, influencing power. (Goleman, 2004) National assessments confirm that being able to learn from work has turned more essential for employers in our days than having special professional skills. The most substantial skills in the rank of employers are the following: attention, communication skills, efficiency between team and person, organizing skills, leadership, capability to initiate. The leaders, who have these competencies, achieve better by about 15-20 % than it is awaited from them. On the other hand, the leaders, who do not have these competencies, underachieve by about 20 % the requirements. The new knowledge employees are typified in the same way. The name of it comes from the 1960's, when post-industrial new economy made place the production of industrial mass production. According to Peter F. Drucker the notion means a highly qualified, intellectual workforce, which is expressed by the following skills: task-oriented, independent, innovative, has learning and teaching skills, quality-oriented, when employing an employee, he gives more profits than costs.

At the same time also digital cultivation and the use of ICT have become more important. In these days time and place have gotten relative; they have been broadening via communicative opportunities, internet and computer. Through networks we are able to get in touch with other people living in other continents by emails, sending electric documents, audio and video messages or taking part in videoconferences. After Spencer and his research, when speaking about technical jobs, result-orientation is one of the most important skills when making a decision about employing someone. On the other hand, speaking about managing jobs, also influencing and building relations are important. Besides these capabilities, the skill of improving others, thinking systematically, cooperating and such mental factors like confidence, which has importance in building and keeping relations; envy, self-respect or unselfishness, which has a big function in understanding and influencing others' behaviour have been instrumental in a more relevant role. At the same time attention, as a skill, has become more substantial. We live in such a world, when we need to select among real and unreal pieces of information. The extent of our attention is determined by time, which is the new resource of nowadays. Time is the most inflexible resource, because we cannot make or store it, buy or promote more. Because of using internet, we own too much information. But people's attention is a very tight resource, which has critical importance. As an example, companies do everything to draw our attention to their products. It is because we are able to concentrate only on few things during a certain period. After a research the number of these things is about 10. (Fekete & Török, 2011)

Since 1918 the general value of IQ has risen by 24 points. The causes of this progress are the better living standard, the longer studying period, computer games, riddles and the smaller families as well. While the IQ of children has increased, the EQ of them has decreased. The new generations are emotionally more uncertain than the earlier ones. The youth has been feeling itself lonelier, tended to be depressed, sloppy, more nervous, impulsive and aggressive. As a consequence of this progress the rate of desperation, alienation, use of drugs, crime, violence, intimidation of the weak and playing truant from school has been increasing. It is more desperate in this situation, what this progress affects to the labour market: the emotional intelligence of newcomers is highly defective. The members of this generation are not motivated in learning and being improved in work, 4 from 10 newcomers are not able to cooperate with their colleagues and 7 of them are unable to self-control after American researches. Leaders state that young employees cannot stand critics, when somebody points at their mistakes. Therefore they become more aggressive and feel that the critics are personal attacks against them, although the leaders estimate only their achievement.

I can prove the results of the research by having asked the students of the Gyula Kautz Economic Faculty of Istvan Szechenyi University as well, what their weaknesses are. The answers of them were: they are impatient, nervous, struggling, uncertain, undecided, unable to work in group, stressed, unmotivated and loose the interest very soon. These properties have come out at the university while having solved tasks during a lesson and during the preliminary interviews as well. The L'Oreal, a company producing cosmetic products has brought into practice that they choose the new employees after their emotional intelligence. As a

result of this decision they detected that the number of newcomers who left the company within a year has decreased by 63%. It is a great result in our days, because we live in such an era after recession, when firing out an employee and employing another one takes the amount of the yearly salary of an employee. This amount involves the costs of the severance pay, the recruitment and the training. (Goleman, 2004) What will happen to this new generation after this changing? Since the 1920's such a general view has grown up, that employees working at the same places should be get on well with each other. Stevens and Campion (1994) created a test, which is appropriate to measure the skill of teamwork. After making this test they suggested that the results made close connection with the achievement of the teamwork. As we know, good spirit of the team affects the confidence among the members positively, which, according to many researches, is the precondition of sharing tacit knowledge. Due to this reason the emotional intelligence, emotional improvement can become the key factor at studying at high educational institutions in order to give such a group of students, which is emotionally more stabile and has the inner inspiration to share its knowledge.

## 5. SUMMARY

In my survey I tried to highlight to the fact, that beside tacit knowledge also emotional intelligence has a big function in economic life. The two symptoms are in a very close relationship, which can be pictured by an iceberg as also the first illustration shows it. The higher, visible part of the iceberg shows explicit knowledge. It mainly has the same meaning as IQ, the cognitive knowledge, the contents of books, documents, which are reachable for everyone. The higher part of the iceberg under the water involves tacit knowledge such as social skills, intuition, experiences and adjustment of values. These skills are based on the deeper part of the iceberg, on such skills like self-estimating, self-control, recognizing and controlling our own emotions. As it shows, the whole part of the iceberg under the water demonstrates emotional intelligence, which is an insensible mass of knowledge at first view. This knowledge becomes visible by getting to know people. In our days, when there is a bigger amount of unnecessary workforce and more hundreds of unemployed people having the mainly same qualification apply to the same job, this hidden knowledge, the EQ indicates, whom the companies should employ, to whom they can really count on for longer period. In order to realize these skills, the elongated duration of applying interviews and organizing permanent AC's will have a bigger function..

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